

J.P.Morgan

J.P. Morgan Structured Products B.V.
(incorporated with limited liability in The Netherlands)
as Issuer

JPMorgan Chase Bank, N.A.
(a national banking association organised under the laws of the United States of America)
as Guarantor in respect of

66,518 Certificates linked to the Volatility Enhanced Hybrid MH Index, due February 2013 (the "Securities")

(ISIN: NL0010002689)

**Structured Products Programme for the issuance of
Notes, Warrants and Certificates**

Investing in the Securities puts your capital at risk. You may lose some or almost all of your investment.

This document (this "**Prospectus**"), which will be published on the website of the Luxembourg Stock Exchange, constitutes a Prospectus for the purposes of Article 5.3 of Directive 2003/71/EC (the "**Prospectus Directive**") relating to the above-referenced Securities issued by J.P. Morgan Structured Products B.V. (the "**Issuer**" or "**JPMSP**") under its Structured Products Programme for the issuance of Notes, Warrants and Certificates (the "**Programme**") and guaranteed by JPMorgan Chase Bank, N.A. (the "**Guarantor**") under the JPMorgan Chase Bank N.A. Guarantee (as defined in the Base Prospectus (as defined on page 26)).

Application has been made to The Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) ("**AFM**") in its capacity as competent authority under the Dutch Securities Laws to approve this Prospectus and application has been made for the Securities to be listed on the Official List and to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, which is regulated by Directive 2004/39/EC on Markets in Financial Instruments ("**MiFID**").

The AFM has been requested to provide the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), which is the competent authority of Luxembourg for the purposes of the Prospectus Directive, with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive. Further requests may be made in the future.

The Securities are unsecured and unsubordinated general obligations of the Issuer and not of any affiliate of the Issuer.

The JPMorgan Chase Bank, N.A. Guarantee is an unsecured and unsubordinated general obligation of JPMorgan Chase Bank, N.A. and not of any of its affiliates.

The JPMorgan Chase Bank, N.A. Guarantee: (i) is not a savings account or a deposit of JPMorgan Chase Bank, N.A. or any bank or non-bank subsidiary of JPMorgan Chase Bank, N.A.; and (ii) will rank *pari passu* with all other unsecured and unsubordinated indebtedness of JPMorgan Chase Bank, N.A. except obligations, including U.S. domestic deposits of JPMorgan Chase Bank, N.A., that are subject to any priorities or preferences by law.

None of the Securities or the JPMorgan Chase Bank, N.A. Guarantee is a deposit insured by the U.S. Federal Deposit Insurance Corporation (the "FDIC"), the U.S. Deposit Insurance Fund or any other governmental agency or instrumentality.

The Securities and the JPMorgan Chase Bank, N.A. Guarantee have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States or to U.S. persons unless the Securities are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available.

SEE THE SECTION ENTITLED "RISK FACTORS" BELOW FOR CERTAIN INFORMATION THAT SHOULD BE CONSIDERED BY POTENTIAL PURCHASERS OF THE SECURITIES. SEE ALSO "KEY INVESTOR INFORMATION" WITHIN THE SUMMARY FOR AN OVERVIEW OF CERTAIN ESSENTIAL CHARACTERISTICS OF THE SECURITIES.

Dealer

J.P. Morgan

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SUMMARY

This summary must be read as an introduction to this Prospectus and any decision to invest in the Securities should be based on a consideration of this Prospectus as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area, no civil liability will attach to the Responsible Persons (as defined below) in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to the information contained in this Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Prospectus before the legal proceedings are initiated.

Key Investor Information

This section "Key Investor Information" forms part of the Summary and provides you with key investor information about this product. It is not marketing material. The information is being provided to help you understand the nature and risks of the Securities. You are advised to read it before deciding whether to invest.

1. Title of Securities

J.P. Morgan Structured Products B.V. 66,518 Certificates linked to the Volatility Enhanced Hybrid MH Index, due February 2013 (the "Securities")

ISIN Code: NL0010002689

Common Code: 073917867

2. Name of Issuer of the Securities

The Issuer is J.P. Morgan Structured Products B.V.

J.P. Morgan Structured Products B.V. was incorporated as a limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of The Netherlands in Amsterdam, The Netherlands, on 6 November 2006 to exist for an unlimited duration. J.P. Morgan Structured Products B.V.'s business principally consists of the issuance of securitised derivatives comprising notes, warrants and certificates, including equity-linked, reverse convertible and market participation notes and the subsequent hedging of those risk positions.

3. Name of any Guarantor of the Securities

The Guarantor is JPMorgan Chase Bank, N.A.

JPMorgan Chase Bank, N.A. was initially organised as a New York banking corporation on 26 November 1968, and converted into a national banking association on 13 November 2004. JPMorgan Chase Bank, N.A. is one of the principal bank subsidiaries of JPMorgan Chase & Co. JPMorgan Chase Bank, N.A.'s activities are organised and integrated with the businesses of JPMorgan Chase & Co.

4. Status of Securities and of any guarantee

- (i) The Securities are unsecured and unsubordinated obligations of the Issuer. There is no cross default or negative pledge provisions in respect of the Securities.
- (ii) The guarantee of JPMorgan Chase Bank, N.A. is an unsecured and unsubordinated general obligation of JPMorgan Chase Bank, N.A. and not of any of its affiliates. The guarantee: (a) is not a savings account or a deposit of JPMorgan Chase Bank, N.A. or any bank or non-bank subsidiary of

JPMorgan Chase Bank, N.A.; and (b) will rank *pari passu* with all other unsecured and unsubordinated indebtedness of JPMorgan Chase Bank, N.A. except obligations, including U.S. domestic deposits of JPMorgan Chase Bank, N.A., that are subject to any priorities or preferences by law.

5. Governing Law

The Securities shall be governed by English law. The JPMorgan Chase Bank, N.A. Guarantee is governed by the laws of the State of New York.

6. Issue Price and form of the Securities

- (i) The issue price shall be USD 1,000 per Security.

Warning: the issue price may be more than (a) the market value of the Securities as at the issue date of the Securities, the date of this Prospectus or any other date and (b) the amount, if any, at which J.P. Morgan Securities Ltd. (as dealer) or any other person is willing to purchase the Securities in the secondary market, and may take into account amounts (I) with respect to commissions relating to the issue and sale of the Securities and (II) relating to the hedging of the Issuer's obligations under the Securities. If you are intending to purchase Securities through an intermediary (including by way of introducing broker) you should request details of any such commission or fee payment from such intermediary before making any purchase.

- (ii) The Securities will be represented on issue by a temporary global security in registered form exchangeable upon certification of non-U.S. beneficial ownership for a permanent global security in registered form.

7. Issue date, redemption date and settlement date and potential for early redemption

- (i) The issue date is 7 February 2012.
- (ii) The redemption date and settlement date is 7 February 2013.
- (iii) The Securities may be terminated at the option of the Issuer prior to the maturity date for taxation reasons or for reasons of illegality under the Conditions of the Securities. See General Conditions 12 and 17 of the "General Conditions" in the Base Prospectus. In such case, the amount payable on early termination shall be, for each Security, an amount determined by the Calculation Agent as the fair market value of the Security taking into account all relevant factors (but ignoring the event which resulted in such termination) less all costs incurred by the Issuer or any affiliate in connection with such early termination determined by the Calculation Agent in good faith and in a commercially reasonable manner.

8. Information on the Reference Asset

Reference Asset	Initial Index Level	Final Index Level	Valuation Date
The Index as more fully described in the Volatility Enhanced Hybrid MH Index Rules set out in Part 1 (<i>Volatility Enhanced Hybrid MH Index Rules</i>) (the " Index Rules ") of the Schedule	150.45, being the Index Level (as defined in the Index Rules) of the Index in respect of the Initial Valuation Date as of the date of this Prospectus (as determined by the Calculation Agent, and subject to	The Index Level in respect of the Valuation Date (as determined by the Calculation Agent, and subject to adjustment and correction in accordance with the Conditions)	28 January 2013, or if such day is not an Index Business Day (as defined in the Index Rules), the next following

hereto	adjustment and correction in accordance with the Conditions)		Index Business Day
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9. Interest on the Securities

No interest shall be payable on the Securities.

10. Final redemption amount of the Securities

- (i) The final redemption amount payable on the Securities is linked to the performance of the Reference Asset. **Holders of the Securities shall have no rights in relation to the Reference Asset.**
- (ii) Unless the Securities have previously been redeemed, or purchased and cancelled, prior to the redemption date under the Conditions of the Securities including any redemption pursuant to paragraph 7(iii) above, the Securities will be redeemed on the redemption date, and the redemption amount for each Security payable on such date shall be an amount in the Specified Currency determined by the Calculation Agent as the greater of (I) USD 1 and (II) the sum of (a) the product of (x) USD 1,000 and (y) the quotient of (A) the Final Index Level (as numerator) and (B) the Initial Index Level (as denominator) and (b) the product of (x) USD 1,000 and (y) the Cash USD Index Level (as described in paragraph 10(iii) below) in respect of the Valuation Date minus one.
- (iii) The Cash USD Index Level in respect of each Cash Business Day (being any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York City) in respect of the period from but excluding the Initial Valuation Date to (but excluding) the Valuation Date (the “**Cash USD Calculation Period**”) and the Valuation Date shall be an amount determined by the Calculation Agent as the product of (I) the Cash USD Index Level in respect of the Cash Business Day immediately preceding such Cash Business Day (or, where such Cash Business Day is the first Cash Business Day in the Cash USD Calculation Period, one) and (II) the sum of (a) one and (b) the quotient of (x) the product of (A) the Federal Funds Effective Rate US on the Cash Business Day immediately preceding such Cash Business Day (or, where such Cash Business Day is the first Cash Business Day in the Cash USD Calculation Period, on the Initial Valuation Date) as calculated by the Federal Reserve Bank of New York and appearing on Bloomberg page “FEDL01 Index” and (B) the number of calendar days in the period commencing on (and including) the Cash Business Day immediately preceding such Cash Business Day (or, where such Cash Business Day is the first Cash Business Day in the Cash USD Calculation Period, commencing on and including, the Initial Valuation Date) and finishing on (but excluding) such Cash Business Day (as numerator) and (y) three hundred and sixty (as denominator).

11. Representative Symbols

<i>Horizon</i>	<i>Market Outlook</i>	<i>Invested amount will be repaid?***</i>	<i>Investment Objective</i>
			
1 year or less	Bullish	Principal at Risk	Growth

* Classification of structured products into categories is not intended to guarantee particular results or performance

- ** Any amount that would otherwise be payable in accordance with the redemption formula described above on early or final redemption of the Securities, is subject to (i) insolvency of the Issuer and Guarantor, (ii)(a) prior sale or (b) early redemption of the Securities for certain events (e.g., illegality) and (iii) adjustment made to the terms of the Securities.

12. Key Risks

The risks described below are provided to highlight certain of the essential categories of risk only, and are by no means comprehensive. You should read "Risk Factors" in the Prospectus for a fuller description of certain risks in relation to the Securities.

Investing in the Securities puts your capital at risk. You may lose some or almost all of your investment.

(i) ***Risk that the Securities are not suitable or appropriate for you***

The Securities are structured products which include embedded derivatives, and before deciding to purchase Securities you must understand their terms including (a) the potential risk of the loss of some or almost all of your investment and (b) the relationship of the potential payout on the Securities to the performance of the underlying Reference Asset(s), including the characteristics and risks inherent in the Reference Asset(s).

You should reach an investment decision only after careful consideration, with your own tax, accounting, legal and other professional advisers, of the suitability of the Securities in the light of your particular financial circumstances and investment objectives and risk profile, and the information set forth in this Prospectus.

You should not invest in the Securities unless you can withstand a loss of almost all of your invested amount.

(ii) ***Risk relating to the ability of the Issuer and the Guarantor to make all payments under the Securities or to fulfil their respective obligations under the Securities to Holders***

It is possible that the Issuer and the Guarantor could go bankrupt or otherwise be unable to make the payments owing under the Securities or to fulfil their respective obligations under the Securities to Holders. If that happens, you will not have the protection of any deposit insurance scheme and will not be secured, and may lose some or almost all of your money.

(iii) ***Risk from having no interest in the Reference Asset***

You should be aware that holders of Securities will have no interest whatsoever in the underlying Reference Asset(s), and the Issuer may apply your purchase moneys for any corporate purposes. Therefore, if the Issuer and Guarantor fail to make the required payments under the Securities, you will not be able to claim against any assets.

(iv) ***Risk as to the market value and payout of the Securities***

Investors in the Securities will be exposed to the performance of the Reference Asset: the past performance of the Reference Asset is not indicative of future performance. The market value of the Securities may be highly volatile and may be adversely affected by a number of factors, such as (a) the credit rating of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. (which credit ratings may

move independently of each other), (b) the performance of the Reference Asset and (c) various other factors.

(v) ***Risk that there will not be a liquid secondary market into which the Securities may be sold***

An active trading market for the Securities is not likely to develop: the Securities may have no liquidity or the market for the Securities may be limited and this may adversely impact their value or the ability of a holder of Securities to sell them.

(vi) ***Conflicts of Interest***

J.P. Morgan affiliates are subject to certain conflicts of interest between their own interests and those of Holders of the Securities. You should read "Conflicts of Interest" below.

13. Calculation Agent

The Calculation Agent shall be J.P. Morgan Securities Ltd. The Calculation Agent has broad discretion in certain circumstances to make certain determinations, including to make adjustments to the terms of the Securities and/or to cause early redemption of the Securities, any of which may be adverse to holders of the Securities.

14. Listing, admission to trading, clearance, offering and rating

- (i) Application will be made for the Securities to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange (which is regulated by Directive 2004/39/EC on Markets in Financial Instruments).
- (ii) The Securities will be cleared on the issue date through Euroclear and Clearstream, Luxembourg.
- (iii) The Securities will not be rated.

15. Practical Information

- (i) You can find further information on the Issuer and the Guarantor in this Prospectus (including the information incorporated by reference in "Documents Incorporated by Reference" below). The documents incorporated by reference will be available on the Luxembourg Stock Exchange's website (www.bourse.lu).

You can find the SEC filings of JPMorgan Chase & Co. (the parent company of the Guarantor) on the website maintained by the SEC at <http://www.sec.gov> and also on JPMorgan Chase & Co.'s investor relations website at <http://investor.shareholder.com/jpmorganchase/>. Unless specifically incorporated by reference into this Prospectus, JPMorgan Chase & Co.'s filings with the SEC shall not be deemed to be part of this Prospectus.

- (ii) You can find further information on the Index at <http://www.bloomberg.com> (the information appearing on such website does not form part of this Prospectus).

16. Date of Publication

This Summary (including this Key Investor Information) is published on 27 April 2012.

PERFORMANCE SCENARIOS

The scenarios presented below are examples and are purely indicative and are presented for illustrative purposes only. The examples shown below may not have an equal probability of occurrence. The redemption amount in respect of the Securities will be calculated in accordance with the terms and conditions of the Securities as set out in this Prospectus.

The following scenarios assume that the investor has invested U.S. \$1,000 per Security.

(i) **Final Redemption Amount.**

- (a) **Scenario 1:** *The Final Index Level is greater than or equal to the Initial Index Level and the Cash Amount (as to which see (ii) below) is a positive amount or zero.*

In this scenario, the Securities will be redeemed on the scheduled redemption date and the redemption amount payable per Security will be at least U.S. \$1,000.

In this scenario, an investor in the Securities may receive a return on the amount invested.

- (b) **Scenario 2:** *The Final Index Level is greater than or equal to the Initial Index Level and the Cash Amount is a negative amount.*

In this scenario, the Securities will be redeemed on the scheduled redemption date and the redemption amount payable per Security could be less than, equal to or greater than U.S. \$1,000 depending on the Cash Amount and by how much the Final Index Level is greater than the Initial Index Level.

In this scenario, an investor in the Securities may sustain a loss of some of the amount invested.

- (c) **Scenario 3:** *The Final Index Level is less than the Initial Index Level and the Cash Amount is a positive amount or zero.*

In this scenario, the Securities will be redeemed on the scheduled redemption date and the redemption amount payable per Security could be less than U.S.\$ 1,000 depending on Cash Amount and by how much the Final Index Level is less than the Initial Index Level.

In this scenario, an investor in the Securities may sustain a loss of some of the amount invested.

- (d) **Scenario 4:** *The Final Index Level is less than the Initial Index Level and the Cash Amount is a negative amount or zero.*

In this scenario, the Securities will be redeemed on the scheduled redemption date and the redemption amount payable per Security will be less than U.S. \$1,000 and could be as low as U.S. \$1 (but will not be lower than U.S. \$ 1).

In this scenario, an investor in the Securities will sustain a loss of some of the amount invested and may sustain a loss of almost all of the amount invested.

- (ii) **Cash Amount** – *Whether a Cash Amount is a positive or negative amount will depend on the Federal Funds Effective Rate US on each Cash Business Day.*

- (a) **Scenario 1:** *If the Federal Funds Effective Rate US on each Cash Business Day is greater than or equal to zero, then the Cash Amount will be a positive amount.*

- (b) **Scenario 2:** If the Federal Funds Effective Rate US on each Cash Business Day is less than zero, then the Cash Amount will be a negative amount.

- (c) **Scenario 3:** If the Federal Funds Effective Rate US on each Cash Business Day varies between being greater than or equal to zero and less than zero, then whether the Cash Amount is a positive amount or a negative amount will depend on (i) the difference between the Federal Funds Effective Rate US on each such Cash Business Day and zero and (ii) the number of Cash Business Days on which the Federal Funds Effective Rate US is greater than or equal to zero and the number of Cash Business Days on which the Federal Funds Effective Rate US is less than zero (as applicable).

IMPORTANT NOTICES

Investing in the Securities puts your capital at risk. You may lose some or almost all of your investment.

Each of JPMSP and JPMorgan Chase Bank, N.A. (together, the "**Responsible Persons**") accepts responsibility for the information given in this Prospectus and confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import. The Index Rules (as defined below) relating to the Volatility Enhanced Hybrid MH Index (Bloomberg Code: *ENHMACRO <Index>*) (the "**Index**") have been provided by the Index Sponsor (as defined in the Index Rules). Each of the Responsible Persons confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from the information produced by the Index Sponsor, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Notwithstanding the above paragraph or anything else in this Prospectus, none of the Issuer or the Guarantor will accept responsibility for the information given in this Prospectus or the Contractual Terms in relation to offers of Securities made by an offeror not authorised by the Issuer and Guarantor to make such offers. Generally, each person named as "Dealer" or "Manager" and any party named as a "Distributor" (if any) or other "placer" (if any) in the Contractual Terms will be so authorised, but any other party generally will not. Potential purchasers should therefore enquire whether the relevant offeror is so authorised by the Issuer and Guarantor and, if it is not, the potential purchaser should be aware that none of the Issuer or the Guarantor will be responsible for this Prospectus or the Contractual Terms for the purposes of the relevant securities laws. Further, whether or not the relevant offeror has been so authorised, no person is authorised to give any information or to make any representation not contained in, or not consistent with, this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer and the Guarantor. If a potential purchaser is in any doubt about whether it can rely on this Prospectus and the Contractual Terms and/or who is responsible for the contents thereof it should take legal advice.

An investment in Securities is subject to a very high degree of complex risks which may arise without warning. Securities may at times be volatile and losses may occur quickly and in unanticipated magnitude. Securities are extremely speculative and investors bear the risk that they could lose all of their investment. No person should acquire any Securities unless that person understands the nature of the relevant transaction and the extent of that person's exposure to potential loss and any investment in the Securities is consistent with such person's overall investment strategy. Each potential purchaser of the Securities should consider carefully whether the Securities it considers acquiring are suitable for it in the light of such potential purchaser's investment objectives, financial capabilities and expertise. Potential purchasers of the Securities should consult their own business, financial, investment, legal, accounting, regulatory, tax and other professional advisers to assist them in determining the suitability of the Securities for them as an investment. See the section entitled "Risk Factors".

No person has been authorised to give any information or to make any representation other than as contained in this Prospectus in connection with the issue or sale of the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, JPMorgan Chase Bank, N.A., as a Guarantor or the Dealer or J.P. Morgan Securities Ltd. as arranger. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Guarantor since the date hereof or the date upon which this Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or the Guarantor since the date hereof or the date upon which this Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Prospectus and the offering or sale of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Guarantor and the Dealer to inform themselves about and to observe any such restriction. The publication of this Prospectus is not intended as an offer or solicitation for the purchase or sale of any financial instrument in any jurisdiction where such offer or solicitation would violate the laws of such jurisdiction.

The Securities and the JPMorgan Chase Bank, N.A. Guarantee have not been and will not be registered under the Securities Act and may not be offered or sold in the United States or to U.S. persons unless the Securities are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available, and in reliance upon the relevant exemptions from state securities laws and any other applicable laws of other jurisdictions.

The Securities are being offered and sold outside the United States to non-U.S. Persons in offshore transactions in accordance with the registration exemptions contained in Regulation S.

The Securities are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

This Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Securities in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Securities. Accordingly any person making or intending to make an offer in that Relevant Member State of Securities may only do so (i) in circumstances in which no obligation arises for the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive. Neither the Issuer nor the Dealer has authorised, nor do they authorise, the making of any offer of Securities in circumstances in which an obligation arises for the Issuer or the Dealer to publish or supplement a prospectus for such offer. See also "Subscription and Sale" in the Base Prospectus incorporated by reference into this Prospectus.

The Dealer has not separately verified the information contained in this Prospectus. The Dealer does not make any representation, express or implied, or accept any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus. This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Guarantor or the Dealer that any recipient of this Prospectus should purchase the Securities. Each potential purchaser of Securities should determine for himself or herself the relevance of the information contained in this Prospectus and any purchase of Securities should be based upon such investigation as such potential purchaser deems necessary. The Dealer expressly does not undertake to review the financial condition or affairs of any of the Issuer or the Guarantor during the life of the arrangements contemplated by this Prospectus nor to advise any purchaser or potential purchaser in the Securities of any information coming to the attention of the Dealer.

Potential purchasers of the Securities are advised to consult their own legal, tax, accountancy and other professional advisers to assist them in determining the suitability of Securities for them as an investment. Each potential purchaser of the Securities should be fully aware of and understand the complexity and risks inherent in Securities before it makes its investment decision in accordance with the objectives of its business.

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Securities or determined that this Prospectus is accurate or complete. Any representation to the contrary is a criminal offence.

The Jersey Financial Services Commission (the "Commission") has given, and has not withdrawn, its consent under Article 8 of the Control of Borrowing Order to the circulation in Jersey of an offer for subscription, sale or exchange of Securities by the Issuer. The Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law.

It must be distinctly understood that, in giving these consents, the Commission does not take any responsibility for the financial soundness of the Issuer or for the correctness of any statements made, or opinions expressed, with regard to them.

The Securities will not be offered to the public in or from Switzerland and neither this Prospectus nor any other document relating to the Securities may be publicly distributed in Switzerland in connection with any such offering or distribution. The Securities may be offered in Switzerland without any public promotion or advertisement only to selected qualified investors in accordance with the Federal Act on Collective Investment Schemes.

Unregulated Securities: The Securities do not constitute a participation in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes and are not subject to supervision by the Swiss Financial Market Supervisory Authority FINMA

None of the Securities constitutes a participation in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes, and none of the Securities is subject to approval, registration or supervision by the Swiss Financial Market Supervisory Authority FINMA or any other regulatory authority in Switzerland. Accordingly, investors do not have the benefit of the specific investor protection provided under the Swiss Federal Act on Collective Investment Schemes and are exposed to the credit risk of the Issuer and the Guarantor.

The value of the Securities will vary with the level of the Volatility Enhanced Hybrid MH Index (the "Index"). The value of the Index is determined in accordance with its rules (the "Index Rules"), set out in Part 1 (Volatility Enhanced Hybrid MH Index – Index Rules) of the Schedule hereto. The Index Rules may be amended from time to time at the discretion of the Index Sponsor (as defined in the Index Rules), and the Index Rules will be re-published no later than one calendar month following such amendment. If such an amendment is effected, the composition of the Index, the manner in which such composition is determined, and/or the calculation methodology used to determine the value of the Index from time to time, may be changed, and this in turn may affect, possibly adversely, the return on and value of the Securities.

Capitalised terms used herein shall be as defined in "Contractual Terms" unless otherwise specified.

In this Prospectus, unless otherwise specified or the context otherwise requires, references to:

- (i) "U.S.\$", "USD", "\$" and "U.S. Dollars" are to United States dollars;
- (ii) "JPMorgan Chase" are to JPMorgan Chase & Co. and its consolidated subsidiaries; and
- (iii) "JPMorgan Chase Bank" are to JPMorgan Chase Bank, N.A. and its consolidated subsidiaries.

RISK FACTORS

Purchase of these Securities involves substantial risks: Potential investors should ensure that they understand the nature of the risks posed by, and the extent of their exposure under, the Securities. Potential investors should make all pertinent inquiries they deem necessary without relying on the Issuer, the Guarantor, or the Dealer. Potential investors should consider the suitability of the Securities as an investment in light of their own circumstances, investment objectives, tax position and financial condition. Potential investors should consider carefully all the information set forth in this Prospectus along with all the information incorporated by reference into this Prospectus, including, for the avoidance of doubt, the risk factors that may affect the relevant Issuer's and Guarantor's ability to fulfil their respective obligations under the Securities, as specified in the table set out in the "Documents Incorporated by Reference" section.

1. **"Fundamental risks" of the potential loss of investment and potential lack of suitability in relation to a purchase of Securities**

1.1 **Purchasers of Securities may receive back less than the original invested amount:** Purchasers of Securities may lose up to the entire value of their invested amount in the Securities as a result of the occurrence of any one or more of the following events:

- (i) due to the performance of the Reference Asset, the redemption amount of the Securities payable under the terms and conditions is less than the original invested amount;
- (ii) the Issuer and the Guarantor of the Securities are subject to insolvency proceedings or some other event impairing the ability of each to meet its obligations under the Securities;
- (iii) the investor seeks to sell the Securities prior to their scheduled maturity, and the sale price of the Securities in the secondary market is less than the investor's initial investment; and
- (iv) the Securities are subject to certain adjustments in accordance with the terms and conditions of such Securities that may result in the scheduled amount to be paid upon redemption being reduced to or being valued at an amount less than an investor's initial investment.

The obligations of the Issuer and the Guarantor of the Securities are not secured. Notwithstanding that the Securities are linked to the performance of the Reference Asset, investors in the Securities do not have and shall not receive any rights in respect of the Reference Asset and shall have no right to call for the Reference Asset to be delivered to them. Neither the Issuer nor the Guarantor of the Securities shall be required to hold the Reference Asset.

1.2 **The Securities may not be a suitable investment for all investors:** Each investor in the Securities must determine the suitability of such investment in light of the investor's own circumstances. In particular, each investor should:

- (i) have sufficient knowledge and experience (if necessary, in consultation with the investor's own legal, tax, accountancy, regulatory, investment and/or other professional advisers) to evaluate the Securities, the merits and risks of investing in the Securities, all information contained or incorporated by reference into this Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of the investor's particular financial situation, an investment in the Securities and the impact the Securities will have on the investor's overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Securities, including where the settlement currency is different from the currency in which such investor's principal financial activities are principally denominated;

- (iv) understand thoroughly (if necessary, in consultation with the investor's own legal, tax, accountancy, regulatory, investment and/or other professional advisers) the terms of the Securities and be familiar with any relevant financial markets;
- (v) understand thoroughly (if necessary, in consultation with the investor's own legal, tax, accountancy, regulatory, investment and/or other professional advisers) the nature of the Reference Asset and how the performance thereof may affect the pay-out and value of the Securities; and
- (vi) be able to evaluate (either alone or with the help of a financial adviser and/or other professional adviser) possible scenarios for economic, interest rate and other factors that may affect the investment and the investor's ability to bear the applicable risks.

None of the Issuer, the Guarantor, the Dealer or any consolidated affiliate of JPMorgan Chase & Co. (each a “**J.P. Morgan affiliate**”) has given, and none of them will give, to any investor in Securities (either directly or indirectly) any assurance or guarantee as to the merits, performance or suitability of such Securities, and the investor should be aware that the Issuer is acting as an arm's-length contractual counterparty and not as an advisor or fiduciary.

2. **Risk factors that are generic to Securities to be issued under the Programme**

2.1 **The Issue Price of the Securities may be more than the market value of such Securities as at the Issue Date and the price of the Securities in secondary market transactions:** The Issue Price in respect of the Securities specified in this Prospectus may be more than the market value of the Securities as at the Issue Date, and more than the price, if any, at which the Dealer or any other person is willing to purchase such Securities in secondary market transactions. In particular, the Issue Price in respect of the Securities may take into account amounts with respect to commissions relating to the issue and sale of such Securities and amounts relating to the hedging of the Issuer's obligations under such Securities.

2.2 **The market value and the amount payable on redemption of the Securities may be adversely affected by a number of factors, and the price at which a Holder of such Securities may be able to sell such Securities prior to maturity may be at a substantial discount to the market value of such Securities on the Issue Date, and a Holder may suffer a loss of some or nearly all of the invested amount of the Securities on redemption**

- (i) *The amount payable on redemption of the Securities, and the market value of the Securities at any time, may be less than the original invested amount:* The return on the Securities is linked to the value of the Reference Asset and also on certain other factors such as the creditworthiness of the issuer of the Reference Asset. The Securities are not principal protected instruments. The Securities do not pay interest and the investor may lose some or nearly all of the invested amount used to purchase the Securities. The price at which an investor will be able to sell Securities to the Issuer or its affiliates prior to the Redemption Date, if at all, may be at a substantial discount from the invested amount used to purchase the Securities, even in cases where the value of the Reference Asset has appreciated since the Issue Date.

INVESTORS MUST REVIEW THIS PROSPECTUS TO ASCERTAIN HOW THE PERFORMANCE OF THE REFERENCE ASSET WILL AFFECT THE AMOUNT PAYABLE AND/OR DELIVERABLE ON THE SECURITIES.

- (ii) *The market value of the Securities is expected to be affected, in part, by the credit rating of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co:* The value of the Securities is expected to be affected, in part, by investors' general appraisal of the creditworthiness of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. Such perceptions may be influenced by the ratings

accorded to outstanding securities of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. by well-recognized rating agencies, such as Moody's Investors Service Inc. and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. A reduction in the rating, if any, accorded to outstanding securities of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., by one of these rating agencies could result in a reduction in the trading value of the Securities.

- (iii) ***The credit ratings of JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. may move independently of each other:*** JPMorgan Chase & Co. is the holding company of JPMorgan Chase. As such, JPMorgan Chase & Co. and its subsidiaries (other than JPMorgan Chase Bank, N.A.) are generally permitted to undertake a wider range of activities than JPMorgan Chase Bank, N.A. and its subsidiaries. As a result, while the credit rating of JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A. are closely related, those credit ratings are usually different and, in the event of any change in those credit ratings, those ratings may move independently of each other. JPMorgan Chase Bank, N.A. is likely to be rated more highly than JPMorgan Chase & Co. but potential investors should check the relevant rating at the time of considering any purchase of Securities.

The creditworthiness of JPMorgan Chase Bank, N.A. is more likely to affect the trading value of Securities issued by JPMSP, which are guaranteed by JPMorgan Chase Bank, N.A.

- (iv) ***The market value of the Securities at any time and/or the amount payable on redemption of the Securities is dependent on the performance of the underlying Reference Asset:*** The Securities which are linked to the Reference Asset represent an investment linked to the economic performance of the Reference Asset and investors should note that any return on their investment in the Securities will depend upon the performance of the Reference Asset. Investors should not invest in the Securities if they do not fully understand how the performance of the Reference Asset may affect the pay-out and value of the Securities, including (a) the potential to lose all of their investment, (b) any limit on potential profits and (c) the effects of any leverage.

As the amounts payable in respect of the Securities are linked to the performance of the Reference Asset, an investor in the Securities must generally make correct predictions as to the direction, timing and magnitude of an anticipated change in the value of the Reference Asset or other basis which may be specified in this Prospectus. However, it is impossible to make such predictions with any degree of certainty, and investors in Securities must be aware that the historical performance of the Reference Asset should not be taken as an indication of future performance of the Reference Asset during the term of the Securities.

In contrast to a direct investment in the Reference Asset, the Securities represent the right to receive payment of amounts which will be determined by reference to the performance of the Reference Asset. Investors should also note that while the market value of the Securities linked to the Reference Asset will be influenced (positively or negatively) by the Reference Asset, any change may not be comparable or directly proportionate to the change in value of the Reference Asset.

INVESTORS MUST REVIEW THIS PROSPECTUS TO ASCERTAIN HOW THE PERFORMANCE OF THE REFERENCE ASSET WILL AFFECT THE AMOUNT PAYABLE ON THE SECURITIES.

- (v) ***The market value of the Securities at any time is dependent on other matters in addition to the credit risk of the Issuer and the Guarantor and the performance of the Reference Asset:*** The market value of the Securities at any time will be affected by a number of factors independent of the creditworthiness of the Issuer and the Guarantor and the performance of the Reference Asset,

including:

- (a) market interest and yield rates;
- (b) the time remaining to the Redemption Date; and
- (c) numerous other economic, political and other factors.

The amount payable in respect of Securities at any time prior to redemption is typically expected to be less than the trading price of such Securities at that time. The difference between the trading price and such amount will reflect, among other things, a "time value" for the Securities. The "time value" of the Securities will depend partly upon the length of the period remaining to final redemption and expectations concerning the value of the Reference Asset.

Before selling Securities, Holders should carefully consider, among other things, (a) the trading price of the Securities, (b) the value and volatility of the Reference Asset, (c) the time remaining to expiration, (d) the probable range of amounts payable on the Securities, (e) any changes in interim interest rates, (f) any changes in currency exchange rates and (g) any related transaction costs.

- (vi) ***The market value of Securities may be highly volatile:*** Holders of the Securities are exposed to the performance of the Reference Asset. The price, performance or investment return of the Reference Asset may be subject to sudden and large unpredictable changes over time and this degree of change is known as "volatility". The volatility of the Reference Asset may be affected by national and international financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the value of the Securities.

- 2.3 **An active trading market for the Securities is not likely to develop:** Unless otherwise communicated by the Issuer or any J.P. Morgan affiliate to the investor in the Securities, or to the extent that the rules of any stock exchange on which the Securities are listed and admitted to trading require the Issuer or any J.P. Morgan affiliate to provide liquidity in respect of such Securities, the Securities may have no liquidity or the market for such Securities may be limited and this may adversely impact upon their value or the ability of the investor in the Securities to dispose of them. Subject to the rules of any relevant stock exchange, the Issuer or the Guarantor may seek in its reasonable commercial discretion the delisting of any Securities without notice to the Holders of such Securities.

A secondary market is unlikely to develop and, even if a secondary market does develop, it is not possible to predict the price at which Securities will trade in such secondary market. Neither the Issuer nor any J.P. Morgan affiliate is under any obligation, and none of the Issuer, the Guarantor or any J.P. Morgan affiliate makes any commitment, to make a market in or to repurchase the Securities. If the Issuer, the Guarantor or any J.P. Morgan affiliate does make a market for the Securities, it may cease to do so at any time without notice.

- 2.4 **There may be price discrepancies with respect to the Securities as between various dealers or other purchasers in the secondary market:** If at any time a third party dealer quotes a price to purchase Securities or otherwise values Securities, that price may be significantly different (higher or lower) from any price quoted by any J.P. Morgan affiliate. Furthermore, if any Holder sells their Securities, the Holder will likely be charged a commission for secondary market transactions, or the price may reflect a dealer discount.

- 2.5 **The Securities may be redeemed prior to their scheduled final maturity:** In certain circumstances, the Early Payment Amount payable on the redemption of a Security prior to its scheduled maturity may

be less than its original purchase price and could be as low as zero.

Following early redemption of Securities, the Holders of such Securities may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate or yield on the Securities being redeemed and may only be able to do so at a significantly lower rate. Investors in Securities should consider such reinvestment risk in light of other investments available at that time.

Securities may be redeemed prior to maturity for any of the following reasons:

- (i) the occurrence of certain events or other circumstances in relation to a Reference Asset at the discretion of the Calculation Agent (see the Specific Product Provisions);
- (ii) the Issuer determines that its performance under any Security has become unlawful in whole or in part for any reason (see General Condition 17.1 (*Termination Event*));
- (iii) the occurrence of certain taxation events (see General Condition 12 (*Early Termination of Warrants and Certificates for Taxation Reasons*)); or
- (iv) following an Event of Default (see General Condition 16 (*Events of Default*)).

With regard to early redemption due to any of the above events, including due to illegality or tax, the Early Payment Amount in respect of each Security shall (unless otherwise specified in this Prospectus) be an amount determined by the Calculation Agent as representing the fair market value of such Securities immediately prior (and ignoring the circumstances leading) to such early redemption, adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation any equity options, equity swaps or other Securities of any type whatsoever hedging the Issuer's obligations under the Securities). An investor in Securities should be aware that this Early Payment Amount may be less than the investor's initial investment, and in such case see risk factor 1.1 (*Purchasers of Securities may receive back less than the original invested amount*).

2.6 JPMorgan Chase is subject to various potential conflicts of interest in respect of the Securities, which could have an adverse effect on the Securities:

- (i) ***JPMorgan Chase affiliates may take positions in or deal with the Volatility Enhanced Hybrid MH Index (Bloomberg Code: ENHMACRO <Index>) (the "Index"):*** The Issuer, the Guarantor and/or other JPMorgan Chase affiliates may take positions in or deal with the Index which may adversely (or positively) affect the price, liquidity or value of the Securities and which could therefore be adverse to the interests of the Holders.
- (ii) ***The Calculation Agent has broad discretionary powers which may not take into account the interests of the Holders:*** The Calculation Agent has the authority (i) to determine whether certain specified events and/or matters so specified in the conditions relating to a Series of Securities have occurred and (ii) to determine any resulting adjustments and calculations or substitutions as described in such conditions. Investors should be aware that any determination made by the Calculation Agent may have an impact on the value of the Securities. Any such discretion exercised by, or any calculation made by, the Calculation Agent (in the absence of manifest or proven error) shall be binding on the Issuer and all Holders.
- (iii) ***JPMorgan Chase may have confidential information relating to the Index and the Securities:*** Certain JPMorgan Chase affiliates may from time to time possess or have access to information relating to the Securities or the Index. Such affiliates will not be obliged to disclose any such information to a purchaser of the Securities.

- 2.7 **Any consequential postponement of, or any alternative provisions for, valuation following a Market Disruption Event may have an adverse effect on the value of the Securities:** If an issue of Securities includes provisions dealing with the occurrence of a Market Disruption Event on a valuation date in respect of the Reference Asset), and the Calculation Agent determines that a Market Disruption Event has occurred or exists on such date, any consequential postponement of, or any alternative provisions for, valuation provided in the Securities may have an adverse effect on its value.
- 2.8 **It may not be possible to use the Securities as a perfect hedge against the market risk associated with investing in the Reference Asset:** Investors intending to invest in Securities to hedge against the market risk associated with investing in the Reference Asset should recognise the complexities of utilising Securities in this manner. For example, the value of the Securities may not exactly match the value of the Reference Asset. Due to fluctuating supply and demand for the Securities, there is no assurance that their value will match movements in the value of the Reference Asset. For these reasons, among others, it may not be possible to purchase or liquidate Securities in a portfolio at the prices used to calculate the value of any Reference Asset.
- 2.9 **There may be regulatory consequences to the Holder of holding Securities linked to the Reference Asset:** There may be regulatory and other consequences associated with the ownership by certain investors in certain Securities linked to the Reference Asset. Each investor in Securities must conduct its own investigation into its regulatory position with respect to the potential investment in Securities, and none of the Issuer, the Guarantor, the Dealer or the Arranger assumes any obligation or liability whatsoever to such investor in such regard.
- 2.10 **Securities may be amended without the consent of the Holders or with the consent of only some of the Holders binding all of the Holders of Securities:** Subject as provided below, the terms and conditions of the Securities may be amended by the Issuer with the agreement of the Principal Programme Agent but without the consent of the Holders if the amendment:
- (i) is of a formal, minor or technical nature; or
 - (ii) is made to cure a manifest or proven error; or
 - (iii) is made to cure any ambiguity or is made to correct or supplement any defective provisions of the Securities or the Agency Agreement (as applicable); or
 - (iv) is made to correct an error or omission such that, in the absence of such correction, the terms of the Securities would not otherwise represent the intended terms of the Securities on which the Securities were sold and have since traded; or
 - (v) will not materially and adversely affect the interests of the Holders of the Securities.

In addition, other changes may be made to the terms and conditions with the consent of the Holders. In order to make such changes, the Issuer requires the consent of up to 50 per cent. of the Holders (in the case of minor amendments) or 75 per cent. of the Holders (in the case of more fundamental amendments). Any dissenting Holders will be bound by such changes. Therefore, the Issuer may be able to make a change which certain Holders have voted against if 50 per cent. or 75 per cent. (as the case may be) of the Holders of the entire series of Securities have approved the change. See General Condition 23.1(c) (*Modification and waiver with Holder consent (Securities other than French Securities and German Securities)*).

- 2.11 **The Issuer or the Guarantor of Securities may be substituted without the consent of the Holders:** The Issuer or the Guarantor of Securities may be substituted (subject to the Issuer or the Guarantor having become obliged (due to a change in law) to pay Additional Amounts in accordance with General Condition 18 (*Taxation*)) as obligor under such Securities in favour of any company from JPMorgan Chase & Co. and its consolidated subsidiaries. Whilst the new issuer will provide an indemnity in favour of the Holders of such Securities in relation to any additional tax or duties that become payable solely as a result of such substitution, Holders will not have the right to object to such substitution. See General Condition 27 (*Substitution*).
3. **Risk factors that are generic to Securities that are linked to a Reference Asset**
- 3.1 **The performance of the Securities is linked to the performance of the Reference Asset:** The investors in the Securities are exposed to the performance of the Reference Asset.
- 3.2 **The past performance of the Reference Asset is not indicative of future performance:** Any information about the past performance of the Reference Asset at the time of the issuance of the Securities should not be regarded as indicative of the range of, or trends in, fluctuations in the Reference Asset that may occur in the future.
- 3.4 **The Calculation Agent has broad discretion to make certain determinations and adjustments, and/or to cause early redemption of the Securities, any of which may be adverse to Holders:** The Calculation Agent may in certain circumstances adjust the terms and conditions of the Securities (without the consent of the Holders) or may procure the early redemption of such Securities prior to their scheduled maturity date where particular adjustment events specified to be applicable to such Securities occur, in each case, in accordance with such terms and conditions. In the event of such early termination the Issuer will repay such Securities at the Early Payment Amount, which will be determined on the basis of an amount determined by the Calculation Agent equal to the fair market value of such Securities immediately prior (and ignoring the circumstances leading to) such early redemption. Potential purchasers of Securities should be aware that it is likely that such Early Payment Amount will be less than the purchaser's initial invested amount, and in such case see risk factor 1.1 (*Purchasers of Securities may receive back less than the original invested amount*) above. Following any such early redemption of Securities, the purchasers of such Securities will generally not be able to reinvest the redemption proceeds at an effective interest rate as high as the expected yield on the Securities being redeemed and may only be able to do so at a significantly lower rate. Purchasers of Securities should consider such reinvestment risk in light of other investments available at that time.
4. **Risk factors associated with Securities that are linked to one or more specific types of Reference Asset (also referred to as the "Index" below)**
- 4.1 **Risks associated with an Index as a Reference Asset:** An investment in Index Linked Securities entails significant risks in addition to those associated with investments in a conventional security (such as a debt security).
- 4.2 **Risks associated with the Volatility Enhanced Hybrid MH Index as a Reference Asset:** An investment in the Securities entails significant risks in addition to those associated with investments in conventional security (such as a debt security). Capitalised terms used in this Risk Factor 4.2 and not defined herein shall have the respective meaning ascribed to each in this Prospectus, or, if not defined in this Prospectus, the meaning ascribed in the Base Prospectus.
- (i) **Proprietary and Rules-Based Trading Index:** The Reference Asset follows a notional rules-based proprietary trading strategy that operates on the basis of pre-determined rules. Accordingly, potential investors in investment products which are linked to the performance of

the Reference Asset should determine whether the applicable rules-based proprietary trading strategy is appropriate in light of their individual circumstances and investment objectives. No assurance can be given that the investment strategy on which the Reference Asset is based will be successful in achieving the investment objectives of any potential investor.

- (ii) **Notional Exposures:** The Reference Asset comprises notional assets and liabilities. The exposures to the reference assets constituting the Reference Asset are purely notional and will exist solely in the records maintained by or on behalf of the Index Calculation Agent (as described in Part 1 (*Volatility Enhanced Hybrid MH Index- Index Rules*) (the "**Index Rules**") of the Schedule hereto. Consequently, investors in investment products which are linked to the performance of the Reference Asset will not have any claim against any of the reference assets which comprise the Reference Asset.
 - (iii) **Lack of Operating History:** The Reference Asset is only recently established and therefore has little or no history to evaluate its likely performance. Any back-testing or similar analysis performed by any person in respect of the Reference Asset must be considered illustrative only and may be based on estimates or assumptions not used by the Index Calculation Agent when determining the index level of the Reference Asset. Past performance should not be considered indicative of future performance.
 - (iv) **Market Risks:** The performance of the Reference Asset is dependent on, amongst other things, the performance of the sub-indices in respect of the Reference Asset and the futures contracts referenced in each of such sub-indices (all as described in the Index Rules). As a consequence, investors in investment products the return on which is linked to the Reference Asset should appreciate that their investment is exposed to the performance of these sub-indices and, in turn, these futures contracts.
 - (v) **Index Calculation Agent Discretion:** The Index Rules confer on the Index Calculation Agent (as defined in the Index Rules) discretion in making certain determinations and calculations from time to time. The exercise of such discretion in the making of calculations and determinations may adversely affect the performance of the Reference Asset. Without limitation to the generality of the foregoing, the Index Calculation Agent has a discretion (which must be exercised in good faith and in a commercially reasonable manner) in relation to the replacement of the specified underlying indices or the exchange traded fund constituting the Reference Asset in certain specified events (as described in the Index Rules).
5. **Risk factors that may affect the Issuer's and Guarantor's ability to fulfil their respective obligations under the Securities:** Investors are advised to review the information contained in the Base Prospectus Risk Factor 6, "Risk Factors that may affect the relevant Issuer's and Guarantor's (if any) ability to fulfil their respective obligations under the Securities" that has been incorporated by reference into this Prospectus, together with the information in relation to the Issuer and the Guarantor incorporated by reference below. Investors are exposed to the credit risk of the Issuer and the Guarantor.

CONFLICTS OF INTEREST

JPMorgan Chase is subject to various potential conflicts of interest in respect of the Securities, which could have an adverse effect on the Securities. This section should be read in conjunction with Part 2 (*Index Disclaimer and Potential Conflicts of Interest*) of the Schedule.

JPMorgan Chase affiliates may take positions in or deal with the Reference Asset

The Issuer, the Guarantor and/or other JPMorgan Chase affiliates may:

- in the ordinary course of business, effect transactions for their own account or for the account of their customers and hold long or short positions in the Reference Asset;
- in connection with an offering of Securities, enter into one or more hedging transactions with respect to the Reference Asset; and/or
- in connection with such hedging or market-making activities or with respect to proprietary or other trading activities, enter into transactions in the Reference Asset which may adversely (or positively) affect the price, liquidity or value of the Securities and which could therefore be adverse to the interests of the Holders.

The Calculation Agent of the Securities, which is a JPMorgan Chase affiliate, has broad discretionary powers which may not take into account the interests of the Holders

As the Calculation Agent is a JPMorgan Chase affiliate, potential conflicts of interest may exist between the Calculation Agent and the Holders, including with respect to the exercise of the very broad discretionary powers of the Calculation Agent. For example, the Calculation Agent has the authority (i) to determine whether certain specified events and/or matters so specified in the conditions relating to a series of Securities have occurred and (ii) to determine any resulting adjustments and calculations or substitutions as described in such conditions. Potential purchasers should be aware that any determination made by the Calculation Agent may have an impact on the value and financial return of the Securities. Any such discretion exercised by, or any calculation made by, the Calculation Agent (in the absence of manifest or proven error) shall be binding on the Issuer and all Holders.

JPMorgan Chase affiliates may have confidential information relating to the Reference Asset and the Securities

Certain JPMorgan Chase affiliates may from time to time, by virtue of their status as underwriter, advisor or otherwise, possess or have access to information relating to the Securities and the Reference Asset. Such affiliates will not be obliged to disclose any such information to a purchaser of the Securities.

The calculation agent of the Reference Asset from time to time may be a JPMorgan Chase affiliate. Such calculation agent has broad discretionary powers which may not take into account the interests of the holders of the Reference Asset and the Holders

As the calculation agent of the Reference Asset (the "**Reference Asset Calculation Agent**") may be a JPMorgan Chase affiliate, potential conflicts of interest may exist between the Reference Asset Calculation Agent and the Holders, including with respect to the exercise of the very broad discretionary powers of the Reference Asset Calculation Agent. For example, the Reference Asset Calculation Agent has the authority (i) to determine whether certain specified events and/or matters so specified in the conditions relating to the Reference Asset have occurred and (ii) to determine any resulting adjustments and calculations or substitutions as described in such conditions. Potential purchasers should be aware that any determination made by the Reference Asset Calculation Agent may have an impact on the value and financial return of the Securities. Any such discretion exercised by, or any calculation made by, the Reference Asset Calculation Agent (in the absence of manifest or proven error) shall be binding on the Holders.

DOCUMENTS INCORPORATED BY REFERENCE

This document should be read and construed in conjunction with the documents incorporated by reference into this Prospectus and each supplement to this Prospectus. The information contained in the following document(s) is hereby incorporated by reference into this Prospectus and deemed to form a part of this Prospectus, except that the "Contractual Terms" section below reflects the terms and conditions of the Securities as at the Issue Date and, as a result, for the purposes of the "Contractual Terms" section below, the information contained in each of the following documents other than the information contained in the March 2012 Supplement, the Second March 2012 Supplement, the Third March 2012 Supplement and the April 2012 Supplement (each as defined below) is hereby incorporated by reference:

- (i) the base prospectus dated 13 May 2011 relating to issues of non-equity securities under the Programme by J.P. Morgan Structured Products B.V., J.P. Morgan Bank Dublin plc, J.P. Morgan Indies SRL, JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. (the "**Original Base Prospectus**");
- (ii) a supplement to the Original Base Prospectus dated 14 June 2011 in respect of (i) the unaudited Consolidated Financial Statements of JPMorgan Chase Bank, N.A. for the quarter ended 31 March 2011, (ii) the addition of Polish clearing, settlement and listing capabilities, (iii) certain amendments to the Hong Kong, Indian, Israeli and Polish selling restrictions, (iv) certain amendments to the description of JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A. and (v) the addition of a Polish taxation disclosure (the "**June 2011 Supplement**");
- (iii) a supplement to the Original Base Prospectus dated 26 July 2011 in respect of (i) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 14 July 2011 containing the earnings press release for the quarter ended 30 June 2011, (ii) amendments to the Executive Officers of JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A. and (iii) the addition of a Belgian taxation disclosure (the "**July 2011 Supplement**");
- (iv) a supplement to the Original Base Prospectus dated 30 August 2011 in respect of (i) the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 June 2011, (ii) the unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 30 June 2011, (iii) the unaudited interim financial statements of JPMSF for the six month period ended 30 June 2011, (iv) certain amendments to the description of JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A., (v) the addition of Portuguese selling restrictions and (vi) the addition of a Portuguese taxation disclosure (the "**August 2011 Supplement**");
- (v) a supplement to the Original Base Prospectus dated 20 October 2011 in respect of (i) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 13 October 2011 containing the earnings press release for the quarter ended 30 September 2011 and (ii) the amendment to the description of financial information for JPMorgan Chase Bank, N.A. (the "**October 2011 Supplement**");
- (vi) a supplement to the Original Base Prospectus dated 24 November 2011 in respect of (i) the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 September 2011 filed with the SEC, (ii) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 4 November 2011 filed with the SEC containing revisions to the information contained in the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2010 filed with the SEC which reflect changes in JPMorgan Chase & Co.'s business segments that became effective 1 July 2011, (iii) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 4 November 2011 filed with the SEC containing revisions to the information contained in the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 31 March 2011 filed with the SEC which reflect the aforementioned changes, (iv) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 4 November 2011 filed with the SEC containing revisions to the information contained in the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 June 2011 filed with the SEC which reflect the aforementioned changes, (v) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 8 November 2011 filed with the SEC relating to the election of Mr. James A. Bell as a Director of JPMorgan Chase & Co., (vi)

J.P. Morgan Bank Dublin plc.'s unaudited interim report for the six month period ended 30 June 2011, (vii) an amendment to the "Important Notices" section of the Base Prospectus, (viii) review reports of PricewaterhouseCoopers LLP in respect of unaudited quarterly financial information for JPMorgan Chase & Co., (ix) the addition of Liechtenstein selling restrictions and (x) the addition of a Liechtenstein taxation disclosure (the "**November 2011 Supplement**");

- (vii) a supplement to the Original Base Prospectus dated 24 January 2012 relating to (a) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 13 January 2012 containing the earnings press release for quarter ended 31 December 2011, (b) an amendment to the "Important Notices" section in the Base Prospectus, (c) amendments to the Executive Officers of JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A. and to the Directors of JPMorgan Chase Bank, N.A. and (d) amendments to Directors and Officers of J.P.Morgan Structured Products B.V. (the "**January 2012 Supplement**");
- (viii) a supplement to the Original Base Prospectus dated 7 March 2012 relating to (a) the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2011 filed with the SEC, (b) certain amendments to the description of JPMorgan Chase & Co. and (c) the addition of an Austrian taxation disclosure (the "**March 2012 Supplement**");
- (ix) a supplement to the Original Base Prospectus dated 15 March 2012 relating to (a) amendments to the "Important Notices" section in the Base Prospectus, (b) amendments to the "Summary of the Programme" section in the Base Prospectus, (c) amendments to the "Risk Factors" section in the Base Prospectus, (d) amendments to the "General Description of the Programme" section in the Base Prospectus, (e) amendments to the "Commonly Asked Questions" section in the Base Prospectus, (f) amendments to the "General Conditions" section in the Base Prospectus, (g) amendments to the "Form of Final Terms for Securities other than German Securities" section in the Base Prospectus, (h) amendments to the "Form of Final Terms for German Securities" section in the Base Prospectus, (i) amendments to the "Subscription and Sale" section in the Base Prospectus, (j) amendments to the "Taxation" section in the Base Prospectus, and (k) amendments to the "General Information" section in the Base Prospectus (the "**Second March 2012 Supplement**");
- (x) a supplement to the Original Base Prospectus dated 30 March 2012 relating to (a) the audited consolidated financial statements of JPMorgan Chase Bank, N.A as at 31 December 2011 and 2010 and for each of the three years in the period ended 31 December 2011, (b) the audited financial statements of J.P. Morgan Structured Products B.V. for the year ended 31 December 2011, (c) the audited financial statements of J.P. Morgan Bank Dublin plc for the year ended 31 December 2011, (d) amendments to the "Important Notices" section of the Base Prospectus, (e) amendments to the section entitled "J.P. Morgan Structured Products B.V." of the Base Prospectus and (f) amendment to the Registered Office of J.P. Morgan Structured Products B.V. (the "**Third March 2012 Supplement**"); and
- (xi) a supplement to the Original Base Prospectus dated 20 April 2012 relating to the Proxy Statement on Schedule 14A of JPMorgan Chase & Co. dated 4 April 2012 and the Current Report on Form 8-K of JPMorgan Chase & Co. dated 13 April 2012 containing the earnings press release for the quarter ended 31 March 2012 (the "**April 2012 Supplement**"),

(and the Original Base Prospectus as so supplemented, the "**Base Prospectus**")

The table below sets out the relevant page references for the information incorporated into this Prospectus by reference. Any information not listed below but included in the documents incorporated by reference is given for information purposes only.

Information incorporated by reference

Page reference

From the Original Base Prospectus

Cautionary Note regarding Forward Looking Statements	Pages 6 to 7
Risk Factor 6, "Risk Factors that may affect the relevant Issuer's and Guarantor's (if any) ability to fulfil their respective obligations under the Securities"	Pages 46 to 57
Documents Incorporated by Reference	Pages 59 to 67
The following documents are documents which are incorporated by reference into the Original Base Prospectus:	
(i) the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2010;	
(ii) the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 2009;	
(iii) the Proxy Statement on Schedule 14A of JPMorgan Chase & Co. dated 7 April 2011;	
(iv) the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 31 March 2011;	
(v) the audited consolidated financial statements of JPMorgan Chase Bank, N.A. for the year ended 31 December 2010;	
(vi) the audited consolidated financial statements of JPMorgan Chase Bank, N.A. for the three years ended 31 December 2009; and	
(vii) the JPMSP audited financial statements for the year ended 31 December 2009.	
General Description of the Programme	Pages 68 to 74
Commonly Asked Questions	Pages 75 to 88
General Conditions	Pages 89 to 189
Annex 2 – Index Linked Provisions	Pages 207 to 221
Use of Proceeds	Page 334
Form of JPMorgan Chase Bank, N.A. Guarantee	Pages 339 to 342
JPMorgan Chase & Co.	Pages 343 to 366
JPMorgan Chase Bank, N.A.	Pages 367 to 371
J.P. Morgan Structured Products B.V.	Pages 372 to 375
Book-Entry Clearing Systems	Pages 381 to 383
Subscription and Sale	Pages 384 to 408
Transfer Restrictions	Pages 409 to 429
Certain ERISA Considerations	Pages 430 to 434
Taxation	Pages 435 to 504

General Information	Pages 505 to 508
Guide to symbols which may appear on Final Terms	Pages 509 to 511
Index of Defined Terms	Pages 512 to 537

From the June 2011 Supplement

Incorporation of the unaudited Consolidated Financial Statements of JPMorgan Chase Bank, N.A. for the quarter ended 31 March 2011	Page 4
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The following document is a document which is incorporated by reference into the June 2011 Supplement:

- (i) the unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 31 March 2011.

Amendments to the Form of Final Terms for Securities other than German Securities	Page 4
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Amendments to the sections entitled "JPMorgan Chase & Co." and "JPMorgan Chase Bank, N.A."	Page 5
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Amendments to the section entitled "Subscription and Sale"	Pages 7 to 8
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Amendments to the section entitled "taxation"	Pages 8 to 11
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From the July 2011 Supplement

Incorporation of the Current Report on Form 8-K of JPMorgan Chase & Co. dated 14 July 2011	Page 3
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The following document is a document which is incorporated by reference into the July 2011 Supplement:

- (i) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 14 July 2011 filed with the U.S. Securities and Exchange Commission containing the earnings press release for the quarter ended 30 June 2011.

Amendments to the sections entitled "JPMorgan Chase & Co." and "JPMorgan Chase Bank N.A."	Pages 3 to 4
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Amendments to the section entitled "Taxation"	Pages 4 to 9
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From the August 2011 Supplement

Incorporation of the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 June 2011	Pages 3 to 4
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Incorporation of the unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 30 June 2011	Page 4
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Incorporation of the unaudited interim financial statements of J.P. Morgan Structured Products B.V. for the six month period ended 30 June 2011	Page 4
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The following documents are documents which are incorporated by reference into the August 2011 Supplement:

- (i) the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the

quarter ended 30 June 2011 filed with the U.S. Securities and Exchange Commission;

- (ii) the unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 30 June 2011; and
- (iii) the unaudited interim financial statements of JPMSP for the six month period ended 30 June 2011

Amendments to the sections entitled "JPMorgan Chase & Co." and "JPMorgan Chase Bank N.A." Pages 4 to 5

Amendments to the section entitled "Subscription and Sale" Pages 5 to 6

Amendments to the section entitled "Taxation" Pages 6 to 9

From the October 2011 Supplement

Incorporation of the Current Report on Form 8-K of JPMorgan Chase & Co. dated 13 October 2011 containing the earnings press release for the quarter ended 30 September 2011 Page 3

The following document is a document which is incorporated by reference into the October 2011 Supplement:

- (i) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 13 October 2011 filed with the U.S. Securities and Exchange Commission containing the earnings press release for the quarter ended 30 September 2011

Amendments to the section entitled "JPMorgan Chase Bank N.A." Page 3

From the November 2011 Supplement

Incorporation of the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 September 2011 filed with the SEC Pages 3 to 4

The following documents are documents which are incorporated by reference into the November 2011 Supplement:

- (i) the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 September 2011;
- (ii) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 4 November 2011;
- (iii) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 4 November 2011;
- (iv) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 4 November 2011; and
- (v) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 8 November 2011

Incorporation of the Current Report on Form 8-K of JPMorgan Chase & Co. dated 4 November 2011 filed with the SEC containing revisions to the information contained in the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2010 filed with the SEC which reflect changes in Page 4

JPMorgan Chase & Co.'s business segments that became effective 1 July 2011

Incorporation of the Current Report on Form 8-K of JPMorgan Chase & Co. dated 4 November 2011 filed with the SEC containing revisions to the information contained in the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 31 March 2011 filed with the SEC which reflect the aforementioned changes Page 4

Incorporation of the Current Report on Form 8-K of JPMorgan Chase & Co. dated 4 November 2011 filed with the SEC containing revisions to the information contained in the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 June 2011 filed with the SEC which reflect the aforementioned changes Page 4

Incorporation of the Current Report on Form 8-K of JPMorgan Chase & Co. dated 8 November 2011 filed with the SEC relating to the election of Mr. James A. Bell as a Director of JPMorgan Chase & Co. Pages 4 to 5

Amendment to the section entitled "Important Notices" Page 5

Amendments to the section entitled "JPMorgan Chase & Co." Pages 5 to 6

Amendments to the section entitled "Subscription and Sale" Page 6

Amendments to the section entitled "Taxation" Pages 6 to 8

From the January 2012 Supplement

Incorporation of the Current Report on Form 8-K of JPMorgan Chase & Co. dated 13 January 2012 containing the earnings press release for the quarter ended 31 December 2011 Page 3

The following document is a document which is incorporated by reference into the January 2012 Supplement:

- (i) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 13 January 2012 filed with the U.S. Securities and Exchange Commission containing the earnings press release for the quarter ended 31 December 2011

Amendment to the "Important Notices" section of the Base Prospectus Pages 3 to 4

Amendments to the sections entitled "JPMorgan Chase & Co." and "JPMorgan Chase Bank, N.A." in the Base Prospectus Pages 4 to 5

Amendments to the section entitled "J.P. Morgan Structured Products B.V." in the Base Prospectus Pages 5 to 6

From the March 2012 Supplement

Incorporation of the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2011 filed with the SEC Pages 2 to 4

Amendments to the section entitled "JPMorgan Chase & Co." Page 5

Amendments to the section entitled "Taxation" Pages 5 to 9

The following document is a document which is incorporated by reference into the March 2012 Supplement:

- (i) the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2011 filed with the SEC.

From the Second March 2012 Supplement

Amendments to the section entitled "Important Notices"	Pages 3 to 4
Amendments to the section entitled "Summary of the Programme"	Pages 4 to 6
Amendments to the section entitled "Risk Factors"	Pages 6 to 7
Amendments to the section entitled "General Description of the Programme"	Pages 7 to 8
Amendments to the section entitled "Commonly Asked Questions"	Pages 8 to 9
Amendments to the section entitled "General Conditions"	Page 9
Amendments to the section entitled "Form of Final Terms for Securities other than German Securities"	Pages 9 to 12
Amendments to the section entitled "Subscription and Sale"	Pages 13 to 14
Amendments to the section entitled "Taxation"	Page 14
Amendments to the section entitled "General Information"	Page 14

From the Third March 2012 Supplement

Incorporation of the audited consolidated financial statements of J.P. Morgan Chase Bank, N.A. as at 31 December 2011 and 2010 and for each of the three years in the period ended 31 December 2011	Pages 2 to 3
Incorporation of the audited financial statements of J.P. Morgan Structured Products B.V. for the year ended 31 December 2011	Pages 2 to 3
Amendments to the section entitled "Important Notices"	Page 4
Amendments to the section entitled " J.P. Morgan Structured Products B.V. "	Page 4
Amendments to the Registered Office of J.P. Morgan Structured Products B.V.	Page 5

The following documents are documents which are incorporated by reference into the Third March 2012 Supplement:

- (i) the audited consolidated financial statements of J.P. Morgan Chase Bank, N.A. as at 31 December 2011 and 2010 and for each of the three years in the period ended 31 December 2011; and
- (ii) the audited financial statements of J.P. Morgan Structured Products B.V. for the year ended 31 December 2011

From the April 2012 Supplement

Incorporation of the Proxy Statement on Schedule 14A of JPMorgan Chase & Co.	Pages 2 to 4
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dated 4 April 2012 and the Current Report on Form 8-K of JPMorgan Chase & Co. dated 13 April 2012 containing the earnings press release for the quarter ended 31 March 2012

The following documents are documents which are incorporated by reference into the April 2012 Supplement:

- (i) the Proxy Statement on Schedule 14A of JPMorgan Chase & Co. dated 4 April 2012; and
- (ii) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 13 April 2012 containing the earnings press release for the quarter ended 31 March 2012.

Investors who have not previously reviewed the information contained in the above documents should do so in connection with their evaluation of the Securities. Any statement contained in a document, all or the relevant portion of which is incorporated by reference into this Prospectus, shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in this Prospectus or in any supplement to this Prospectus filed under Article 16 of the Prospectus Directive, including any documents incorporated therein by reference, modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). The documents incorporated by reference will be available on the Luxembourg Stock Exchange's website (www.bourse.lu).

JPMorgan Chase & Co.'s filings with the SEC are available to the public on the website maintained by the SEC at <http://www.sec.gov>. Such filings can also be inspected and printed or copied, for a fee, at the SEC's Office of Public Reference, 100 F Street N.E., Washington, D.C. 20549, U.S.A., or by contacting that office by phone: +1 202 942 8090, fax: +1 202 628 9001 or e-mail: publicinfo@sec.gov. Investors may call the SEC at +1 800 732 0330 for further information on the public reference rooms. JPMorgan Chase & Co.'s SEC filings can also be viewed on JPMorgan Chase & Co.'s investor relations website at <http://investor.shareholder.com/jpmorganchase/>. Unless specifically incorporated by reference into this Prospectus, JPMorgan Chase & Co.'s filings with the SEC shall not be deemed to be part of this Prospectus.

JPMorgan Chase Bank, N.A. also files Consolidated Reports of Condition and Income ("**Call Reports**") with its primary federal regulator, the U.S. Office of the Comptroller of the Currency. These Call Reports are publicly available upon written request to the FDIC at 550 17th Street, N.W., Washington D.C. 20429, Attention: Disclosure Group, Room F-518. The FDIC has a website where the Call Reports can be viewed, at <http://www.fdic.gov>. The Call Reports are prepared in accordance with regulatory instructions issued by the U.S. Federal Financial Institutions Examinations Council and not U.S. generally accepted accounting principles. The Call Reports are supervisory and regulatory documents; they are not primarily accounting documents, do not conform with U.S. generally accepted accounting principles and do not provide a complete range of financial disclosure about JPMorgan Chase Bank, N.A. Nevertheless, the Call Reports do provide important information concerning the financial condition of JPMorgan Chase Bank, N.A. The Call Reports are not incorporated by reference in, and shall not be deemed to be part of, this Prospectus.

SELECTED FINANCIAL INFORMATION**Selected Financial Information of the Issuer**

The profit after tax of JPMSP for the financial year ending 31 December 2011 was U.S.\$1,347,000 (U.S.\$1,284,000 for the financial year ended 31 December 2010). As at 31 December 2011 the total shareholders' funds of JPMSP were U.S.\$527,392,000 (U.S.\$526,045,000 as at 31 December 2010). JPMSP's profit on ordinary activities before taxation for the year ended 31 December 2011 was U.S.\$ 2,000,000 (U.S.\$1,777,000 for the year ended 31 December 2010). JPMSP's total assets at 31 December 2011 were U.S.\$23,248,274,000 (U.S.\$27,748,819,000 as at 31 December 2010). JPMSP's total liabilities as at 31 December 2011 were U.S.\$22,720,882,000 (U.S.\$27,222,774,000 as at 31 December 2010).

Selected Financial Information of the Guarantor**Selected income statement data**

(in millions)

	<u>2011</u>	<u>Year ended 31 December</u> <u>2010</u>
Total net revenue	U.S.\$ 73,272	U.S.\$ 74,594
Provision for credit losses	5,344	9,406
Total noninterest expense	51,578	49,431
Income before income tax expense	16,350	15,757
Net income	U.S.\$ 12,456	U.S.\$ 11,826

Selected balance sheet data

(in millions)

	<u>2011</u>	<u>31 December</u> <u>2010</u>
Trading assets	U.S.\$ 322,558	U.S.\$ 358,150
Securities	357,104	310,762
Loans, net of allowances for loan losses	578,648	530,569
Total assets	1,811,678	1,631,621
Deposits	1,190,738	1,019,993
Long-term debt	81,888	67,584
Total stockholders' equity	130,777	123,217

CONTRACTUAL TERMS

The Conditions of the Notes shall comprise the General Conditions of the Notes (as completed and/or amended by the terms of the relevant Specific Product Provisions as specified to be applicable by these Contractual Terms) incorporated by reference herein (see "Documents Incorporated by Reference" above), as completed and/or amended by these Contractual Terms.

1.	(i)	Issuer:	J.P. Morgan Structured Products B.V.
	(ii)	Guarantor:	JPMorgan Chase Bank, N.A.
2.	(i)	Series Number:	Not Applicable
	(ii)	Tranche Number:	One
3.		Specified Currency or Currencies:	United States dollar ("U.S.\$ " or "USD")
4.		Notes, Warrants or Certificates:	Certificates
5.		Number of Certificates:	66,518
6.		Issue Price:	USD 1,000 per Certificate

The Issue Price specified above may be more than the market value of the Securities as at the Issue Date, and the price, if any, at which the Dealer or any other person is willing to purchase the Securities in secondary market transactions is likely to be lower than the Issue Price. In particular, the Issue Price may take into account amounts with respect to commissions relating to the issue and sale of the Securities as well as amounts relating to the hedging of the Issuer's obligations under the Securities and secondary market prices may exclude such amounts

If any commissions or fees relating to the issue and sale of the Securities have been paid or are payable by the Dealer to an intermediary, then such intermediary may be obliged to fully disclose to its clients the existence, nature and amount of any such commissions or fees (including, if applicable, by way of discount) as required in accordance with laws and regulations applicable to such intermediary, including any legislation, regulation and/or rule implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC), or as otherwise may apply in any non-EEA jurisdictions

Investors in the Securities intending to invest in Securities through an intermediary (including by way of introducing broker) should request details of any such commission or fee payment from such intermediary before making any purchase hereof

- | | | |
|-------|------------------------------------|--|
| (i) | Notional Amount per Certificate: | Not Applicable |
| (ii) | Trading in Units (<i>Notes</i>): | Not Applicable |
| (iii) | Minimum trading size: | The Securities may only be traded in a minimum initial amount of one Security and, thereafter, in multiples of one Security. |
7. **Issue Date:** 7 February 2012
8. **Settlement Date and Redemption Date:** 7 February 2013

PROVISIONS APPLICABLE TO NOTES

Paragraphs 9-22 are intentionally deleted

PROVISIONS APPLICABLE TO WARRANTS

Paragraphs 23-34 are intentionally deleted

PROVISIONS APPLICABLE TO CERTIFICATES

- | | | |
|-----|---|-----------------|
| 35. | Cash Settlement/Physical Settlement: | Cash Settlement |
| 36. | Call Option: | Not Applicable |
| 37. | Put Option: | Not Applicable |
| 38. | Non-U.S. Certification: | Applicable |
| 39. | Eligible Investor Certification: | Not Applicable |
| 40. | Redemption Amount: | See below |

In cases where the Redemption Amount is Share Linked, Index Linked, Commodity Linked, FX Linked or other variable linked:

- | | | |
|-------|--|--|
| (i) | Reference Asset: | The Index (as defined in paragraph 46 below) |
| (ii) | Provisions for determining Redemption Amount where calculated by reference to Share and/or Index and/or Commodity and/or FX Rate and/or other variable: | See the Annex below |
| (iii) | Provisions for determining Redemption Amount where calculation by reference to Share and/or Index and/or Commodity and/or FX Rate and/or other variable is impossible or impracticable or otherwise disrupted: | See paragraph 46 and the Annex below |
41. **Exercise applicable to Certificates (General Condition 10):** Not Applicable
42. **Minimum Transferable Amount:** Not Applicable

CERTIFICATE COUPON PROVISIONS

43. **Certificate Coupon Provisions (General Condition 8):** Not Applicable
44. **Certificate Floating Rate Coupon Provisions (General Condition 8.3):** Not Applicable

SPECIFIC PRODUCT PROVISIONS APPLICABLE TO THE SECURITIES**SHARE LINKED PROVISIONS**

45. **Share Linked Provisions:** Not Applicable

INDEX LINKED PROVISIONS

46. **Index Linked Provisions:** Applicable
- (i) **Single Index or basket of Indices:** Single Index
- (ii) **Index/Indices:** Volatility Enhanced Hybrid MH Index (Bloomberg Code: ENHMACRO <Index>) (the "**Index**"), as more fully described in the Volatility Enhanced Hybrid MH Index Rules set out in Part 1 (Volatility Enhanced Hybrid MH Index - Index Rules) (the "**Index Rules**") of the Schedule hereto
- (iii) **Type of Index:** Proprietary Index, provided that:
- (i) in respect of the Index, the Initial Valuation Date and the Valuation Date, a "Scheduled Trading Day" as defined in Index Linked Provision 7 (Definitions) shall mean an "Index Business Day" (as defined in the Index Rules); and
- (ii) each reference in the Index Linked Provisions to "Closing Index Level" shall be construed as a reference to "Index Level" (as defined in the Index Rules)
- (iv) **Exchange(s):** Not Applicable
- (v) **Related Exchange(s):** Not Applicable
- (vi) **Index Sponsor:** The Index Calculation Agent or, as the context may require, the Index Sponsor, in each case as defined in the Index Rules
- (vii) **Index Level:** Not Applicable
- (viii) **Initial Valuation Date(s):** 25 January 2012
- (ix) **Interest Valuation Date(s):** Not Applicable
- (x) **Coupon Valuation Date(s):** Not Applicable

(xi) Periodic Valuation Date(s):	Not Applicable
(xii) Valuation Date(s):	28 January 2013
(xiii) Initial Averaging Date(s):	Not Applicable
(xiv) Averaging Date(s):	Not Applicable
(xv) Valuation Time:	As specified in Index Linked Provision 7 (Definitions)
(xvi) Maximum Days of Disruption:	In respect of the Valuation Date, six Scheduled Trading Days
(xvii) Averaging Reference Dates (Disrupted Day consequences):	Not Applicable
(xviii) Fallback Valuation Date:	Applicable: in respect of the Valuation Date, the second Business Day prior to the Redemption Date
(xix) Observation Period:	Not Applicable
(xx) Hedging Disruption:	Applicable

COMMODITY LINKED PROVISIONS

47. Commodity Linked Provisions:	Not Applicable
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FX LINKED PROVISIONS

48. FX Linked Provisions:	Not Applicable
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MARKET ACCESS PARTICIPATION PROVISIONS

49. Market Access Participation Provisions:	Not Applicable
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LOW EXERCISE PRICE WARRANT PROVISIONS

50. Low Exercise Price Warrant Provisions:	Not Applicable
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GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

51. New Global Note:	Not Applicable
52. Form of Securities:	Registered Securities
(i) Temporary or Permanent Bearer Global Security / Registered Global Security:	Temporary Registered Global Security which is exchangeable for a Permanent Registered Global Security, which is exchangeable for Registered Definitive Securities (i) automatically in the limited circumstances specified in the Permanent Registered Global Security or (ii) at any time at the option of the Issuer by giving notice to the Holders and the Relevant Programme Agent of its intention to effect such exchange on the terms as set forth in the relevant Registered Global

	Security
(ii) Are the Notes to be issued in the form of obligations under French law?	Not Applicable
(iii) Name of Registration Agent	Not Applicable
(iv) Representation of holders of Notes/ Masse:	Not Applicable
(v) Applicable TEFRA exemption:	Not Applicable
(vi) Regulation S/Rule 144A Warrants:	Not Applicable
53. Record Date:	As set out in the General Conditions
54. Additional Financial Centre(s) (General Condition 13.2) or other special provisions relating to payment dates:	London and, for the avoidance of doubt, New York City
55. Payment Disruption Event (General Condition 14):	Not Applicable
56. Physical Delivery:	Not Applicable
57. Calculation Agent:	J.P. Morgan Securities Ltd.
58. Redenomination, renominatisation and reconventioning provisions:	Not Applicable
59. Gross Up (General Condition 18):	Applicable – as specified in General Condition 18.1
60. Rounding:	General Condition 22 applies
61. Other final terms or special conditions:	Applicable – see paragraph 40(ii)

DISTRIBUTION

62. If non-syndicated, name and address of Dealer:	J.P. Morgan Securities Ltd. of 125 London Wall, London EC2Y 5AJ
63. Stabilising Manager(s) (if any):	Not Applicable
64. Total commission and concession:	See paragraph 6 above
65. U.S. selling restrictions:	Regulation S

The Securities will constitute "registration required obligations" issued in registered form for U.S. federal income tax purposes

ERISA Restrictions for all Securities (including Rule 144A Securities and Securities subject to Regulation S)

JPMSP Standard Restrictions apply: The Securities may not be acquired by, on behalf of, or with the assets of any plans subject to ERISA or

Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, other than certain insurance company general accounts. See "Subscription and Sale – United States" and "Transfer Restrictions–ERISA Legends and ERISA Restrictions – (b) JPMSP/JPMBD/JPMI Standard Restrictions" in the Base Prospectus.

- 66. **Non-exempt Offer:** Not Applicable
- 67. **Additional Selling Restrictions:** Not Applicable
- 68. **Swiss Public Offer:** No

GENERAL

- 69. The aggregate principal amount of Notes issued has been translated into U.S. dollars at the rate of [●] 1 = U.S.\$ [●], producing a sum of (for Notes not denominated in U.S. dollars): Not Applicable

Signed on behalf of the Issuer:

By: _____

Duly authorised

Signed on behalf of the Guarantor:

By: _____

Duly authorised

OTHER INFORMATION

LISTING AND ADMISSION TO TRADING

Application will be made for the Securities to be listed on the Official List and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange with effect from, at the earliest, the Issue Date. No assurances can be given that such application for listing and admission to trading will be granted (or, if granted, will be granted by the Issue Date).

The Issuer has no duty to maintain the listing and admission to trading (if any) of the Securities on the Luxembourg Stock Exchange over their entire lifetime. Securities may be suspended from trading and/or delisted at any time in accordance with applicable rules and regulations of the Luxembourg Stock Exchange.

RATINGS Not Applicable

INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in the second paragraph of the section of the Base Prospectus entitled "Subscription and Sale" and in the section of this Prospectus entitled "Conflict of Interest", so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the issue.

REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- | | |
|---------------------------------|----------------|
| (i) Reasons for the offer: | Not Applicable |
| (ii) Estimated net proceeds: | Not Applicable |
| (iii) Estimated total expenses: | Not Applicable |

PERFORMANCE OF INDEX/FORMULA/ OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

The value of the Securities and the Redemption Amount will depend on the Level of the Index in respect of the Valuation Date relative to the Index Level of the Index in respect of the Initial Valuation Date, and the Cash Amount on the Valuation Date. The Cash Amount on the Valuation Date will depend on the Cash USD Index Level in respect of the Valuation Date.

One of the aims of the investment strategy behind the Index is to generate positive returns by modelling returns from each of the Dynamic US Gross Sub-Index (USD) (the "**US Index**") and the Systematic Long Gross (EUR) Sub-Index (the "**EU Index**"). The returns are generated by a combination of 100 per cent. of the return of the US Index and a variable percentage of the return of the EU Index. The exposure to the return of the EU Index is determined on each Index Business Day and may vary between 0 per cent. and 25 per cent.

The US Index models returns from combining a systematic long synthetic exposure and an opportunistic short synthetic exposure to various futures contracts (the "**VIX Futures Contracts**") in respect of the CBOE Volatility Index (Bloomberg Code: *VIX Index*) (the "**VIX Index**") that are rolled continuously throughout the period between the settlement dates for the various VIX Futures Contracts and:

- (a) the synthetic long exposure to the VIX Futures Contracts measures the return from a rolling long position in the fourth, fifth, sixth and seventh month VIX Futures Contracts; and
- (b) the synthetic short exposure to the VIX Futures Contracts measures the return from a rolling short position in the first and second month VIX Futures Contracts. Such exposure is partially increased (or

decreased) following three consecutive days of the VIX Index being below (or above) the rolling average of the first and second month VIX Futures Contracts, with the size of the increase (or decrease) in exposure for each subsequent Index Business Day being equal to 20 per cent. If this condition is not met, the exposure does not change.

The EU Index models returns from a systematic long synthetic exposure to various futures contracts (the “**VSTOXX Futures Contracts**”) in respect of the EURO STOXX 50[®] Volatility Index (Bloomberg Code: V2X Index) (the “**VSTOXX Index**” and, the VSTOXX Index and the VIX Index, each an “**Underlying Index**”) that are rolled continuously throughout the period between the settlement dates for the various VSTOXX Futures Contracts. The synthetic long exposure to the VSTOXX Futures Contracts measures the return from a rolling long position in the second and third month VSTOXX Futures Contracts. The level of the EU Index is converted into U.S. dollars at the exchange rate of USD per EUR 1 as calculated by the European Central Bank and appearing on Bloomberg Page EURUSD F113 (or such successor or alternative page as determined by the Index Calculation Agent).

The exposure (if any) of the Index to the EU Index in respect of an Index Business Day is determined by reference to the synthetic cost of carry of certain VIX Futures Contracts and VSTOXX Futures Contracts (or, in other words, the difference in the Daily Contract Reference Price of the first and second month VIX Futures Contracts and of the second and third month VSTOXX Futures Contracts). As more fully described in the paragraph 2 (*Index Levels*) of Part D (*Volatility Enhanced Hybrid MH Index*) of the Index Rules, the exposure of the Index to the EU Index will be increased or decreased depending on whether the Daily Contract Reference Prices for the VIX Futures Contracts and the VSTOXX Futures Contracts are either both positive or both negative.

The price of each of the VSTOXX Futures Contracts and the VIX Futures Contracts (together, the “**Futures Contracts**”) is affected, in part, by the supply and demand for such Futures Contract in the market. The supply and demand for the Futures Contracts contracts (and consequently their price) are in turn influenced by the level of the relevant Underlying Index, although the price performance of the Futures Contracts may not necessarily correspond to the level the the relevant Underlying Index.

Details of past and future performance and the volatility of the Index may be obtained from Bloomberg[®] at <http://www.bloomberg.com/quote/ENHMACRO:IND>. Details of past and future performance and the volatility of the US Index and the EU Index is available on request from the Index Sponsor (as defined in the Index Rules) at Edg_structuring_emea@jpmorgan.com or +44(0)20 7779 2217.

The closing prices of the VIX Futures Contracts are available from the Chicago Board Options Exchange (CBOE) website at <http://www.cboe.com/micro/vix/vixfuturesprices.aspx> and the closing prices of the VSTOXX Futures Contracts are available from the website of EUREX at http://www.eurexchange.com/market/quotes/VOL/FVS_en.html (where the VSTOXX Futures Contracts are referred to as “VSTOXX[®] Mini Futures”).

POST-ISSUANCE INFORMATION

The Issuer will not provide any post-issuance information with respect to the Reference Assets, unless required to do so by applicable law or regulation.

OPERATIONAL INFORMATION

Intended to be held in a manner which would allow No
Eurosystem eligibility:

ISIN Code: NL0010002689

Common Code: 073917867

Relevant Clearing System(s) and the relevant Euroclear/Clearstream, Luxembourg
identification number(s):

Delivery: Delivery against payment

The Agents appointed in respect of the Securities are: As set out in the Agency Agreement

Registrar: The Bank of New York Mellon (Luxembourg) S.A.

ANNEX

OTHER APPLICABLE TERMS

1. **Redemption Amount on the Redemption Date**

Unless the Securities have previously been redeemed, purchased and/or cancelled in accordance with the Conditions, the Issuer shall redeem each Security on the Redemption Date by payment of the Redemption Amount in respect of each Security, which shall be an amount in the Specified Currency determined by the Calculation Agent in accordance with the following formula:

$$\text{Max (Floor, RA} \times \left(\frac{\text{Final Index Level}}{\text{Initial Index Level}} \right) + \text{Cash Amount)}$$

2. **Additional Disruption Event**

The definition of "Additional Disruption Event" in Index Linked Provision 7 (*Definitions*) is deleted and replaced with the following:

"**Additional Disruption Event**" means (a) a Change in Law; (b) if Hedging Disruption is specified in the relevant Final Terms to be applicable, a Hedging Disruption; and (c) an Increased Cost of Hedging (as defined in the relevant Final Terms)."

3. **Cash Amount Calculation**

The Cash Amount (the "**Cash Amount**") shall be an amount in the Specified Currency calculated by the Calculation Agent in accordance with the following formula:

$$\text{RA} \times (\text{CashUSD}_{\text{Final}} - 1)$$

Where:

"**CashUSD_{Final}**" means the Cash USD Index Level in respect of the Valuation Date.

"**Cash USD Index Level**" means, in respect of each Cash Business Day in the Cash USD Calculation Period and the Valuation Date (each a "**Cash Business Day (t)**"), an amount calculated by the Calculation Agent in accordance with the following formula:

$$\text{CashUSD}_{t-1} \times \left(1 + \frac{(\text{Rate}_{t-1}) \times \text{Daycount}_{t-1,t}}{360} \right)$$

Where:

"**Cash Business Day (t-1)**" means, in respect of each Cash Business Day (t) (other than the Cash Business Day (t) falling on the first Cash Business Day in the Cash USD Calculation Period), the Cash Business Day immediately preceding such Cash Business Day (t).

"**CashUSD_{t-1}**" means, in respect of a Cash Business Day (t), the Cash USD Index Level in respect of Cash Business Day (t-1) or, where Cash Business Day (t) is the first Cash Business Day in the Cash USD Calculation Period, one.

"**Cash USD Calculation Period**" means the period from (but excluding) the Initial Valuation Date to (but excluding) the Valuation Date.

"**Daycount_{t-1,t}**" means, in respect of a Cash Business Day (t), the number of calendar days in the period commencing on (and including) the Cash Business Day (t-1) in respect of such Cash Business Day (t) (or, where Cash Business Day (t) is the first Cash Business Day in the Cash USD Calculation Period, commencing on (and including) the Initial Valuation Date) to, but excluding, such Cash Business Day (t), as determined by the Calculation Agent.

"**Rate_{t-1}**" means, in respect of a Cash Business Day (t), a reference rate equal to the Federal Funds Effective Rate US on the Cash Business Day (t-1) in respect of such Cash Business Day (t) (or, where the Cash Business Day (t) is the first Cash Business Day in the Cash USD Calculation Period, on the Initial Valuation Date) as calculated by the Federal Reserve Bank of New York and appearing on the Bloomberg Screen "FEDL01 Index" Page in respect of that day as determined by the Calculation Agent, provided that, if such rate does not appear on such page in respect of such day, then the Rate_{t-1} in respect of in respect of the Cash Business Day (t) shall be the Federal Funds Effective Rate US on the Cash Business Day (t-1) as determined by the Calculation Agent in good faith and in a commercially reasonable manner.

4. **Definitions**

"**Cash Business Day**" means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York City.

"**Final Index Level**" means the Index Level of the Index in respect of the Valuation Date, as determined by the Calculation Agent, and subject to adjustment and/or correction in accordance with the Conditions.

"**Floor**" means USD 1.

"**Increased Cost of Hedging**" means that the Hedging Entity would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of entering into and performing its obligations with respect to the Securities, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Hedging Entity shall not be deemed an Increased Cost of Hedging.

"**Index Level**" has the meaning given to it in the Index Rules.

"**Initial Index Level**" means 150.45, being the Index Level of the Index in respect of the Initial Valuation Date in respect of the Index, as determined by the Calculation Agent as of the date hereof, and subject to adjustment and/or correction in accordance with the Conditions.

"**Max**" followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a comma inside those brackets.

"**RA**" or "**Reference Amount**" means, in respect of each Security, U.S.\$ 1,000.

"**Trade Date**" means 25 January 2012.

SCHEDULE

Part 1

VOLATILITY ENHANCED HYBRID MH INDEX – INDEX RULES

Volatility Enhanced Hybrid MH Index

Index Rules

J.P.Morgan

30 September 2011

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PART A

General Rules

1. This Document

1.1 Introduction

This document comprises the rules of the Volatility Enhanced Hybrid MH Index (the “**Hybrid Index**”), including the rules for the component parts of the Hybrid Index.

The Index Rules for the Hybrid Index comprise:

- this Part A, which sets out the general rules applicable to the Hybrid Index and to the two sub-indices;
- Part B, which sets out the specific rules applicable to the first sub-index, the Systematic Long Sub-Index;
- Part C, which sets out the specific rules applicable to the second sub-index, the Dynamic US Gross Sub-Index;
- Part D, which sets out the specific rules applicable to the Hybrid Index; and
- the Applicable Module which sets out the specific information pertaining to the Hybrid Index and each Sub-Index such as (among other information): (1) the name of the Index and, if applicable, the Bloomberg ticker; (2) the Futures Contract(s) referenced in the Index; and (3) other specific rules (if any) applicable to the Index.

1.2 Publication and availability of the Index Rules

The Index Rules are published by J.P. Morgan Securities Ltd. of 125 London Wall, London EC2Y 5AJ, UK in its capacity as Index Sponsor of the Hybrid Index.

Copies of the Index Rules may be obtained by holders of investments linked to the Hybrid Index free of charge on request to the Index Sponsor.

1.3 Amendments

The Index Rules for an Index may be amended from time to time at the discretion of the Index Sponsor and will be re-published (in a manner determined by the Index Sponsor from time to time) no later than one calendar month following such amendment.

Although the Index Rules are intended to be comprehensive, ambiguities may arise. If so, the Index Sponsor will resolve such ambiguities and, if necessary, amend the Index Rules to reflect such resolution.

1.4 No offer of securities

The Index Rules neither constitute an offer to purchase or sell securities nor specific advice of whatever form (tax, legal, accounting or regulatory) in respect of any investment strategy or investment that may be linked to an Index.

2. Indices are synthetic

The Indices are constructed on notional or synthetic exposure to the Futures Contracts referenced in the Indices because there is no actual portfolio of Futures Contracts nor assets to which any person is entitled or in which any person has any ownership interest. The Indices merely identify certain Futures Contracts and rules-based trading strategies, the performance of which are used as a reference point for the purposes of calculating the level of each Index.

3. Index Sponsor and Index Calculation Agent

3.1 Identity

J.P. Morgan Securities Ltd. is the sponsor of the Index (the “**Index Sponsor**”). The Index Sponsor is responsible for, among other things, the creation and design of the Hybrid Index (including the sub-indices), the documentation of the Index Rules and the appointment of the Index Calculation Agent,

which may be itself, an affiliate, subsidiary or a third party. The Index Sponsor may at any time and for any reason terminate the appointment of an Index Calculation Agent and appoint an alternative entity as the replacement Index Calculation Agent.

As of the date of these Index Rules, the Index Sponsor has appointed Markit Equities Limited as the calculation agent (the “**Index Calculation Agent**”) for the Index.

The Index Calculation Agent is responsible for:

- (a) calculating the Index Level in respect of each Index Business Day in accordance with the Index Rules; and
- (b) determining (subject to the prior consent of the Index Sponsor) if a Market Disruption Event, Disrupted Day, Extraordinary Event (or other similar event) has occurred and the related consequences and adjustments in accordance with the Index Rules.

If the Index Sponsor determines that a Market Disruption Event, Disrupted Day (or other similar event) has occurred in respect of an Index Business Day, and, if the Index Calculation Agent fails to make that determination, then the Index Sponsor may instruct the Index Calculation Agent that such an event has occurred and instruct the Index Calculation Agent as to the consequences or adjustments that should be made to take account of such event. To the extent that the Index Calculation Agent and the Index Sponsor disagree about a particular determination, calculation or adjustment, the determination, calculation or adjustment of the Index Sponsor shall prevail.

3.2 Index Sponsor and Index Calculation Agent standards

The Index Sponsor and the Index Calculation Agent shall act in good faith and in a commercially reasonable manner in respect of determinations made by it pursuant to the Index Rules.

3.3 Index Sponsor and Index Calculation Agent determinations

All determinations of the Index Sponsor and the Index Calculation Agent pursuant to the Index Rules in respect of the Hybrid Index (including the sub-indices) and interpretation of the Index Rules shall be final, conclusive and binding and no person shall be entitled to make any claim against the Index Sponsor and the Index Calculation Agent or any of the Relevant Persons in respect thereof. None of the Index Sponsor, the Index Calculation Agent or any Relevant Person shall:

- (a) be under any obligation to revise any determination or calculation made or action taken for any reason in connection with the Index Rules or an Index; or
- (b) have any responsibility to any person (whether as a result of negligence or otherwise) for any determinations made or anything done (or omitted to be determined or done) in respect of any Index or in respect of the calculation or publication of any Index Level (or failure to calculate or publish such level) or any use to which any person may put an Index or the Index Levels.

4. Calculation of Index Levels

4.1 Base Level and Base Date

The Base Level and Base Date of the Hybrid Index (and the sub-indices) are specified in the Applicable Module.

4.2 Calculation of Index Levels

Subject to the occurrence of a Market Disruption Event, in respect of each Index, the Index Calculation Agent shall calculate and, in respect of the Hybrid Index only, publish (in a manner determined by the Index Calculation Agent from time to time) the level of the Index (the “**Index Level**”) in respect of each Index Business Day. The Index Level in respect of the Hybrid Index will be rounded to 2 decimal places before being published and calculated in the Currency of the Index.

5. Corrections in respect of Indices

If, in respect of the Hybrid Index (and each sub-index):

- (a) the level or price of any Futures Contract, the Base Index, variable, input or other matter which is used for any calculation relevant to the Index Level for any Index Business Day is subsequently corrected and the correction is published by the Relevant Exchange or relevant publication source; or

- (b) the Index Calculation Agent identifies an error or omission in any of its calculations or determinations in respect of the Index Level for any Index Business Day,

then, the Index Calculation Agent may, if practicable and it considers such correction material, adjust or correct the Index Level for such day and/or each subsequent Index Business Day and publish (in such manner determined by the Index Calculation Agent) such corrected Index Level in respect of the Hybrid Index as soon as reasonably practicable.

6. Extraordinary Events – Futures Contract

6.1 Successor Futures Contract

If, in respect of an Index, any Futures Contract is:

- (a) not calculated and quoted by the Relevant Exchange but by a successor exchange acceptable to the Index Calculation Agent; or
- (b) replaced by a successor futures contract using, in the determination of the Index Calculation Agent, the same or substantially similar formula and method of calculation as used in the calculation of the relevant Futures Contract,

then in each case that successor futures contract (the “**Successor Futures Contract**”) shall replace the relevant Futures Contract with effect from a date determined by the Index Calculation Agent who may make such adjustment to the Index Rules, as it determines in good faith is appropriate, to account for such change.

6.2 Material change to Futures Contracts, cancellation or non-publication

Without prejudice to the ability of the Index Calculation Agent to amend the Index Rules (see section 1), if, at any time in respect of any Futures Contract (the “**Affected Contract**”):

- (a) the Index Calculation Agent considers it reasonably necessary to exclude or substitute the Affected Contract to reflect the intention of the relevant Index, including (without prejudice to the generality of the foregoing) changes announced by the Relevant Exchange relating to the modification, exclusion, inclusion or substitution of any Futures Contracts; or
- (b) there is a perception among market participants generally that the published price of the relevant Futures Contract is inaccurate (and the Relevant Exchange fails to correct such level); or
- (c) any Relevant Exchange:
 - (i) announces that it will make a material change to the definition of any Futures Contract or in any other way materially modifies such contract (other than a modification prescribed in the definition of such contract); or
 - (ii) permanently cancels any Futures Contract and no Successor Futures Contract exists or is otherwise unable or unwilling to publish a level of the Futures Contract; or
- (d) the Index Calculation Agent determines that a Change in Law has occurred in respect of a Futures Contract,

then the Index Calculation Agent may exclude or substitute the Affected Contract from the relevant Index and may adjust the Index Rules as it determines in good faith to be appropriate to account for such change(s) (including, without limitation, selecting (a) a replacement futures contract traded on the Relevant Exchange or an equivalent exchange and having similar characteristics to the Affected Contract; and (b) the date of such replacement) on such date(s) as selected by the Index Calculation Agent or cease calculation or publication of the affected Index.

7. Extraordinary Events – Base Index

7.1 Successor Base Index

If, in respect of an Index, the Base Index is:

- (a) not calculated and quoted by the applicable sponsor but by a successor sponsor acceptable to the Index Calculation Agent; or

- (b) replaced by a successor index using, in the determination of the Index Calculation Agent, the same or substantially similar formula and method of calculation as used in the calculation of the relevant Base Index,

then in each case that successor base index (the “**Successor Base Index**”) shall replace the relevant Base Index with effect from a date determined by the Index Calculation Agent who may make such adjustment to these Index Rules, as it determines in good faith is appropriate, to account for such change.

7.2 Material change to Base Index, cancellation or non-publication

Without prejudice to the ability of the Index Calculation Agent to amend the Index Rules (see section 1), if, at any time in respect of any applicable Base Index (the “**Affected Base Index**”):

- (a) the Index Calculation Agent considers it reasonably necessary to exclude or substitute the Affected Base Index to reflect the intention of the relevant Index, including (without prejudice to the generality of the foregoing) changes announced by the applicable sponsor of the Base Index relating to the modification, exclusion, inclusion or substitution of any Base Index; or
- (b) there is a perception among market participants generally that the published level of the relevant Base Index is inaccurate (and the applicable sponsor of the Base Index fails to correct such level); or
- (c) the sponsor of any applicable Base Index:
 - (i) announces that it will make a material change in the formula for or the method of calculating the Base Index or in any other way materially modifies that Base Index (other than a modification prescribed in the formula or method to maintain that Base Index in the event of changes in constituent stock and capitalization and other routine events); or
 - (ii) permanently cancels the Base Index and no Successor Base Index exists or is otherwise unable or unwilling to publish a level of the Base Index,

then the Index Calculation Agent may exclude or substitute the Affected Base Index from the relevant Index and may adjust the Index Rules as it determines in good faith to be appropriate to account for such change(s) (including, without limitation, selecting (a) a replacement base index on the Relevant Exchange or an equivalent exchange and having similar characteristics to the Affected Base Index; and (b) the date of such replacement) on such date(s) as selected by the Index Calculation Agent or cease calculation or publication of the affected Index.

7.3 Cancellation of licence or permission

If in respect of an Index, at any time, any licence granted (if required) to the Index Calculation Agent (or its affiliates) to use any Base Index or other component (“**Affected Component**”) for the purposes of the Index terminates, or the Index Calculation Agent’s rights to use the Base Index or other underlying component for the purpose of the Index is otherwise disputed, impaired or ceases (for any reason), the Index Calculation Agent may remove such Affected Component from the Index and may adjust the Index Rules as it determines in good faith to be appropriate to account for such change(s) including, without limitation, selecting (a) a replacement base index or other underlying component having similar characteristics to the Affected Component; and (b) the date of such replacement) on such dates as selected by the Index Calculation Agent or cease calculation or publication of the affected Index.

8. Definitions

In respect of each Index, the capitalised terms defined below shall have the following meanings in the Index Rules:

“**Applicable Module**” means in relation to an Index, the Module applicable to such Index;

“**Applicable Parts**” means the Part(s) which are applicable to the Index;

“**Applicable Parts / Module**” means the Parts and Module which are applicable to the Index;

“**Base Date**” means the date specified in the Applicable Module;

“**Base Index**” the index as specified in the Applicable Module;

“Base Level” means the level specified in the Applicable Module;

“Change in Law” means due to the adoption of, or any change in, any applicable law, regulation or rule (including, without limitation, any tax law) or the promulgation of, or any change in, the interpretation, application, exercise or operation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law, rule, regulation or order (including, without limitation, any action taking by a taxing authority, or any exchange or trading facility), the Index Calculation Agent determines in good faith that it has become illegal to hold, acquire or dispose of the Futures Contracts;

“Closing Price” means, in respect of a Futures Contract and Index Business Day, the official settlement price (howsoever described in the rules of the Relevant Exchange) for the Futures Contract published by the Relevant Exchange;

“Currency of the Index” means the currency specified as such in the Applicable Module;

“Disrupted Day” means, in respect of an Index and an Index Business Day, the occurrence or existence of a Market Disruption Event in respect of a Futures Contract and/or the Base Index;

“Early Closure” means, the closure on any Index Business Day of the Relevant Exchange prior to its scheduled closing time unless such earlier closing time is announced by such exchange(s) at least one hour prior to the actual closing time for the regular trading session on such exchange(s) on such Index Business Day;

“Exchange Disruption” means, any event (other than an Early Closure) that disrupts or impairs (as determined by the Index Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for, futures (including, without limitation, the Futures Contracts) or options contracts relating to the Base index on any Relevant Exchange;

“Final Settlement Value” in respect of a Futures Contract and a Rebalancing Settlement Date, the final settlement value (howsoever described in the rules of the Relevant Exchange) for the Futures Contract as published by the Relevant Exchange;

“Futures Contract” means the futures contract(s) in respect of the Base Index as specified in the Applicable Parts / Module;

“Index Business Day” means the index business days specified as such in the Applicable Module, subject to adjustment in accordance with the Index Rules;

“Index Calculation Agent” means J.P. Morgan Securities Ltd or any affiliate, subsidiary or delegate designated by it in accordance with section 3.1 of this Part A;

“Index” means the Hybrid Index and each Sub-Index;

“Index Level” has the meaning given in section 4.2 of this Part A;

“Index Rules” means the relevant Parts and Modules of the document that comprise the Index Rules for the Index;

“Market Disruption Event” means, in respect of:

- (a) a Futures Contract:
 - (i) a failure by the Relevant Exchange to publish the Closing Price for the Futures Contract on an Index Business Day or the Final Settlement Value on a Rebalancing Settlement Date (as the case may be); or
 - (ii) any event that, in the determination of the Index Calculation Agent, disrupts or impairs the ability of market participants generally to effect transactions in or obtain market values for such Futures Contract on the Index Business Day. Such events may include, but are not limited to, the occurrence of any of a Trading Disruption, Exchange Disruption or Early Closure; or
- (b) a Base Index, a failure by the sponsor for the Base Index to calculate and publish the level for the Base Index on an Index Business Day;

“Module” means the Module of this document applicable to the Index.

“Part” means the Parts of this document applicable to the Index.

“Relevant Exchange” in respect of an Index, the relevant exchange or quotation system specified in the Applicable Parts / Module;

“Relevant Persons” means any affiliate or subsidiary of the Index Sponsor, Index Calculation Agent or their respective directors, officers, employees, representatives, delegates or agents;

“Sub-Index” means the Systematic Long Sub-Index, the details of which are set out in Part B of these Index Rules and the Dynamic US Gross Sub-Index, the details of which are set out in Part C of these Index Rules.

“Trading Disruption” means any suspension of or limitation imposed on trading by the Relevant Exchange or otherwise and whether by reason of movements in a price exceeding limits permitted by the Relevant Exchange or otherwise in futures (including, without limitation, the Futures Contracts) or options contracts relating to the Base Index on any Relevant Exchange;

Notices, Disclaimers and Conflicts

These Index Rules have been developed with the possibility of the Index Sponsor, the Index Calculation Agent or any of the Relevant Persons entering into or promoting, offering or selling transactions or investments (structured or otherwise) linked to one or more Indices and the hedging of such transactions or investments in any manner that they see fit.

No one may reproduce or disseminate the information contained in this document or an Index Level without the prior written consent of the Index Sponsor. This document is not intended for distribution to, or use by any person in, a jurisdiction where such distribution is prohibited by law or regulation.

“Enhanced” Index

The synthetic long and short positions referenced in the Sub-Indices reference a broader range of Futures Contracts than may be referenced in other comparable volatility indices, which is one of the reasons why the Hybrid Index is referred to as the Volatility Enhanced Hybrid MH Index. However, the use of the word “Enhanced” in the title of the Hybrid Index should not be interpreted to mean that the index will be more successful or outperform any alternative volatility index that may reference fewer futures contracts.

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Part B

Systematic Long Gross (EUR) Sub-Index

1. Introduction

The rules set out in this Part B apply to the Systematic Long Gross (EUR) Sub-Index (the “**Systematic Long Sub-Index**” or “**Sub-Index**”). The Index Rules of the Systematic Long Sub-Index are comprised of Part A of this document, this Part B and the Applicable Module to this Part B.

The Systematic Long Sub-Index models returns from a systematic long exposure to the Futures Contracts that are rolled continuously throughout the period between the settlement dates for the various Futures Contracts.

The synthetic long exposure to the Futures Contracts measures the return from a rolling long position in the second and third month Futures Contracts. Subject to the occurrence of a Market Disruption Event, the long exposure in the Systematic Long Sub-Index rolls continuously throughout each month from the second month Futures Contract into the third month Futures Contract.

For the Systematic Long Sub-Index, the Applicable Module sets out (among other things) the:

- Name of the Sub-Index and Bloomberg ticker;
- Base Index;
- Index Business Days of the Sub-Index;
- Rebalancing Settlement Dates; and
- Adjustment Factor of the Sub-Index.

2. Futures Contracts

The table below sets out the futures contracts in respect of the Base Index (each a “**Futures Contract**”), together with the applicable “**Contract Letter**”, and “**Settlement Month**”.

Each row in the table provides the applicable Contract Letter for each Futures Contract ($i = 2, 3$) by reference to the month in which the relevant Rebalancing Period ends. For example, the Contract Letter for Futures Contract ($i = 3$) for the Rebalancing Period ending in June is “Q”.

In the table below, references to Futures Contract(s) ($i = 2, 3$) are to the futures contract(s) by reference to the month in which the relevant Rebalancing Period ends. For example, for the Rebalancing Period ending on the Rebalancing Settlement Date occurring in June:

- Futures Contract ($i=2$) means the Futures Contract with the Contract Letter “N”; and
- Futures Contract ($i=3$) means the Futures Contract with the Contract Letter “Q”.

In respect of a Rebalancing Period, the number applicable to the Futures Contract (ie $i = 2, 3$) applies to such Futures Contract from and including the Rebalancing Settlement Date occurring at the beginning of the Rebalancing Period and up to but excluding the Rebalancing Settlement Date occurring at the end of the Rebalancing Period.

Table: Futures Contracts

Futures Contract[s]	The month in which the Rebalancing Period ends											
	J a n	F e b	M a r	A p r	M a y	J u n	J u l	A u g	S e p	O c t	N o v	D e c
Futures Contract (i= 2)	G	H	J	K	M	N	Q	U	V	X	Z	F
Futures Contract (i=3)	H	J	K	M	N	Q	U	V	X	Z	F	G

Contract Letter	F	G	H	J	K	M	N	Q	U	V	X	Z
Settlement Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec

3. Rebalancing Period

The Futures Contracts referenced in the Sub-Index are rebalanced on each Rebalancing Date from, and including, one Rebalancing Settlement Date to, but excluding, the next Rebalancing Settlement Date (each such period, a “Rebalancing Period”). The initial Rebalancing Period commenced on, and included the Base Date.

4. Calculation of Index Levels

Subject to the occurrence of a Market Disruption Event, the Index Level (“*Index (t)*”) for the Sub-Index shall be calculated in respect of each Index Business Day as follows:

$$\text{Index (t)} = \text{Index (t-1)} * (1 + \text{Long Return(t)})$$

Where:

Index (t-1) means the Index Level calculated by the Index Calculation Agent in respect of the immediately preceding Index Business Day that is not a Disrupted Day

$$\text{Long Return } t = (\text{GrossIndex}(t) / \text{GrossIndex}(t-1)) - 1 - (\text{Rebal Fut } (t-1) * R) - (A * n(t-1,t) / 360)$$

Where:

$$\text{GrossIndex}(t) = \text{GrossIndex}(t-1) * (1 + \text{Long Return}(t))$$

If Index Business Day t is a Rebalancing Settlement Date, then:

$$\text{Long Return (t)} = \text{DCRP (2, t)} / \text{DCRP (3,t-1)} - 1$$

Where:

DCRP (i, t) means the Daily Contract Reference Price of the i-th Futures Contract on Index Business Day t

Daily Contract Reference Price means the Closing Price of the Futures Contract on the applicable Index Business Day.

For example, if Index Business Day t is the Rebalancing Settlement Date falling in January, then:

- DCRP(2,t) refers to the Closing Price of the second month Futures Contract on that Index Business Day (t) (ie the Futures Contract expiring in March); and

- DCRP(3,t-1) refers to the Closing Price of the same contract as of the Index Business Day (t-1) (ie the Futures Contract expiring in March).

If Index Business Day t is not a Rebalancing Settlement Date:

Long Return (t) = $(CRW(1, t-1) * DCRP(2, t) + CRW(2, t-1) * DCRP(3, t)) / (CRW(1, t-1) * DCRP(2, t-1) + CRW(2, t-1) * DCRP(3, t-1)) - 1$

Where:

CRW (1, p) = dr / dp ,

CRW (2, p) = $(dp-dr) / dp$

The reference above to CRW “1” or “2” is to the closest and the next following Futures Contracts that are referred to in the relevant provision. For example, in the calculation of the Long Return, “1” is a reference to Futures Contract (i=2) and “2” is a reference to Futures Contract (i=3).

The reference above to “p” is to the relevant Index Business Day, in other words to Index Business Day “t” or “t-1” (as the case may be).

dp is the total number of Index Business Days in the Rebalancing Period in which the Index Business Day (p) falls (irrespective of whether any such day(s) are or become subject to a Market Disruption Event);

dr is the total number of Index Business Days from, and excluding, the Index Business Day (p) to, but excluding, the next Rebalancing Settlement Date (irrespective of whether any such day(s) are or become subject to a Market Disruption Event);

I(t-1) is the signal utilised to determine the exposure (if any) to the Short Return by reference to Index Business Day t-1 and is calculated as follows:

- if in respect of all Index Business Days t-j (where j = 2, 3 and 4) the Base Index Level in respect of each Index Business Day (t-j) is greater than or equal to an amount calculated as follows:

CRW(1, t-j) * DCRP (1, t - j) + CRW(2, t-j) * DCRP(2, t - j)

then, $I(t-1) = \text{MAX}[0, I(t-2)-20\%]$,

- if in respect of all Index Business Days t-j (where j = 2, 3 and 4) the Base Index Level in respect of each Index Business Day (t-j) is less than an amount calculated as follows:

CRW(1, t-j) * DCRP (1, t - j) + CRW(2, t-j) * DCRP(2, t - j)

then, $I(t-1) = \text{MIN}[1, I(t-2)+20\%]$, and

- if in respect of any Index Business Day t-1 the conditions in (i) and (ii) have not been satisfied:

then, $I(t-1)=I(t-2)$.

Base Index Level means, in respect of an Index Business Day, the official closing level of the Base Index published by the sponsor of the Base Index in respect of the relevant Index Business Day.

R means, in respect of an Index Business Day, the notional Rebalancing Adjustment Factor as specified in the Applicable Module, determined by reference to the Base Index on Index Business Day (t-1).

A means the notional Adjustment Factor as specified in the Module for the Sub-Index; and

n(t-1,t) is the number of calendar days from, and including Index Business Day t-1 to, but excluding, Index Business Day t;

Rebal Fut (t-1) refers to the proportion of the relevant Futures Contract notionally rebalanced between Index Business Day t-1 and Index Business Day t and is calculated as follows:

Rebal Fut (t-1) = |Rebal Fut (2,t-1)| + |Rebal Fut (3,t-1)|

Where:

If Index Business Day t is not a Rebalancing Settlement Date:

$$RebalFut(2, t-1) = CRW(1, t-1) - CRW(1, t)$$

Where:

$$RebalFut(3, t-1) = CRW(2, t-1) - CRW(2, t)$$

If Index Business Day t is a Rebalancing Settlement Date

$$RebalFut(2, t-1) = 1 - CRW(1, t)$$

$$RebalFut(3, t-1) = CRW(2, t)$$

5. Market Disruption Events

Determination of Index Level

Notwithstanding the remainder of this section, if any Index Business Day is a Disrupted Day then the Index Calculation Agent may suspend the calculation of the Index Level until the first succeeding Index Business Day which is not a Disrupted Day.

Rebalancing Dates

If any Rebalancing Date is a Disrupted Day, then the relevant Rebalancing Date shall be deemed to be the first following Rebalancing Date that is not a Disrupted Day.

On the first Rebalancing Date following one or more consecutive Disrupted Days (the first such day being the "**First Disrupted Day**" and the last such date being the "**Final Disrupted Day**"), the Index Calculation Agent will determine the Index Level in accordance with the methodology set out in Section 4 of this Part provided that references to Index Business Day ($t-1, 2, 3$ and 4) shall be deemed to be references to the Index Business Days (that are themselves not Disrupted Days) occurring on such day or days prior to the First Disrupted Day.

If the first Rebalancing Date following the Final Disrupted Day falls after a Rebalancing Settlement Day then for the purposes of calculating the Index Level references to:

DCRP (3,t) shall be deemed to be references to DCRP(2,t); and

DCRP (2,t) shall be deemed to be references to DCRP(1,t).

Module B1.0: Systematic Long Gross (EUR) Sub-Index

This Module B1.0 sets out the specific information pertaining to the Index Systematic Long Gross (EUR) Sub-Index.

Name of Sub-Index	Systematic Long Gross (EUR) Sub-Index	
Currency of the Index	EUR	
Base Index	The VSTOXX Index (Bloomberg Code: V2X Index)	
Index Business Days	Means, as at the Base Date, the Eurex or any successor thereof or otherwise any exchange on which any Successor Futures Contract is traded or Base Index is listed (as the case may be) from time to time	
Relevant Exchange	Means, as at the Base Date, the Eurex or any successor thereof or otherwise any exchange on which any Successor Futures Contract is traded or Base Index is listed (as the case may be) from time to time	
Rebalancing Settlement Dates	Means, in respect of a Futures Contract, the final settlement date (or howsoever it is called) as published by the Relevant Exchange	
Rebalancing Date	Means each Index Business Day occurring during a Rebalancing Period	
Adjustment Factor	0% per annum	
<p>Rebalancing Adjustment Factor ("R") utilized for Index Business Day (t).</p> <p>The Rebalancing Adjustment Factor is referenced in the definition of "Return (t)".</p> <p>The Rebalancing Adjustment Factor is not a per annum amount, but applied to "Rebal Fut (t-1)" (being the proportion of Futures Contracts notionally rebalanced between Index Business Day (t) and Index Business Day (t-1)).</p>	Base Index Level on Index Business Day (t-1)	Rebalancing Adjustment Factor
	=< 40	0.30%
	=< 55 and > 40	0.40%
	=< 75 and > 55	0.60%
	> 75	0.75%
Base Date	8 November 2010	
Base Level	100.00	

Part C

Dynamic US Gross Sub-Index (USD)

1. Introduction

The rules set out in this Part C apply to the Dynamic US Gross Sub-Index (USD) (the “**Dynamic US Gross Sub-Index**” or “**Sub-Index**”). The Index Rules of the Sub-Index are comprised of Part A of this document, this Part C and the Applicable Module to this Part C.

The Sub-Index models returns from combining a fixed long and an opportunistic short synthetic exposure to the Futures Contracts that are rolled continuously throughout the period between the settlement dates for the various Futures Contracts.

The synthetic long exposure to the Futures Contracts measures the return from a rolling long position in the fourth, fifth, sixth and seventh month Futures Contracts. Subject to the occurrence of a Market Disruption Event, the long exposure in the Index rolls continuously throughout each month from the fourth month Futures Contract into the seventh month Futures Contract. The exposure of the Index to the synthetic long position is fixed at 100%.

The synthetic short exposure to the Futures Contracts measures the return from a rolling short position in the first and second month Futures Contracts and is only activated when volatility term structure is upward sloping. The short exposure is partially increased (or decreased) following three consecutive days of the Base Index being below (or above) the rolling average of the first and second month Futures Contracts, with the size of the increase (or decrease) in exposure for each subsequent Index Business Day being equal to 20%. If no such condition is met, the short position is rolled over with the same exposure as the previous Index Business Day. Subject to the occurrence of a Market Disruption Event, the short exposure in the Index rolls continuously throughout each month from the first month Futures Contract into the second month Futures Contract.

For each Index, the Applicable Module sets out (among other things) the:

- Name of the Sub-Index and Bloomberg ticker;
- Base Index;
- Index Business Days of the Sub-Index;
- Rebalancing Settlement Dates; and
- Adjustment Factor of the Sub-Index.

2. Futures Contracts

The table below sets out the futures contracts in respect of the Base Index (each a “**Futures Contract**”), together with the applicable “**Contract Letter**”, and “**Settlement Month**”.

Each Futures Contract expires on the Rebalancing Settlement Date occurring in the Settlement Month specified in the table. For example, a Futures Contract with the Contract Letter “J” expires in Settlement Month April.

Each row in the table provides the applicable Contract Letter for each Futures Contract (i = 1, 2, 4, 5, 6, 7) by reference to the month in which the relevant Rebalancing Period ends. For example, the Contract Letter for Futures Contract (i = 4) for the Rebalancing Period ending in June is “U”.

In the table below, references to Futures Contract(s) (i=1, 2, 4, 5, 6, 7) are to the futures contract(s) by reference to the month in which the relevant Rebalancing Period ends. For example, Futures Contract (i=1) means the Futures Contract expiring at the end of the current Rebalancing Period and Futures Contract (i=2) means the Futures Contract expiring at the end of the Rebalancing Period immediately following the current Rebalancing Period.

In respect of a Rebalancing Period, the number applicable to the Futures Contract (i.e. i=1, 2, 4, 5, 6, 7) applies to such Futures Contract up to and including the Rebalancing Settlement Date which occurs at the end of that Rebalancing Period.

Table: Futures Contracts

Futures Contract[s]	The month in which the Rebalancing Period ends											
	J a n	F e b	M a r	A p r	M a y	J u n	J u l	A u g	S e p	O c t	N o v	D e c
Futures Contract (i=1)	F	G	H	J	K	M	N	Q	U	V	X	Z
Futures Contract (i=2)	G	H	J	K	M	N	Q	U	V	X	Z	F
Futures Contract (i=4)	J	K	M	N	Q	U	V	X	Z	F	G	H
Futures Contract (i=5)	K	M	N	Q	U	V	X	Z	F	G	H	J
Futures Contract (i=6)	M	N	Q	U	V	X	Z	F	G	H	J	K
Futures Contract (i=7)	N	Q	U	V	X	Z	F	G	H	J	K	M

Contract Letter	F	G	H	J	K	M	N	Q	U	V	X	Z
Settlement Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec

3. Rebalancing Period

The Futures Contracts referenced in the Index are rebalanced on each Rebalancing Date from, and including one Rebalancing Settlement Date to, but excluding, the next Rebalancing Settlement Date (each such period, a “**Rebalancing Period**”). The initial Rebalancing Period commenced on, and included, the Base Date.

4. Calculation of Index Levels

Subject to the occurrence of a Market Disruption Event, the Index Level (“*Index (t)*”) for the Sub-Index shall be calculated in respect of each Index Business Day as follows:

$$\text{Index (t)} = \text{Index (t-1)} * (1 + \text{Return t})$$

Where:

Index (t-1) means the Index Level calculated by the Index Calculation Agent in respect of the immediately preceding Index Business Day that is not a Disrupted Day

$$\text{Return t} = (\text{GrossIndex(t)} / \text{GrossIndex(t-1)}) - 1 - (\text{Rebal Fut (t-1)} * R)$$

Where:

$$\text{GrossIndex(t)} = \text{GrossIndex(t-1)} * (1 + \text{Long Return(t)} - \text{Short I(t-1)} * \text{Short Return(t)})$$

GrossIndex(t) is equal to 100 on the Base Date of the Index.

Short I is the signal used to determine the exposure of the Sub-Index to the Short Return and is defined below.

If Index Business Day t-1 is a Rebalancing Settlement Date, then:

$$\text{Short Return (t)} = (\text{DCRP}(1, t) / \text{DCRP}(2, t-1)) - 1$$

$$\text{Long Return (t)} = (\text{DCRP}(4, t) + \text{DCRP}(5, t) + \text{DCRP}(6, t)) / (\text{DCRP}(5, t-1) + \text{DCRP}(6, t-1) + \text{DCRP}(7, t-1)) - 1$$

Where:

DCRP (i, t) means the Daily Contract Reference Price of the i-th Futures Contract on Index Business Day t

Daily Contract Reference Price means the Closing Price of the Futures Contract on the applicable Index Business Day.

If Index Business Day t-1 is not a Rebalancing Settlement Date:

Short Return (t) = (CRW(1, t-1) * DCRP(1, t) + CRW(2, t-1) * DCRP(2, t)) / (CRW(1, t-1) * DCRP(1, t-1) + CRW(2, t-1) * DCRP(2, t-1)) -1

Long Return (t) = (CRW(1, t-1) * DCRP(4, t) + DCRP(5, t) + DCRP(6, t) + CRW(2, t-1) * DCRP(7, t)) / (CRW(1, t-1) * DCRP(4, t-1) + DCRP(5, t-1) + DCRP(6, t-1) + CRW(2, t-1) * DCRP(7, t-1)) -1

Where:

CRW(1, p) = dr / dp,

CRW(2, p) = (dp - dr) / dp

The reference in the calculation of the Short Return above to CRW “1” or “2” means to Futures Contracts (i=1) and (i=2), respectively.

The reference in the calculation of the Long Return above to CRW “1” or “2” means to the Futures Contracts (i=4) and (i=7) respectively.

The reference above to “p” is to the relevant Index Business Day, in other words to Index Business Day “t” or “t-1” (as the case may be).

dp is the total number of Index Business Days in the Rebalancing Period in which the Index Business Day (p) falls (irrespective of whether any such day(s) are or become subject to a Market Disruption Event);

dr is the total number of Index Business Days from, and including, the Index Business Day (p) to, but excluding, the next Rebalancing Settlement Date (irrespective of whether any such day(s) are or become subject to a Market Disruption Event);

Short I(t-1) is the signal utilised to determine the exposure (if any) of the Index to the Short Return by reference to Index Business Day t-1 and is calculated as follows:

- (i) if in respect of all Index Business Days t-j (where j = 2, 3 and 4) the Base Index Level in respect of each Index Business Day (t-j) is greater than or equal to an amount calculated as follows:

$$(CRW(1, t-j) * DCRP(1, t-j) + CRW(2, t-j) * DCRP(2,t-j))$$

then, Short I(t-1) = MAX[0, Short I(t-2)-20%],

- (ii) if in respect of all Index Business Days t-j (where j = 2, 3 and 4) the Base Index Level in respect of each Index Business Day (t-j) is less than an amount calculated as follows:

$$(CRW(1, t-j) * DCRP(1, t-j) + CRW(2, t-j) * DCRP(2,t-j))$$

then, Short I(t-1) = MIN[100%, Short I(t-2)+20%], and

- (iii) if in respect of any Index Business Day t-1 the conditions in (i) and (ii) have not been satisfied:

then, Short I(t-1) = Short I(t-2).

Base Index Level means, in respect of an Index Business Day, the official closing level of the Base Index published by the sponsor of the Base Index in respect of the relevant Index Business Day.

R means, in respect of an Index Business Day, the notional Rebalancing Adjustment Factor as specified in the Applicable Module, determined by reference to the Base Index on Index Business Day (t-1).

Rebal Fut (t-1) refers to the proportion of the relevant Futures Contract notionally rebalanced between Index Business Day t-1 and Index Business Day t and is calculated as follows:

$$\text{Rebal Fut (t-1)} = |\text{Rebal Fut (1,t-1)}| + |\text{Rebal Fut (2,t-1)}| + |\text{Rebal Fut (4,t-1)}| + |\text{Rebal Fut (5,t-1)}| + |\text{Rebal Fut (6,t-1)}| + |\text{Rebal Fut (7,t-1)}| + |\text{ShortI(t-1)} - \text{ShortI(t)}|$$

Where

If Index Business Day t-1 is not a Rebalancing Settlement Date:

$$\begin{aligned} \text{RebalFut}(1, t-1) &= \frac{CRW(1, t-1) \times DCRP(1, t) \times ShortI(t-1)}{ShortW(t-1)} - \frac{CRW(1, t) \times DCRP(1, t) \times ShortI(t)}{ShortW(t)} \times \frac{GrossIndex(t)}{GrossIndex(t-1)} \\ \text{RebalFut}(2, t-1) &= \frac{CRW(2, t-1) \times DCRP(2, t) \times ShortI(t-1)}{ShortW(t-1)} - \frac{CRW(2, t) \times DCRP(2, t) \times ShortI(t)}{ShortW(t)} \times \frac{GrossIndex(t)}{GrossIndex(t-1)} \\ \text{RebalFut}(4, t-1) &= \frac{CRW(1, t-1) \times DCRP(4, t)}{LongW(t-1)} - \frac{CRW(1, t) \times DCRP(4, t)}{LongW(t)} \times \frac{GrossIndex(t)}{GrossIndex(t-1)} \\ \text{RebalFut}(5, t-1) &= \left[\frac{DCRP(5, t)}{LongW(t-1)} - \frac{DCRP(5, t)}{LongW(t)} \times \frac{GrossIndex(t)}{GrossIndex(t-1)} \right] \\ \text{RebalFut}(6, t-1) &= \left[\frac{DCRP(6, t)}{LongW(t-1)} - \frac{DCRP(6, t)}{LongW(t)} \times \frac{GrossIndex(t)}{GrossIndex(t-1)} \right] \\ \text{RebalFut}(7, t-1) &= \left[\frac{CRW(2, t-1) \times DCRP(7, t)}{LongW(t-1)} - \frac{CRW(2, t) \times DCRP(7, t)}{LongW(t)} \times \frac{GrossIndex(t)}{GrossIndex(t-1)} \right] \end{aligned}$$

In respect of the above calculation of the “Rebal Fut (t-1)”, if Index Business Day t is a Rebalancing Settlement Date, then $CRW(1, t) = 0$ and $CRW(2, t) = 100\%$.

If Index Business Day t-1 was a Rebalancing Settlement Date

$$\begin{aligned} \text{RebalFut}(1, t-1) &= \frac{DCRP(1, t) \times ShortI(t-1)}{ShortW(t-1)} - \frac{CRW(1, t) \times DCRP(1, t) \times ShortI(t)}{ShortW(t)} \times \frac{GrossIndex(t)}{GrossIndex(t-1)} \\ \text{RebalFut}(4, t-1) &= \left[\frac{DCRP(4, t)}{LongW(t-1)} - \frac{CRW(1, t) \times DCRP(4, t)}{LongW(t)} \times \frac{GrossIndex(t)}{GrossIndex(t-1)} \right] \\ \text{RebalFut}(5, t-1) &= \left[\frac{DCRP(5, t)}{LongW(t-1)} - \frac{DCRP(5, t)}{LongW(t)} \times \frac{GrossIndex(t)}{GrossIndex(t-1)} \right] \\ \text{RebalFut}(6, t-1) &= \left[\frac{DCRP(6, t)}{LongW(t-1)} - \frac{DCRP(6, t)}{LongW(t)} \times \frac{GrossIndex(t)}{GrossIndex(t-1)} \right] \\ \text{RebalFut}(7, t-1) &= \frac{CRW(2, t) \times DCRP(7, t)}{LongW(t)} \end{aligned}$$

Where :

$$ShortW(t) = CRW(1, t) \times DCRP(1, t) + CRW(2, t) \times DCRP(2, t)$$

$$LongW(t) = CRW(1, t) \times DCRP(4, t) + DCRP(5, t) + DCRP(6, t) + CRW(2, t) \times DCRP(7, t)$$

5. Market Disruption Events

Determination of Index Level

Notwithstanding the remainder of this section, if any Index Business Day is a Disrupted Day then the Index Calculation Agent may suspend the calculation of the Index Level until the first succeeding Index Business Day which is not a Disrupted Day.

Rebalancing Dates

If any Rebalancing Date is a Disrupted Day, then the relevant Rebalancing Date shall be deemed to be the first following Rebalancing Date that is not a Disrupted Day.

On the first Rebalancing Date following one or more consecutive Disrupted Days (the first such day being the “**First Disrupted Day**” and the last such date being the “**Final Disrupted Day**”), the Index Calculation Agent will determine the Index Level in accordance with the methodology set out in

Section 4 of this Part provided that references to Index Business Day (t-1, 2 , 3 and 4) shall be deemed to be references to the Index Business Days (that are themselves not Disrupted Days) occurring on such day or days prior to the First Disrupted Day.

If the first Rebalancing Date following the Final Disrupted Day falls after a Rebalancing Settlement Day then for the purposes of calculating the Index Level on such day references to:

For all $i > 1$, DCRP (i,t) shall be deemed to be a reference to DCRP(i-1,t);

DCRP(1,t) shall be deemed to be the Final Settlement Value of the relevant Futures Contract expiring on that Rebalancing Settlement Day (as published by the Relevant Exchange).

Module C1.0: Dynamic US Gross Sub-Index (USD)

This Module C1.0 sets out the specific information pertaining to the Dynamic US Gross Sub-Index (USD).

Name of Index	Dynamic US Gross Sub-Index (USD)	
Currency of the Index	US Dollar	
Base Index	The CBOE Volatility Index (Bloomberg Code: VIX Index)	
Index Business Days	Each day (other than a Saturday or Sunday) on which the Relevant Exchange(s) in respect of each Futures Contract and the Base Index are open for trading during its or their regular trading sessions	
Relevant Exchange	Means, as at the Base Date, the Chicago Board Options Exchange or any successor thereof or otherwise any exchange on which any Successor Futures Contract is traded or Base Index is listed (as the case may be) from time to time	
Rebalancing Settlement Dates	Means, in respect of a Futures Contract, the final settlement date (or howsoever it is called) as published by the Relevant Exchange	
Rebalancing Date	Means each Index Business Day occurring during a Rebalancing Period	
<p>Rebalancing Adjustment Factor ("R") utilized for Index Business Day (t).</p> <p>The Rebalancing Adjustment Factor is referenced in the definition of "Return (t)".</p> <p>The Rebalancing Adjustment Factor is not a per annum amount, but applied to "Rebal Fut (t-1)" (being the proportion of Futures Contracts notionally rebalanced between Index Business Day (t) and Index Business Day (t-1)).</p>	Base Index Level on Index Business Day (t-1)	Rebalancing Adjustment Factor
	= < 35	0.20%
	= < 50 and > 35	0.30%
	= < 70 and > 50	0.40%
	> 70	0.50%
Base Date	1 March 2011	
Base Level	100.00	

Part D

Volatility Enhanced Hybrid MH Index

1. Introduction

The volatility enhanced hybrid MH index rules set out in this Part D apply to the Index set out in the Module to this Part D.

The Volatility Enhanced Hybrid MH Index models returns from two sub-indices: namely the Dynamic US Gross Sub-Index (USD) (the “**US Index**”) and the Systematic Long Gross (EUR) Sub-Index (the “**EU Index**”). The returns are generated by a systematic long exposure to the US Index, fixed at 100%, and an opportunistic long exposure to the EU Index, which varies from 0% to 25%.

The US Index models returns from combining a systematic long synthetic exposure and an opportunistic short synthetic exposure to the VIX Futures Contracts that are rolled continuously throughout the period between the settlement dates for the various VIX Futures Contracts. The EU Index is converted into USD.

The EU Index models returns from a systematic long synthetic exposure to VSTOXX Futures Contracts that are rolled continuously throughout the period between the settlement dates for the various VSTOXX Futures Contracts.

For each Volatility Enhanced Hybrid MH Index, the relevant Module sets out (among other things) the:

- Name of the Index and Bloomberg ticker;
- The US Index and the EU Index;
- Index Business Days of the Index;
- Rebalancing Settlement Dates; and
- Adjustment Factor of the Index.

2. Index Levels

Subject to the occurrence of a Market Disruption Event, the Index Level (“*Index (t)*”) for the Index shall be calculated in respect of each Index Business Day as follows:

$$\text{Index (t)} = \text{Index}(k(t)) * (1 + \text{Return t})$$

$$\text{Return(t)} = \text{Gross Return(t)} - \text{CrossTerm(t)} - \text{RebalFut(t)} - A * n(t-1,t) / 360$$

$$\text{Gross Return(t)} = (\text{US Index}(t) / \text{US Index (t-1)} - 1) + I(t-1) * (\text{EU Index}(t) / \text{EU Index}(t-1) - 1) * (\text{FX}(t) / \text{FX}(t-1)).$$

US Index(t) is the level of the US Index in respect of Index Business Day t, as determined by the Index Calculation Agent according to the methodology set out in the Applicable Part and relevant Module

EU Index(t) is the level of the EU Index in respect of Index Business Day t, determined by the Index Calculation Agent according to the methodology set out in the Applicable Part and relevant Module.

FX(t) is the applicable FX Rate as specified in the Applicable Module.

A means the notional Adjustment Factor as specified in the Applicable Module for the Index; and

n(t-1,t) is the number of calendar days from, and including Index Business Day t-1 to, but excluding, Index Business Day t;

$$\text{RebalFut(t)} = |I(t-1) - I(t)| * \text{EU Adjustment Factor}(t-1)$$

CrossTerm(t) refers to the proportion of the US Index and of EU Index notionally rebalanced between Index Business Day t-1 and Index Business Day t and is calculated as follows:

$$\text{CrossTerm(t)} = |(\text{US Index}(t) / \text{US Index (t-1)}) - (1 + \text{Gross Return}(t))| * \text{US Adjustment Factor}(t-1) + |I(t-1) * \text{EU Index}(t) / \text{EU Index (t-1)} * (\text{FX}(t-1) / \text{FX}(t)) - I(t) * (1 + \text{Gross Return}(t))| * \text{EU Adjustment Factor}(t-1)$$

Where

EU Adjustment Factor(t-1) means, in respect of an Index Business Day and for the EU Index, the notional Rebalancing Adjustment Factor as specified in the Applicable Module, determined by reference to the Base Index on Index Business Day (t-1).

US Adjustment Factor(t-1) means, in respect of an Index Business Day and for the US Index, the notional Rebalancing Adjustment Factor as specified in the Applicable Module, determined by reference to the Base Index on Index Business Day (t-1).

I(t) is the signal utilised to determine the exposure (if any) of the Index to the EU Index by reference to Index Business Day t-1 and is calculated as follows:

$$I(t) = [(S(t-1)+S(t-2)+S(t-3)+S(t-4)+S(t-5))/5] * 25\%$$

S(t) represents the synthetic cost of carry of the VIX Futures Contracts and the VSTOXX Futures Contracts by reference to Index Business Day t and is calculated as follows:

- (i) if in respect of Index Business Day t both,
DCRP_EU(2, t) – DCRP_EU(3, t) > T ; and
DCRP_US(1, t) – DCRP_US(2, t) > T
then $S(t) = 1$,
- (ii) if in respect of Index Business Day t both,
DCRP_EU(2, t) – DCRP_EU(3, t) < -T ; and
DCRP_US(1, t) – DCRP_US(2, t) < -T
then $S(t) = 0$, and
- (iii) if in respect of any Index Business Day t neither the conditions (i) nor (ii) have been satisfied:
then $S(t) = 0.5$.

T represents a tolerance, set at 0.2.

DCRP_EU(i,t) means the Daily Contract Reference Price of the i-th VSTOXX Futures Contracts; and

DCRP_US(k,t) means the Daily Contract Reference Price of the k-th VIX Futures Contracts,

each as further described in the Applicable Part and relevant Module for the US Index or the EU Index (as the case may be).

3. Market Disruption Events

Determination of Index Level

Notwithstanding the remainder of this section, if any Index Business Day is a Disrupted Day then the Index Calculation Agent may suspend the calculation and publication of the Index Level until the first succeeding Index Business Day which is not a Disrupted Day.

Rebalancing Dates

If any Rebalancing Date is a Disrupted Day, then the relevant Rebalancing Date shall be deemed to be the first following Rebalancing Date that is not a Disrupted Day.

On the first Rebalancing Date following one or more consecutive Disrupted Days, the Index Calculation Agent will determine the Index Level in accordance with the methodology set out in Section 2 of this Part.

Module D1.0: Volatility Enhanced Hybrid MH Index

This Module D1.0 sets out the specific information pertaining to the Volatility Enhanced Hybrid MH Index.

Name of Index	Volatility Enhanced Hybrid MH Index (USD)	
Currency of the Index	US Dollar	
Base Indices	The CBOE Volatility Index (Bloomberg Code: VIX Index) and the STOXX Volatility Index (Bloomberg Code: V2X Index)	
Index Business Days	Each day (other than a Saturday or Sunday) on which the Relevant Exchanges in respect of each Futures Contract and the Base Index are open for trading during its or their regular trading sessions	
Relevant Exchange	Means, as at the Base Date, the Chicago Board Options Exchange or any successor thereof or otherwise any exchange on which any Successor Futures Contract is traded or is listed (as the case may be) from time to time and as at the Base Date, the Eurex or any successor thereof or otherwise any exchange on which any Successor Futures Contract is traded or Base Indices are listed (as the case may be) from time to time	
US Index	Dynamic US Gross (USD) Sub-Index (see Part C, Module 1.0)	
EU Index	Systematic Long Gross (EUR) Sub-Index (see Part B, Module 1.0)	
FX Rate	The number of USD per 1 EUR as published on the EURUSD F113 Bloomberg page (or such successor or alternative page as determined by the Index Calculation Agent).	
Adjustment Factor	0.75% per annum	
Base Date	29 July 2011	
Base Level	100.00	
Market Disruption Event	For the purposes of this Index, the definition of "Market Disruption Event" is amended as follows: (a) references in the definition of "Market Disruption Event" to "Futures Contract" shall be deemed to include the futures contracts referenced in the US Index or the EU Index (as the case may be); and (b) paragraph (b) of the definition of "Market Disruption Event" is amended to read as follows: " a Base, Index, the US Index or the EU Index (as the case may be), a failure by the sponsor for such index to calculate the level for such index in respect of an Index Business Day.	
US Adjustment Factor utilized for Index Business Day (t-1).	VIX Index Level on Index Business Day (t-1)	US Adjustment Factor
The US Adjustment Factor is referenced in the definition of "Cross Term (t)". The US Adjustment Factor is not a per annum amount, but applied to "CrossTerm(t)" (being the proportion of US Index notionally rebalanced between Index Business Day (t) and Index	= < 35	0.20%
	= < 50 and > 35	0.30%
	= < 70 and > 50	0.40%

Business Day (t-1)).	> 70	0.50%
EU Adjustment Factor utilized for Index Business Day (t-1).	VSTOXX Index Level on Index Business Day (t-1)	EU Adjustment Factor
<p>The EU Adjustment Factor is referenced in the definition of “Cross Term (t)”.</p> <p>The EU Adjustment Factor is not a per annum amount, but applied to “CrossTerm(t)” (being the proportion of EU Index notionally rebalanced between Index Business Day (t) and Index Business Day (t-1)).</p>	=< 40	0.30%
	=< 55 and > 40	0.40%
	=< 75 and > 55	0.60%
	> 75	0.75%
Bloomberg ticker	ENHMACRO Index	

SCHEDULE

Part 2

INDEX DISCLAIMER AND POTENTIAL CONFLICTS OF INTEREST

The Securities are linked to the Volatility Enhanced Hybrid MH Index (for the purposes of this Part 2 of this Schedule, the "**Index**"). The Index Rules (as defined below) relating to the Index have been provided by the Index Sponsor (as defined in the Index Rules). Each of the Responsible Persons confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from the information produced by the Index Sponsor, no facts have been omitted which would render the reproduced information inaccurate or misleading.

J.P. Morgan Securities Ltd. ("**JPM**SL") and any of its affiliates or subsidiaries (each such entity, together with all other affiliates or subsidiaries of JPMorgan Chase & Co., the "**JPMorgan Group**") create, design and sponsor the Index and may, to the extent any such company becomes the Index Calculation Agent in respect of the Index, calculate, disseminate and make certain determinations in respect of the Index. No entity in the JPMorgan Group has any obligation to take into account the interests of holders of the Securities in this regards and the relevant JPMorgan Group entities can at any time and in their sole discretion, modify or change the method of calculating the Index or cease its calculation, publication or dissemination. Accordingly, actions and omissions of the relevant entities of the JPMorgan Group may affect the value of the Index and, consequently, the value of the Securities.

Neither the Index Sponsor nor the Index Calculation Agent (as defined in the Index Rules (as defined below)) is under an obligation to continue the calculation, publication and dissemination of the Index. Markit Equities Limited or any affiliate, subsidiary or third party designated by JPMSL as Index Sponsor in respect of that Index will act as Index Calculation Agent in respect of the Index.

THE INDEX IS DERIVED FROM SOURCES THAT ARE CONSIDERED RELIABLE, BUT THE JPMORGAN GROUP (OTHER THAN WITH RESPECT TO THE RESPONSIBLE PERSONS (SEE "IMPORTANT NOTICES" ABOVE)) DOES NOT GUARANTEE THE VERACITY, CURRENCY, COMPLETENESS OR ACCURACY OF THE INDEX OR OTHER INFORMATION FURNISHED IN CONNECTION WITH THE INDEX. NO REPRESENTATION, WARRANTY OR CONDITION, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AS TO CONDITION, SATISFACTORY QUALITY, PERFORMANCE, OR FITNESS FOR PURPOSE ARE GIVEN OR DUTY OR LIABILITY ASSUMED BY THE JPMORGAN GROUP IN RESPECT OF THE INDEX OR ANY DATA INCLUDED THEREIN, OMISSIONS THEREFROM OR THE USE OF THE INDEX IN CONNECTION WITH THE PRODUCT, AND ALL THOSE REPRESENTATIONS, WARRANTIES AND CONDITIONS ARE EXCLUDED SAVE TO THE EXTENT THAT SUCH EXCLUSION IS PROHIBITED BY LAW.

To the fullest extent permitted by law, the JPMorgan Group shall have no liability or responsibility to any person or entity for any loss, damages, costs, charges, expenses or other liabilities, including without limitation liability for any special, punitive, indirect or consequential damages (including lost profits), even if notified of the possibility of such damages, whether caused by the negligence of that person or otherwise, arising in connection with the use of the Index or in connection with the Securities.

Other than with respect to the Responsible Persons (see "Important Notices" above), no entity in the JPMorgan Group, as Index Sponsor, or by reason only of being an affiliate or a subsidiary of the Index Sponsor, makes any warranty or representation whatsoever, express or implied, as to the accuracy or completeness of the index rules as set forth in Part 1 (*Volatility Enhanced Hybrid MH Index – Index Rules*) (the "**Index Rules**") of this Schedule hereto, results to be obtained from the use of the Index, or as to the performance and/or the value thereof at any time (past, present or future). The JPMorgan Group retains the right to change the Index Rules in accordance

with its provisions and such Index Rules may change at any time.

No entity in the JPMorgan Group (whether as a result of negligence or for any other reason), as Index Sponsor, or by reason only of being an affiliate or a subsidiary of the Index Sponsor, shall be liable to any investor or holder of the Securities for any error or omission in the calculation of the Index or be under any obligation to advise any person of any error therein or to guarantee the performance and/or value of the Index.

Potential Conflicts of Interest

In the normal course of business, the Issuer, JPMSL and/or their affiliates and/or its or their directors, officers and employees may have, or may have had, interests or positions, or may buy, sell or otherwise trade positions, in or relating to the Index and/or the constituents thereof, or may have invested, or may engage in transactions with others relating to any of these items. Such activity may, or may not, affect the value of the Securities, but potential investors should be aware that a conflict may arise.

In addition, on, prior to or after the Trade Date (being 25 January 2012) or the Issue Date, the Issuer, JPMSL or any of their affiliates or others may hedge their anticipated exposure with respect to the Securities by taking positions in any underlying asset, or in any investment that is a component of or an investment in or relating to the Index.

The Calculation Agent under the Securities, JPMSL, has various broad discretionary powers in connection with certain determinations and valuations in respect of the Securities, exercise of any of which could have the effect of reducing the returns on the Securities to the Holders thereof.

Potential investors in the Securities should be aware that any entity within the JPMorgan Group is or may be, in respect of futures on the Index, and/or the constituents thereof, comprising the hypothetical portfolio on which the performance of the Securities is based, engaged in trading, brokerage and financing activities, as well as providing investment banking and financial advisory services. Accordingly, any entity within the JPMorgan Group may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of its customers.

JPMSL has various broad discretionary powers in connection with certain determinations and valuations in respect of the Securities and the composition and certain other determinations in respect of the Index, exercise of any of which could have the effect of reducing the returns on the Securities to the Holders thereof. In particular, upon the occurrence of certain events which have an impact on the constituents of the Index (namely, market disruption events or other events affecting the constituents of the Index, the determination of which may be on the instructions or with the prior consent of the Index Sponsor) provisions relating to the calculation of the value of the Index or of any affected constituents may be adjusted.

It should be noted that the Index has been developed with the possibility of the Index Sponsor or any entity in the JPMorgan Group issuing, entering into, promoting, offering or selling transactions or investments (structured or otherwise) linked, in whole or in part, to the Index and hedging such transactions or investments in any manner that they see fit. Accordingly it should be assumed that the Index Rules (attached at Part 1 of this Schedule hereto) will be analysed from this point of view.

GENERAL INFORMATION

1. There has been no material adverse change in the prospects of the Issuer or of the Guarantor since 31 December 2011 (being the most recent date as of which the Issuer and the Guarantor have published audited financial information which has been reviewed by auditors).
2. There has been no significant change in the financial or trading position of the Issuer or the Guarantor since 31 December 2011 (being the most recent date as of which the Issuer and the Guarantor have published audited financial information which has been reviewed by auditors).
3. None of JPMorgan Chase & Co. or any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Guarantor and the Issuer are aware) during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of JPMorgan Chase & Co. and/or its subsidiaries, in each case except as disclosed in "Note 31 – Litigation" to the audited Consolidated Financial Statements of JPMorgan Chase & Co. as at 31 December 2011 and 2010 and for each of the three years in the period ended 31 December 2011 contained in the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2011 (pages 290-299) incorporated by reference in this Prospectus.
4. The following documents, or copies thereof, will be available, during normal business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Principal Programme Agent and at the office of the Paying Agent in Luxembourg, or at the office of each Relevant Programme Agent, as the case may be:
 - (i) this Prospectus;
 - (ii) JPMorgan Chase & Co. 2011 Form 10-K, the Current Report on Form 8-K of JPMorgan Chase & Co. dated 13 October 2011 containing the earnings press release for the quarter ended 30 September 2011, the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 June 2011, the Current Report on Form 8-K of JPMorgan Chase & Co. dated 14 July 2011 containing the earnings press release for the quarter ended 30 June 2011, the JPMorgan Chase & Co. March 2011 Form 10-Q, the JPMorgan Chase & Co. 2010 Form 10-K, the JPMorgan Chase & Co. 2009 Form 10-K, the unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 30 June 2011, the unaudited Consolidated Financial Statements of JPMorgan Chase Bank, N.A. for the quarter ended 31 March 2011, the JPMorgan Chase Bank, N.A. 2011 Audited Financial Statements, the JPMorgan Chase Bank, N.A. 2010 Audited Financial Statements, the unaudited interim financial statements of JPMSP for the six month period ended 30 June 2011, the JPMSP 2011 Audited Financial Statements and the JPMSP 2010 Audited Financial Statements;
 - (iii) the documents incorporated by reference herein;
 - (iv) the Articles of Association of the Issuer;
 - (v) the Articles of Association of JPMorgan Chase Bank, N.A.;
 - (vi) the Restated Certificate of Incorporation of JPMorgan Chase & Co.;
 - (vii) a copy of the Base Prospectus, including any documents incorporated therein or any supplement to the Base Prospectus;
 - (viii) the Agency Agreement (which includes the form of the Bearer Global Notes, the Bearer

Definitive Notes, the Registered Global Notes, the Registered Definitive Notes, the Coupons, the Receipts, the Talons, the Global Certificates and the Global Warrants);

(ix) the JPMorgan Chase Bank, N.A. Guarantee; and

(x) any supplement or amendment (other than to the Base Prospectus) to any of the foregoing.

5. Websites do not form part of this Prospectus

No websites that are cited or referred to in this prospectus, shall be deemed to form part of, or to be incorporated by reference into, this prospectus.

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