



**AVVISO n.17003**

**29 Settembre 2008**

**SeDeX – INV.  
CERTIFICATES**

Mittente del comunicato : Borsa Italiana  
Societa' oggetto : J.P. Morgan Structured Products B.V.  
dell'Avviso  
Oggetto : Inizio negoziazione Investment Certificates–  
classe B "JP Morgan Structured Products"  
emessi nell'ambito di un Programma

***Testo del comunicato***

Si veda allegato.

***Disposizioni della Borsa***

Strumenti finanziari:	<b>“7 series of Equity Income Certificates on 4 single shares”</b>		
Emittente:	<b>J.P. Morgan Structured Products B.V.</b>		
Garante:	<b>JPMorgan Chase Bank N.A.</b>		
Rating Garante:	Società di Rating	Long Term	Data Report
	Moody's	Aaa	25/03/2008
	Standard & Poor's	AA	02/06/2008
Oggetto:	<b>INIZIO NEGOZIAZIONI IN BORSA</b>		
Data di inizio negoziazioni:	<b>01/10/2008</b>		
Mercato di quotazione:	Borsa - Comparto SEDEX “Investment Certificates - Classe B”		
Orari e modalità di negoziazione:	Negoziazione continua e l’orario stabilito dall’art. IA.5.1.6 delle Istruzioni		
Operatore incaricato ad assolvere l’impegno di quotazione:	J.P. Morgan Securities Ltd. Codice specialist: 1772		

### **CARATTERISTICHE SALIENTI DEI TITOLI OGGETTO DI QUOTAZIONE**

#### **“7 series of Equity Income Certificates on 4 single shares”**

Serie in negoziazione:	vedasi scheda riepilogativa delle caratteristiche dei securitised derivatives
Quantitativo minimo di negoziazione di ciascuna serie:	vedasi scheda riepilogativa delle caratteristiche dei securitised derivatives (colonna “Lotto Neg.”)
Impegno giornaliero ad esporre prezzi denaro e lettera per ciascuna serie:	vedasi scheda riepilogativa delle caratteristiche dei securitised derivatives (colonna “N.Lotti M.M.”)
Tipo di liquidazione:	monetaria
Modalità di esercizio:	periodico - trimestrale

## **DISPOSIZIONI DELLA BORSA ITALIANA**

Dal giorno 01/10/2008, gli strumenti finanziari “7 series of Equity Income Certificates on 4 single shares” (vedasi scheda riepilogativa delle caratteristiche dei securitised derivatives) verranno inseriti nel Listino Ufficiale, sezione Securitised Derivatives.

Allegati:

- Scheda riepilogativa delle caratteristiche dei securitised derivatives;
- Comunicazione dell’Emittente del Reference Rate relativo al Coupon di riferimento;
- Estratto del prospetto di quotazione dei Securitised Derivatives.

<i>Serie</i>	<i>Isin</i>	<i>Sigla</i>	<i>SIA</i>	<i>Descrizione</i>	<i>Sottostante</i>	<i>Tipo</i>	<i>Strike</i>	<i>Scad.</i>	<i>Val. Nominale</i>	<i>Ammontare Lotto Neg.</i>	<i>LottiMM</i>	<i>Barriera</i>
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1	NL0006311334	JPM001	61633	JPSFCHP11,5H11	Fiat S.p.A	Inv	11,5	15/08/2011	100	50000	1	30	3,45
2	NL0006311342	JPM002	61698	JPSFCHP11,5H13	Fiat S.p.A	Inv	11,5	13/08/2013	100	50000	1	30	3,45
3	NL0006311359	JPM003	61780	JPSUCGCHP3,93H11	Unicredit S.p.A	Inv	3,93	15/08/2011	100	50000	1	30	1,179
4	NL0006311367	JPM004	61816	JPSUCGCHP3,93H13	Unicredit S.p.A	Inv	3,93	13/08/2013	100	50000	1	30	1,179
5	NL0006311375	JPM005	62235	JPSNOK1VCHP17,8H11	Nokia.	Inv	17,8	15/08/2011	100	50000	1	30	5,34
6	NL0006311383	JPM006	62283	JPSNOK1VCHP17,8H13	Nokia.	Inv	17,8	13/08/2013	100	50000	1	30	5,34
7	NL0006311409	JPM007	62318	JPSIFEONCHP5,74H11	Infineon A.G.	Inv	5,74	15/08/2011	100	50000	1	30	1,722

## **AMENDED AND RESTATED FINAL TERMS**

(amending and restating the Final Terms dated 12 August 2008).

**J.P. Morgan Structured Products B.V.**

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

**Irrevocably and unconditionally guaranteed by**

**JPMorgan Chase Bank, N.A.**

**7 series of Equity Income Certificates (“EICs”) on 4 single Shares**

### **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the conditions (the “**General Security Conditions**”) set forth in Schedule 9, Part B to the Agency Agreement dated 14 May 2008 as may be further supplemented or amended and restated up to and including the Issue Date (the “**Agency Agreement**”). This document constitutes the Final Terms of the Certificates described herein relating to the Structured Products Programme for the issuance of Notes, Warrants and Certificates (the “**Programme**”) of J.P. Morgan Structured Products B.V. (the “**Issuer**”), J.P. Morgan International Derivatives Ltd., JPMorgan Chase Bank, N.A. and JPMorgan Chase Bank & Co. for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC (the “**Prospectus Directive**”) and must be read in conjunction with the base prospectus for the purposes of the Prospectus Directive constituted by the Base Prospectus dated 14 May 2008, including the Registration Documents incorporated by reference therein, and the Supplements listed in Annex A (the “**Base Prospectus**”). The rights attaching to the Certificates specified above (the “**Certificates**”) are as set out in the “Final Terms of the Certificates” below and the General Security Conditions. Full information on the Issuer and the offer of the Certificates is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus and the Supplements to the Base Prospectus are available in electronic form on the Luxembourg Stock Exchange's website ([www.bourse.lu](http://www.bourse.lu)). These Final Terms will be available in electronic form on the Luxembourg Stock Exchange's website ([www.bourse.lu](http://www.bourse.lu)).

**The Issue Price in respect of any Certificates of a relevant Series specified in these Final Terms may be more than the market value of such Certificates as at the Issue Date, and the price, if any, at which the Dealer or any other person is willing to purchase such Certificates in secondary market transactions is likely to be lower than the Issue Price in respect of such Certificates. In particular, the Issue Price in respect of any Certificates of a relevant Series may take into account amounts with respect to commissions relating to the issue and sale of such Certificates as well as amounts relating to the hedging of the Issuer's obligations under such Certificates, and secondary market prices are likely to exclude such amounts. In addition, pricing models of relevant market participants may differ or produce a different result.**

If any commissions or fees relating to the issue and sale of these Certificates have been paid or are payable by the Dealer to an intermediary, then such intermediary may be obliged to disclose fully 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 (2004/39/EC) (“**MiFID**”), or as otherwise may apply in any non-EEA jurisdictions. Potential investors in these Certificates who have purchased Certificates 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.

The Certificates have not been and will not be registered under the U.S. Securities Act of 1933 (the “**Securities Act**”), or any state securities laws. The Certificates may not be offered, sold, pledged, assigned, delivered or otherwise transferred or exercised or terminated within the United States or to or for the account or benefit of any U.S. Person. The Certificates are being offered and sold pursuant to the registration exemptions contained in Section 3(a)(2) of the Securities Act and outside the United States to investors that are non-U.S. Persons in reliance on Regulation S under the Securities Act (“**Regulation S**”). Trading in the Certificates has not been approved by the U.S. Securities and Exchange Commission, any state securities commission in the United States, the U.S. Commodity Futures Trading Commission under the U.S. Commodity Exchange Act, as amended, or any U.S. federal or state banking authority.

**Certificates can be volatile instruments. Purchasers of Certificates implicitly make certain representations and warranties. Accordingly, prospective purchasers of the Certificates should ensure that they understand fully the nature of the instruments and must be prepared fully to sustain a total loss of their investment in the Certificates (see the section entitled “Risk Factors” in the Base Prospectus).**

The due and punctual settlement in full of all obligations due and owing by the Issuer under the Certificates is irrevocably and unconditionally guaranteed (the “**Guarantee**”) by JPMorgan Chase Bank, National Association (the “**Guarantor**”). The Guarantee is not a deposit insured or guaranteed by the United States Federal Deposit Insurance Corporation or any other governmental authority. The Guarantee is an unsecured and unsubordinated obligation of the Guarantor and not of its parent, JPMorgan Chase & Co., or any of its affiliates other than the Guarantor, and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of the Guarantor, subject to a preference in favour of certain deposit liabilities of the Guarantor or other obligations that are subject to any priorities or preferences.

#### **J.P. Morgan Securities Ltd.**

These Final Terms do not constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantor, the Dealer(s) or the Arranger to subscribe for or purchase, any of the Certificates and may not be used for or in connection with an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The distribution of these Final Terms and the offering of the Certificates in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Issuer, the Guarantor, the Dealer(s) and the Arranger to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of Certificates and the distribution of these Final Terms, see the section entitled “Subscription and Sale” in the Base Prospectus and item 49 of Part A of these Final Terms.

No person is authorised to give any information or to make any representation except as contained in these Final Terms and such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer, the Guarantor, the Dealer(s) or the Arranger. The delivery of these Final Terms at any time does not imply that the information in it is correct as at any time subsequent to its date.

No person shall have any right to enforce any term or condition of the Certificates under the Contracts (Rights of Third Parties) Act 1999.

**Each prospective purchaser of Certificates must ensure that the complexity and risks inherent in the Certificates are suitable for such purchaser's objectives and, if applicable, the size, nature and condition of such purchaser's business.**

**These Final Terms cannot disclose all of the risks and other significant aspects of the Certificates. No person should deal in the Certificates unless that person understands the nature of the relevant transaction and the extent of that person's exposure to potential loss. Each prospective purchaser of Certificates should consider carefully whether the Certificates are suitable for such purchaser in the light of such purchaser's circumstances and financial position.**

Prospective investors should consider carefully all the information set forth in these Final Terms along with all the information set forth in the Base Prospectus. Prospective investors should pay particular attention to the section entitled “Risk Factors” in the Base Prospectus (pages 20 to 47 inclusive) as well as to the section entitled “Additional Risk Factors in relation to Equity Income Certificates (“EICs”)” in the EICs Supplement (page 10).

Prospective purchasers of Certificates should consult their own legal, tax, accountancy and other professional advisers to assist them in determining the suitability of the Certificates for them as an investment.

*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 Certificates 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 takes no responsibility for the financial soundness of the Issuers or for the correctness of any statements made, or opinions expressed, with regard to them.*

***The investments described in this document do not constitute a collective investment fund for the purpose of the Collective Investment Funds (Jersey) Law 1988, as amended. Any individual intending to invest in any investment described in this document should consult his or her professional adviser and ensure that he or she fully understands all the risks associated with making such an investment and has sufficient financial resources to sustain any loss that may arise from it.***

Except as set out below, the Certificates will be subject to the General Security Conditions set out in Schedule 9, Part B to the Agency Agreement and also to the following terms:

1.	(a) Issuer:	J.P. Morgan Structured Products B.V
	(b) Guarantor:	JPMorgan Chase Bank, N.A.
2.	(i) Title, Number, Certificates:	See " <i>Specific Certificate Description</i> " below
	(ii) Aggregate Specified Amount:	Not Applicable
	(iii) Specified Notional Amount per Certificates:	Not Applicable
3.	(a) Series Number:	Not Applicable
	(b) Tranche Number:	Not Applicable
4.	Currency in which Securities are denominated:	Euro
5.	Trade Date:	The trade date as notified by Borsa Italiana S.p.A. through a specific notice to the market
6.	Issue Date:	13 August 2008

7. Issue Price:	See " <i>Specific Certificate Description</i> " below
	<p>The Issue Price specified above may be more than the market value of the Certificates as at the Issue Date, and the price, if any, at which the Dealer or any other person is willing to purchase the Certificates 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 Certificates as well as amounts relating to the hedging of the Issuer's obligations under the Certificates, and secondary market prices are likely to exclude such amounts. In addition, pricing models of relevant market participants may differ or produce a different result.</p> <p>If any commissions or fees relating to the issue and the sale of these Certificates have been paid or are payable by JPMorgan to an intermediary, then such intermediary is 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 (2004/39/EC) (MiFID), or as otherwise may apply in any non-EEA jurisdictions. Potential investors in these Certificates who have purchased Certificates 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.</p>
8. Minimum Transferable Amount:	The Certificates may be traded in a minimum amount of one Certificate and, thereafter, multiples of one Certificate
9. Are the Securities in the form of Warrants?	No
10. Are the Securities in the form of Certificates?	Yes
(a) Exercise Date:	<p>Maturity Date (as defined in Part C below)</p> <p>General Security Condition 7 shall not apply.</p>
(b) Certificate Exercise Rights:	None, save as disclosed in Part C below
(c) Exercise Amount:	See Part C
11. Number of Securities per Reference Asset:	Not Applicable



12. Contingent Coupon Certificate Provisions:	Not Applicable
13. Reference Asset:	See " <i>Specific Certificate Description</i> " and " <i>Information relating to the Reference Asset</i> " below
14. Index:	Not Applicable
15. Share:	See " <i>Specific Certificate Description</i> " and " <i>Information relating to the Reference Asset</i> " below
(i) Share Issuer:	See " <i>Specific Certificate Description</i> " and " <i>Information relating to the Reference Asset</i> " below
(ii) Exchange:	See " <i>Information relating to the Reference Asset</i> " below
(iii) Related Exchange(s)	In respect of each Share, All Exchanges
(iv) Share Price:	Not Applicable
(v) Share Price (ISDA):	Not Applicable
(vi) Closing Share Price:	Applicable
(vii) Share Performance:	Not Applicable
(viii) Share Ranking:	Not Applicable
(ix) Disrupted Day/Market Disruption Events:	<p>In respect of each Share, General Security Condition 28 and General Security Condition 37 shall apply, save as follows:</p> <p>references to the "Closing Share Price" in General Security Condition 28 shall be replaced by references to the "Reference Share Price" – as defined in Part C below for the purposes of the Certificates linked to the following Shares:</p> <p>(i) Fiat S.p.A. ordinary shares; and</p> <p>(ii) Unicredit S.p.A. ordinary shares.</p>
(x) Correction Cut-off Date	<p>In respect of each Share and:</p> <p>(i) the Initial Valuation Date and each Observation Date, the second Trading Day for such Share prior to the immediately following Coupon Payment Date; and</p> <p>(ii) the Final Valuation Date, the scheduled Final Valuation Date.</p>
(xi) Maximum Disruption Extension Period (if other than eight Scheduled	Not Applicable

Trading Days in respect of any relevant date):	
(xii) Method of Adjustment:	<p>Following the declaration by the issuer of the relevant Share of the terms of any Potential Adjustment Event, the Calculation Agent will determine, in good faith and in its sole and absolute discretion, whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will:</p> <p>(i) make the corresponding adjustment(s), if any, to any one or more of the Exercise Amount, the number of Reference Assets or number of shares comprised in a Basket, as applicable, and any other variable relevant to the exercise, settlement, payment terms, number of, or other terms of the Securities as the Calculation Agent determines in good faith and is its sole and absolute discretion appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share); and</p> <p>(ii) determine the effective date(s) of such adjustment(s). The Calculation Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Shares traded on such options exchange.</p>
(xiii) Options Exchange:	Not Applicable
(xiv) Consequences of Merger Event:	Applicable
(a) Share-for-Share:	Modified Calculation Agent Adjustment
(b) Share-for-Other:	Modified Calculation Agent Adjustment
(c) Share-for-Combined:	Modified Calculation Agent Adjustment
(xv) Consequences of Tender Offer:	Applicable
(a) Share-for-Share:	Modified Calculation Agent Adjustment
(b) Share-for-Other:	Modified Calculation Agent Adjustment
(c) Share-for-Combined:	Modified Calculation Agent Adjustment
(xvi) Share Substitution:	
(a) Merger Event:	Applicable
(b) Tender Offer:	Not Applicable
(c) Nationalisation, Insolvency	Not Applicable

	and Delisting:	
	(xvii) ADR Provisions:	Not Applicable
16.	Additional Termination Events:	Applicable
17.	Valuation Date:	See " <i>Information relating to the Reference Asset</i> " below
18.	Valuation Time:	In respect of each Share, as specified in the General Security Condition 37
19.	Initial Valuation Date:	8 August 2008
20.	Baseline Date:	Not Applicable
21.	Initial Averaging Dates or Averaging Dates (General Security Condition 28(B)):	Not Applicable
22.	Knock-in Event:	Not Applicable
23.	Knock-out Event:	Not Applicable
24.	Additional adjustments relating to Reference Assets listed, quoted or compiled on a stock exchange:	Not Applicable
25.	Additional adjustments relating to Fund Securities:	Not Applicable
26.	Adjustments for other Reference Assets:	Not Applicable
27.	Reference Currency:	See " <i>Information relating to the Reference Asset</i> " below
28.	Relevant Reference Asset Jurisdiction:	See " <i>Information relating to the Reference Asset</i> " below
29.	Settlement:	Cash
30.	Specified Currency:	See " <i>Specific Certificate Description</i> " below
31.	Settlement Date:	Within 5 Business Days of the Exercise Date
32.	Disruption Events:	Not Applicable
33.	Calculation Agent:	J.P. Morgan Securities Ltd., 125 London Wall, London EC2Y 5AJ
34.	Principal Agent:	The Bank of New York Mellon, One Canada Square, London, E14 5AL
35.	Paying Agent and Transfer Agent:	The Bank of New York (Luxembourg) S.A.

36. Registrar:	The Bank of New York (Luxembourg) S.A
37. Lead Manager:	Not Applicable
38. Co-lead Manager:	Not Applicable
39. Managers:	Not Applicable
40. Date of Subscription Agreement:	Not Applicable
41. If non-syndicated, name and address of Dealer:	J.P. Morgan Securities Ltd. of 125 London Wall, London EC2Y 5AJ
42. Date of resolution of Board of Directors of the Issuer approving the issue of the Securities:	13 May 2008
43. Commission/Concession:	Not applicable
44. Relevant Clearing System:	Euroclear/Clearstream, Luxembourg
45. Alternative Clearing System:	Monte Titoli S.p.A.
46. Additional principal financial centres:	Milan “TARGET”
47. Purchase and Sale and Transfer Restrictions:	Regulation S – No offers or sales at any time within the United States or to or for the account or benefit of any U.S. Person; no legal or beneficial ownership by a U.S. Person at any time, “ <b>U.S. Person</b> ” is used herein as defined in Regulation S under the U.S. Securities Act of 1933, as amended, or in the United States Internal Revenue Code of 1986, as amended.
<b>GENERAL PROVISIONS APPLICABLE TO THE SECURITIES</b>	
48. Form of Securities:	Italian Securities Registered Securities
Temporary or permanent Bearer/Registered Global Security:	Temporary Registered Global Security exchangeable for a permanent Registered Global Security (or, at the request of a Holder, for Registered Definitive Securities) which is exchangeable for Registered Definitive Securities (i) automatically in the limited circumstances specified in the permanent Registered Global Security, (ii) at any time at the option of the Issuer by giving notice to the Holders and the Principal Agent of its intention to effect such exchange, in each case on the terms as set forth in the relevant Registered Global Security.

Applicable TEFRA exemption:	Not applicable  The Certificates will be issued in registered form for U.S. federal income tax purposes
49. Non-exempt Offer:	Not Applicable
50. Other terms or special conditions:	Applicable – see Part C
51. Credit Linkage Provisions:	Not Applicable

## **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue and admission to trading on the Regulated Market of the Luxembourg Stock Exchange and the Regulated Market of the Securitised Derivates of SeDex of Borsa Italiana S.p.A. of the Certificates described herein pursuant to the Structured Products Programme for the issuance of Notes, Warrants and Certificates of J.P. Morgan Structured Products B.V., J.P. Morgan International Derivatives Ltd., JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co.

## **RESPONSIBILITY**

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

**Signed on behalf of the Issuer:**

By: \_\_\_\_\_  
Duly authorised

**Signed on behalf of the Guarantor:**

By: \_\_\_\_\_  
Duly authorised

## **PART B – OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

Application has been made for the Certificates to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and will also be made for the Certificates to be admitted to trading on the Regulated Market of the Securitised Derivatives Market - SeDeX - organised and managed by Borsa Italiana S.p.A. with effect from, at the earliest, the Issue Date. No assurances can be given that such application for admission to trading will be granted (or, if granted, will be granted by the Issue Date).

### **2. RATINGS**

Ratings: The Certificates to be issued have not been rated.

### **3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE OFFER**

Save as discussed in “Subscription and Sale”, so far as the Issuer is aware, no person involved in the offer of the Certificates has an interest material to the offer.

### **4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

(a) Reasons for the offer: Not Applicable

(b) Estimated net proceeds: Not Applicable

(c) Estimated total expenses: Not Applicable

### **5. PERFORMANCE OF THE SHARES, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE SHARES**

Details of the past and future performance and the volatility of the Shares may be obtained from Bloomberg (see the relevant Bloomberg codes in the "*Information relating to the Reference Asset*" below).

### **6. POST-ISSUANCE INFORMATION**

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

### **7. OPERATIONAL INFORMATION**

ISIN Code: See "*Specific Certificate Description*" below

Common Code: See "*Specific Certificate Description*" below

Any clearing system(s) other than Monte Titoli S.p.A.  
Euroclear Bank, SA./N.V. and  
Clearstream Banking, société  
anonyme and the relevant  
identification number(s):

Delivery: Delivery against payment

Names and addresses of additional Not Applicable  
Paying Agent(s) (if any):

## PART C – OTHER APPLICABLE TERMS

### 1. Call Option

Unless previously terminated or purchased and cancelled in accordance with the General Security Conditions, each Certificate shall entitle the Holder of such Certificate to an option (the "**Call Option**") which shall be deemed to be automatically exercised by such Holder (without, for the avoidance of doubt, any further action by such Holder) on the Optional Exercise Date.

For the purposes hereof "**Optional Exercise Date**" shall mean the Maturity Date (as defined below), or if such day is not a Business Day, the next following Business Day.

### 2. Coupons

Unless previously terminated or purchased and cancelled in accordance with the General Security Conditions, an amount ("**Coupon**") might be payable in respect of each Certificate on each Coupon Payment Date. The Coupon which might be payable in respect of each Certificate by the Issuer on each Coupon Payment Date shall be determined by the Calculation Agent in accordance with the paragraphs (i) or (ii) below (as applicable):

- (i) If no Barrier Event has occurred prior to the relevant Coupon Accrual Date, the Coupon will be an amount per Certificate calculated by the Calculation Agent in accordance with the following formula:

$$\text{Reference Amount} \times \text{Coupon Rate} \times N$$

- (ii) If a Barrier Event has occurred prior to the relevant Coupon Accrual Date, the Coupon will be an amount per Certificate calculated by the Calculation Agent in accordance with the following formula

$$\text{Reference Amount} \times \text{Coupon Rate} \times \text{Relevant Fraction}$$

Being understood that, upon the occurrence of a Barrier Event, the Coupon calculated in accordance with the paragraph (ii) above will be the last Coupon payable per Certificate.

### 3. Exercise

Unless previously terminated or purchased and cancelled in accordance with the General Security Conditions, the automatic exercise of the Call Option by the Holder pursuant to paragraph 1 of Part C above, shall entitle the Holder to receive, in respect of each Certificate, for value on the applicable Settlement Date, an amount per Certificate in EUR (the "**Exercise Amount**") calculated by the Calculation Agent in accordance with the paragraphs (i) or (ii) below (as applicable):

- (i) if no Barrier Event has occurred during the Observation Period, the automatic exercise of the Call Option by the Holder pursuant to paragraph 1 of this Part C above shall entitle the Holder to receive, in respect of each Certificate, the Exercise Amount for value on the Settlement Date and the Exercise Amount shall be an amount in EUR calculated by the Calculation Agent as the product of 100% and the Reference Amount; or



- (ii) If a Barrier Event has occurred during the Observation Period, the automatic exercise of the Call Option by the Holder pursuant to paragraph 1 of this Part C above shall entitle the Holder to receive, in respect of each Certificate, the Exercise Amount for value on the Settlement Date and the Exercise Amount shall be an amount in EUR calculated by the Calculation Agent in accordance with the following formula:

$$\text{Max}[(\text{Protection Factor} \times \text{Reference Amount}); (\text{Underlying Return} \times \text{Reference Amount} \times \text{Participation Factor})]$$

For the avoidance of doubt, in the case of Certificates where these Final Terms specify that such Certificates are automatically exercisable, the Exercise Amount in respect of each Certificate shall be payable to the Holder thereof pursuant to the General Security Conditions on the Settlement Date without requiring any action on the part of such Holder. However, each Holder may, by irrevocable written notice to the Paying Agent (in the form attached to these Final Terms, with a copy to the Issuer and its financial intermediary, delivered to the Paying Agent by no later than 10.00 a.m. (Milan time) on the Business Day following the Exercise Date (or on the Exercise Date when the Reference Asset is listed on a market organized and managed by Borsa Italiana S.p.A.), elect not to receive (in whole, but not in part) the Exercise Amount in respect of the Certificates held by such Holder.

## 2. Definitions

**"Actual/360"** means the actual number of days in a period of three months beginning on the Coupon Accrual Date preceding the relevant Coupon Accrual Date or, as the case may be, on the Issue Date, divided by 360;

**"Barrier Event"** means (and a Barrier Event shall have occurred if), in the determination of the Calculation Agent, the relevant Share Price, on a daily basis on any Observation Date during the Observation Period, is less than, or equal to, the Barrier Level for such Share;

**"Barrier Event Date"** means the date on which a Barrier Event has occurred;

**"Barrier Level"** means barrier level shown in the *"Specific Certificate Description"* below;

**"Business Day"** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, and:

- (i) any day on which the Borsa Italiana S.p.A. is scheduled to be open for trading for its regular trading session and is open for trading during its regular trading session, notwithstanding the Borsa Italiana S.p.A. closing prior to its Scheduled Closing Time; and
- (ii) (in the case of a payment in euro) which is a TARGET Settlement Day."

**"Coupon Accrual Date"** means, in respect of each Coupon, the dates indicated as such in the *"Specific Certificate Description"* below;

**"Coupon Payment Date"** means, in respect of each Coupon, the date that falls 5 Business Days after the relevant Coupon Accrual Date;

“**Coupon Rate**” means the sum of the Reference Rate and the Spread, as calculated by the Calculation Agent;

“**Final Share Price**” means, in respect of each Share the Closing Share Price or, for the Shares listed on a market organized and managed by Borsa Italiana S.p.A., the Reference Share Price, of such Share on the Valuation Date, as determined by the Calculation Agent;

“**Initial Share Price**” means, in respect of each Share, the Closing Share Price of such Share on the Initial Valuation Date, as specified in item 19, rounded down to the second decimal;

“**Maturity Date**” means the dates specified as such in the "*Specific Certificate Description*" below, subject to adjustment in accordance with the Following Business Day Convention;

“**Max**” followed by a series of amounts inside brackets means whichever is the greater of the amounts separated by a semi-colon inside those brackets;

“**N**” means the number of calendar days from, and excluding, the Issue Date or, as the case may be, the immediately preceding Coupon Accrual Date, to, and including, the relevant Coupon Accrual Date, divided by 360;

“**Observation Dates**” means, in respect of each Share, each Scheduled Trading Day which is not a Disrupted Day for such Share during the Observation Period;

“**Observation Period**” means the period commencing on, and including, the Initial Valuation Date and ending on, and including, the Valuation Date (in any case, not later than the determination of the Final Share Price);

“**Participation Factor**” means the participation factor shown in the "*Specific Certificate Description*" below;

“**Protection Factor**” means the protection factor shown in the "*Specific Certificate Description*" below;

“**Reference Amount**” means the reference amount shown in the "*Specific Certificate Description*" below;

“**Reference Bank**” means four major banks selected by the Calculation Agent in its sole and absolute discretion in the Euro-zone interbank market;

“**Reference Share Price**” means, in respect of a Share listed on a market organized and managed by Borsa Italiana S.p.A., the reference price of such Share on the Valuation Date or any Observation Date as quoted by Borsa Italiana S.p.A. in accordance with the Rules of the markets organized and managed by Borsa Italiana S.p.A., subject as provided in the General Security Conditions (including, without limitation, General Security Condition 28) or determined as otherwise specified in these Final Terms;

“**Reference Rate**” means, in respect of each Coupon Accrual Date, the rate for deposits in EUR for a period of three months which appears on Reuters Screen EURIBOR01 Page (or any successor or replacement page to such page, as determined by the Calculation Agent) (“**Relevant Screen Page**”) at

11.00 a.m., Brussels time ("**Relevant Time**"), on the day that is two TARGET Settlement Days prior to the immediately preceding Coupon Accrual Date or, as the case may be, the Issue Date. If such rate does not appear on the Relevant Screen Page at the Relevant Time on the relevant TARGET Settlement Day, the Calculation Agent will request each of the Reference Banks to provide a quotation of its rate at which deposits in EUR in a Representative Amount are offered by it to prime banks in the Euro-zone interbank market for a period of three months commencing on the immediately preceding Coupon Accrual Date or, as the case may be, the Issue Date, assuming an Actual/360 day count basis. If at least two quotations are provided, the rate for such relevant Coupon Accrual Date, as the case may be, shall be the arithmetic mean of such quotations. If fewer than two quotations are provided as requested, the rate for such relevant Coupon Accrual Date, as the case may be, will be the arithmetic mean of the rates quoted by major banks in the Euro-zone, as selected by the Calculation Agent at approximately the Relevant Time, on such relevant Coupon Accrual Date, for loans in EUR to leading European banks for three months commencing on the immediately preceding Coupon Accrual Date or, as the case may be, the Issue Date, as the case may be and in a Representative Amount;

**"Relevant Fraction"** means the number of calendar days from, and excluding, the Issue Date or, as the case may be, the last Coupon Accrual Date in respect of which a Coupon has been paid, to, and including, the Barrier Event Date, divided by 360;

**"Representative Amount"** means an amount that is representative for a single transaction in the Euro-zone interbank market at the relevant time;

**"Share Price"** means in respect of each Share, the Closing Share Price or, if the Share is listed on a market organized and managed by Borsa Italiana S.p.A., the Reference Share Price, of such Share on the Valuation Date or any Observation Date, as determined by the Calculation Agent;

**"Spread"** means spread shown in the "*Specific Certificate Description*" below; and

**"Underlying Return"** means the result of the Final Share Price divided by the Initial Share Price.

# SPECIFIC CERTIFICATE DESCRIPTION

ISIN	Common Code	Number	Share Issuer	Issue Price as of Initial Valuation Date in EUR	Relevant Asset / Relevant Currency	Barrier Level (in relevant Currency / as a percentage of Initial	Participation Factor	Protection Factor	Reference Amount	Spread	Maturity Date	Trading Code	Coupon Accrual Dates
NL0006311334	038075012	50.000	Fiat S.p.A.	100	Fiat S.p.A. ordinary Shares / EUR	3.45 / 30%	100%	0%	100 EUR	3.25%	15/08/2011	JPM001	13/11/2008; 13/02/2009; 13/05/2009; 13/08/2009; 13/11/2009; 15/02/2010; 13/05/2010; 13/08/2010; 15/11/2010; 14/02/2011; 13/05/2011; 15/08/2011.
NL0006311342	038075047	50.000	Fiat S.p.A.	100	Fiat S.p.A. ordinary Shares / EUR	3.45 / 30%	100%	0%	100 EUR	4.25%	13/08/2013	JPM002	13/11/2008; 13/02/2009; 13/05/2009; 13/08/2009; 13/11/2009; 15/02/2010; 13/05/2010; 13/08/2010; 15/11/2010; 14/02/2011; 13/05/2011; 15/08/2011; 14/11/2011; 13/02/2012; 14/05/2012; 13/08/2012; 13/11/2012; 13/02/2013; 13/05/2013; 13/08/2013.
NL0006311359	038075055	50.000	Unicredit S.p.A	100	Unicredit S.p.A. ordinary Shares / EUR	1.179 / 30%	100%	0%	100 EUR	1.25%	15/08/2011	JPM003	13/11/2008; 13/02/2009; 13/05/2009; 13/08/2009; 13/11/2009; 15/02/2010; 13/05/2010; 13/08/2010; 15/11/2010; 14/02/2011; 13/05/2011; 15/08/2011.

# **SPECIFIC CERTIFICATE DESCRIPTION**

ISIN	Common Code	Number	Share Issuer	Issue Price as of Initial Valuation Date in EUR	Relevant Asset / Relevant Currency	Barrier Level (in relevant Currency / as a percentage of Initial Share	Participation Factor	Protection Factor	Reference Amount	Spread	Maturity Date	Trading Code	Coupon Accrual Dates
NL000631136 7	038075098	50,000	Unicredit S.p.A	100	Unicredit S.p.A. ordinary Shares / EUR	1.179/ 30%	100%	0%	100 EUR	2.00%	13/08/ 2013	JPM004	13/11/2008; 13/02/2009; 13/05/2009; 13/08/2009; 13/11/2009; 15/02/2010; 13/05/2010; 13/08/2010; 15/11/2010; 14/02/2011; 13/05/2011; 15/08/2011; 14/11/2011; 13/02/2012; 14/05/2012; 13/08/2012; 13/11/2012; 13/02/2013; 13/05/2013; 13/08/2013.
NL000631137 5	038075101	50,000	Nokia	100	Nokia ordinary shares / EUR	5.34/ 30%	100%	0%	100 EUR	2.75%	15/08/ 2011	JPM005	13/11/2008; 13/02/2009; 13/05/2009; 13/08/2009; 13/11/2009; 15/02/2010; 13/05/2010; 13/08/2010; 15/11/2010; 14/02/2011; 13/05/2011; 15/08/2011.

# **SPECIFIC CERTIFICATE DESCRIPTION**

ISIN	Common Code	Share Issuer	Number	Issue Price as of Initial Valuation Date in EUR	Relevant Asset / Relevant Currency	Barrier Level (in relevant Currency / as a percentage of Initial Share Price)	Participation Factor	Protection Factor	Reference Amount	Spread	Maturity Date	Trading Code	Coupon Accrual Dates
NL000631138 3	038075128	Nokia	50,000	100	Nokia. ordinary shares / EUR	5.34/ 30%	100%	0%	100 EUR	3.75%	13/08/2013	JPM006	13/11/2008; 13/02/2009; 13/05/2009; 13/08/2009; 13/11/2009; 15/02/2010; 13/05/2010; 13/08/2010; 15/11/2010; 14/02/2011; 13/05/2011; 15/08/2011; 14/11/2011; 13/02/2012; 14/05/2012; 13/08/2012; 13/11/2012; 13/02/2013; 13/05/2013; 13/08/2013.
NL000631140 9	038075144	Infineon A.G.	50,000	100	Infineon A.G. ordinary shares / EUR	1.722/ 30%	100%	0%	100 EUR	6.50%	15/08/2011	JPM007	13/11/2008; 13/02/2009; 13/05/2009; 13/08/2009; 13/11/2009; 15/02/2010; 13/05/2010; 13/08/2010; 15/11/2010; 14/02/2011; 13/05/2011; 15/08/2011.

# INFORMATION RELATING TO THE REFERENCE ASSET

Share	Share Issuer	Exchange	Related Exchange	Options Exchange	Relevant Reference Asset Jurisdiction	Valuation Date	Reference Currency	Bloomberg Code
Fiat S.p.A. ordinary shares	Fiat S.p.A.	Borsa Italiana S.p.A.	See Above 15(iii)	Not Applicable	Italy	12/08/2011	EUR	F IM Equity
Fiat S.p.A. ordinary shares	Fiat S.p.A.	Borsa Italiana S.p.A.	See Above 15(iii)	Not Applicable	Italy	12/08/2013	EUR	F IM Equity
Unicredit S.p.A. ordinary shares	Unicredit S.p.A.	Borsa Italiana S.p.A.	See Above 15(iii)	Not Applicable	Italy	12/08/2011	EUR	UCG IM Equity
Unicredit S.p.A. ordinary shares	Unicredit S.p.A.	Borsa Italiana S.p.A.	See Above 15(iii)	Not Applicable	Italy	12/08/2013	EUR	UCG IM Equity
Nokia S.p.A. ordinary shares	Nokia.	Helsinki Stock Exchange	See Above 15(iii)	Not Applicable	Finland	15/08/2011	EUR	NOK1V FH Equity
Nokia S.p.A. ordinary shares	Nokia	Helsinki Stock Exchange	See Above 15(iii)	Not Applicable	Finland	13/08/2013	EUR	NOK1V FH Equity

# INFORMATION RELATING TO THE REFERENCE ASSET

Share	Share Issuer	Exchange	Related Exchange	Options Exchange	Relevant Reference Asset Jurisdiction	Valuation Date	Reference Currency	Bloomberg Code
Infineon ordinary shares	Infineon A.G.	Xetra Trading Platform	See Above 15(iii)	Not Applicable	Germany	15/08/2011	EUR	IFX GY Equity



## **ANNEX A**

The Base Prospectus dated 14 May 2008 has been supplemented by the following Supplements:

<b>Supplement</b>	<b>Description</b>	<b>Date</b>
Supplement No. 1	In respect of the 05 June 2008 Form 8-K and the correction of Selected Financial Information within the JPMSP Registration Document.	13 June 2008
Supplement No. 2	In respect of the 17 July 2008 Form 8-K of JPMorgan Chase, the 30 June 2008 Form 8-K/A of JPMorgan Chase, the March 2008 Consolidated Financial Statements of JPMorgan Chase, changes to Substitution provisions, change of name of the Principal Agent and insertion of a disclaimer required by De Nederlandsche Bank NV.	5 August 2008
Supplement No. 3	In respect of the Equity Income Certificates ("EICs").	6 August 2008
Supplement No. 4	In respect of the 31 July 2008 Form 8-K of JPMorgan Chase and the 11 August 2008 Form 10-Q of JPMorgan Chase.	22 August 2008
Supplement No. 5	In respect of the unaudited June 2008 Consolidated Financial Statements of JPMCB for the quarter ended 30 June 2008 and the unaudited interim financial statements for the six month period ended 30 June 2008 of each of JPMIDL and JPMSP.	4 September 2008

**ANNEX B**

**RENOUNCEMENT NOTICE**

(to be completed by the Holder of the Certificate)

**J.P. Morgan Structured Products B.V.**

**Equity Income Certificates**

**ISIN Code:** [See "*Specific Certificate Description*" above]

(the “**Certificates**”)

**To:**           **The Bank of New York (Luxembourg) S.A.**  
**Aerogolf Center, 1A Hoehenhof, L-1736 Senningerberg, Luxembourg**  
**Fax No: +352 34 30 90 6035**

**copy to:**   **J.P. Morgan Structured Products B.V.**  
**Strawinskylaan, 3105 Atrium, 7<sup>th</sup> Floor, 1077 ZX Amsterdam, the Netherlands**  
**Fax No: +31 20 406 4555**

**J.P. Morgan Securities Ltd.**  
**125 One London Wall, London, EC2Y 5AJ**  
**Fax No: +44 20 7325 8966**

**[PLEASE INSERT DENOMINATION AND ADDRESS OF THE RELEVANT INTERMEDIARY]**

**[●]**

**Fax No: [●] [PLEASE PROVIDE FAX NUMBER]**

We the undersigned

\_\_\_\_\_

hereby communicate that we are renouncing the automatic exercise on the Exercise Date of the rights granted by the Certificates in accordance with the General Security Conditions of the Certificates, as amended and/or supplemented by the applicable Final Terms (the “**Certificate Terms**”).

ISIN Code of the Certificates:

\_\_\_\_\_

Number of Certificates the subject of this notice:

\_\_\_\_\_

The undersigned understands that if this Renouncement Notice is not completed and delivered as provided in the Certificate Terms or is determined to be incomplete or not in proper form in the determination of the Paying Agent it will be treated as null and void.

Expressions defined in the Certificate Terms shall bear the same meanings in this Renouncement Notice.

Place and date:

\_\_\_\_\_

Signature of the Holder of the Certificate

# J.P.Morgan

**Italiana S.p.A. S.p.A.**

Piazza degli Affari 6

20123 – Milan

Italy


London, 26 September 2008

**Re: Listing of the Equity Income Certificates issued under the Structured Products Programme for the issuance of Notes, Warrants and Certificates of J.P. Morgan Structured Products B.V., J.P. Morgan International Derivatives Ltd., JPMorgan Chase Bank N.A. and JPMorgan Chase & Co. (ISIN Codes: NL0006311334; NL0006311342; NL0006311359; NL0006311367; NL0006311375; NL0006311383; NL0006311409)**

With reference to the above certificates, J.P. Morgan Structured Products B.V. provides the following information<sup>1</sup>:

- (i) the Reference Rate (i.e., the rate for deposits in EUR for a period of three months which appears on Reuters Screen EURIBOR01 Page at 11.00 a.m., Brussels time), as fixed on the 11<sup>th</sup> of August 2008 for the three month period ending on the 13<sup>th</sup> of November 2008 for the purposes of the first Coupon, is 4.965%;
- (ii) The first Coupon, if any, will be paid on the fifth Business Day after the 13<sup>th</sup> of November 2008 and will be determined by the Calculation Agent in accordance with the paragraphs (a) or (b) below (as applicable):
  - a) If no Barrier Event has occurred prior to the relevant Coupon Accrual Date, the Coupon will be calculated in accordance with the following formula:  
**Reference Amount x Coupon Rate x N**
  - b) If a Barrier Event has occurred prior to the relevant Coupon Accrual Date, the Coupon will be calculated in accordance with the following formula:  
**Reference Amount x Coupon Rate x Relevant Fraction**
- (iii) The amount of the Coupon, if any, will be communicated in due course.

J.P. Morgan Structured Products B.V.



<sup>1</sup> All terms in capital letter have the same ascribed to them under the Final Terms.

## GENERAL SECURITY CONDITIONS

*The following is the text of the terms and conditions of the Securities (these "**General Security Conditions**") that, subject to completion and amendment in accordance with the provisions of the relevant Final Terms and/or the relevant Drawdown Prospectus (as defined below), as applicable, shall be applicable to the relevant Global Security and/or Definitive Securities in respect of each issue of Securities. Either (i) the full text of these General Security Conditions together with the relevant provisions of the Final Terms or the relevant Drawdown Prospectus, as applicable, or (ii) these General Security Conditions as so completed and amended (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Securities or on the registered certificates relating to such Registered Securities. All capitalised terms that are not defined in these General Security Conditions will have the meanings given to them in the relevant Final Terms and/or the relevant Drawdown Prospectus, as applicable. Those definitions will be endorsed on the Global Security and/or Definitive Securities, as applicable. References in these General Security Conditions to "Security" are to the Securities of one Series only, not to all Securities that may be issued under the Programme. Any reference in these General Security Conditions to "the relevant Final Terms" shall be construed as a reference to "the relevant Final Terms and/or Drawdown Prospectus, as applicable". "**Drawdown Prospectus**" means any prospectus or summary and securities note prepared in connection with a particular Tranche of Securities and approved by a competent authority for the purposes of the Prospectus Directive, and in each case includes any supplements thereto and notices related thereto.*

*Where specified the General Security Conditions are amended by reference to the Annex to these General Security Conditions (the "**Annex**").*

The Securities are issued pursuant to the agency agreement (as amended and/or supplemented and/or restated as at the Issue Date, the "**Agency Agreement**") dated 14 May 2008 between J.P. Morgan Structured Products B.V. ("**JPMSP**"), J.P. Morgan International Derivatives Ltd. ("**JPMIDL**"), JPMorgan Chase Bank, N.A. ("**JPMCB**") and JPMorgan Chase & Co. ("**JPMorgan Chase**") (each an "**Issuer**" and together, the "**Issuers**"), JPMCB (as guarantor in respect of Securities issued by JPMSP and JPMIDL, the "**Guarantor**"), the Principal Agent, the Registrar, the Transfer Agent, the Arranger, the Alternative Paying Agent and the Calculation Agent named therein. The Securities of any Series and of any Tranche comprising, together with another Tranche or other Tranches, a Series, are subject to these General Security Conditions, as modified by the terms set out in the Global Security and/or Definitive Securities for such Series or Tranche. Copies of the forms of Global Security, the Agency Agreement, the Definitive Securities and the Guarantee will be available for inspection at the specified office of the Principal Agent. The Holders are bound by and are deemed to have notice of all the provisions of the relevant Global Security and are deemed to have notice of the provisions of the Securities Agreement applicable to them. Expressions used herein and not defined shall have the meaning given to them in the relevant Final Terms. The Securities have the benefit of a deed of covenant dated 14 May 2008 (as amended and/or supplemented and/or restated as at the Issue Date, the "**Deed of Covenant**") given by the Issuers.

Where the Securities are specified in the relevant Final Terms to be Norwegian Securities, Swedish Securities or Finnish Securities, these General Note Conditions are amended in accordance with the terms of that Part of the Annex to these General Security Conditions corresponding to such Securities. Norwegian Securities, Swedish Securities and Finnish Securities are constituted by the Deed of Covenant.

### 1. **General Security Conditions Applicable only to Warrants**

Unless otherwise specified in the applicable Final Terms, this General Security Condition and the following General Security Conditions 2 to 5 apply only to Securities which are Warrants.

### 2. **Exercise Rights**

#### (a) **Exercise Period—American Style Warrants**

Warrants designated in the relevant Final Terms as "American Style" are exercisable on any Scheduled Trading Day (or such other types of days as may be specified in the relevant Final

Terms) during the applicable Exercise Period, subject to (i) General Security Condition 3(a); and (ii) prior termination of the Warrants as provided in General Security Condition 14.

(b) ***Exercise Period—European Style Warrants***

Warrants designated in the relevant Final Terms as "European Style" are only exercisable on the Expiration Date specified in the relevant Final Terms, subject to (i) General Security Condition 3(a); and (ii) prior termination of the Warrants as provided in General Security Condition 14.

(c) ***Exercise Period—Bermudan Style Warrants***

Warrants designated in the relevant Final Terms as "Bermudan Style" are exercisable on any one of two or more Potential Exercise Dates and on the Expiration Date, subject to (i) General Security Condition 3(a); and (ii) prior termination of the Warrants as provided in General Security Condition 14.

(d) ***Entitlement***

The rights attaching to each Warrant on exercise will be as set out in the relevant Final Terms.

(e) ***Failure to Exercise—European Style Warrants***

Any Warrant designated in the relevant Final Terms as "European Style" with respect to which no Exercise Notice has been delivered to the Relevant Clearing System(s) and copied to the Principal Agent or (in the case of Definitive Securities) to the Principal Agent only, in the manner set out in General Security Condition 3, at or prior to 10.00 a.m. (Local Time) on the relevant Expiration Date shall become void unless the terms of such Warrant state that Automatic Exercise is applicable to them, in which case such Warrant shall be deemed to have been automatically exercised on the Expiration Date.

(f) ***Failure to Exercise—American or Bermudan Style Warrants***

Any Warrant designated in the relevant Final Terms as "American Style" or "Bermudan Style" with respect to which no duly completed Exercise Notice has been delivered to the Relevant Clearing System(s) and copied to the Principal Agent or (in the case of Definitive Securities) to the Principal Agent only, in the manner set out in General Security Condition 3, at or prior to 10.00 a.m. (Local Time) on the relevant Expiration Date shall be deemed to have been automatically exercised on the Expiration Date and the Exercise Date for such Warrant will be the Expiration Date.

(g) ***Automatic Exercise Warrant Notice Requirement***

In respect of Warrants which are automatically exercised, the relevant Holder shall, to the extent specified by the Issuer in a notice to the Holders given in the manner set out in General Security Condition 20, deliver to the Relevant Clearing System copied to the Principal Agent (or deliver to the Principal Agent in the case of Definitive Securities) a notice (an "**Automatic Exercise Warrant Notice**") (substantially in the form provided by the Principal Agent to the Relevant Clearing System) within 30 days of the Expiration Date providing the information and certification specified in General Security Condition 3(a)(i) to (xi) inclusive, as applicable. Unless expressly provided otherwise, such Automatic Exercise Warrant Notice shall be deemed to be the Exercise Notice for the purposes of the General Security Conditions. If an Automatic Exercise Warrant Notice is required by the Issuer to be delivered for any Warrants, General Security Condition 21 shall apply.

3. ***Exercise Procedure***

*General Security Condition 3 is amended in relation to the issue of Swedish Securities and Finnish Securities. The applicable amendments are set out in Part 2 and Part 3 of the Annex respectively.*

(a) **Exercise Notice**

Warrants may be exercised by delivery of a duly completed exercise notice (substantially in the form provided by the Principal Agent to the Relevant Clearing System and with such amendments as the Issuer may specify) to the Relevant Clearing System(s) with, as a further precondition to exercise, a copy to the Principal Agent and the Paying Agent or Registrar in Luxembourg or (in the case of Definitive Securities) to the Principal Agent and the Paying Agent or Registrar in Luxembourg, in each case not later than 10.00 a.m. (Local Time) (the "**Latest Exercise Time**") on any Scheduled Trading Day (in the case of "American Style" Warrants) or any Potential Exercise Date (in the case of "Bermudan Style" Warrants) during the relevant Exercise Period; provided that, in respect of Warrants designated in the relevant Final Terms as "European Style", such Exercise Notice may be delivered at any time after 10.00 a.m. (Local Time) on the Business Day immediately preceding the Expiration Date but prior to the Latest Exercise Time on the Expiration Date as provided above (an "**Exercise Notice**"):

- (i) specifying the number of Warrants of each Series or Tranche being exercised and, if applicable, attaching the Definitive Securities being exercised;
- (ii) specifying the number of the Holder's account at the Relevant Clearing System(s) (if applicable) to be debited with the Warrants being exercised;
- (iii) irrevocably instructing the Relevant Clearing System(s), or the Principal Agent in the case of Definitive Securities, to debit on or before the Settlement Date the account of the relevant Holder with the Warrants being exercised and to credit the account of the Principal Agent;
- (iv) if the relevant Final Terms confer on the Holder an option to receive upon exercise either (A) Cash Settlement, (B) Issuer Physical Settlement or (C) Holder Physical Settlement, specifying whether the Holder requires Cash Settlement or Physical Settlement. If the relevant Final Terms confer on the Issuer an option to deliver either Cash Settlement or Physical Settlement, its choice shall be notified to the Holders in accordance with General Security Condition 20;
- (v) if the Warrants are to be, or may be, settled by Issuer Physical Settlement (whether in accordance with the Final Terms or at the option of the Issuer or the Holder) including an irrevocable undertaking to pay the Exercise Amount on or prior to the relevant Settlement Date or otherwise in accordance with the relevant Final Terms;
- (vi) if the Warrants are to be, or may be, settled by Holder Physical Settlement (whether in accordance with the Final Terms or at the option of the Holder or the Issuer) including an irrevocable undertaking to deliver the Reference Asset on or prior to the relevant Settlement Date or otherwise in accordance with the relevant Final Terms;
- (vii) including an irrevocable undertaking to pay (i) any applicable Expenses due by reason of the exercise of Warrants by such Holder including, for the avoidance of doubt, any Expenses which are required by law to be deducted or withheld from any payments or as a result of a transfer of a Reference Asset following the exercise of Warrants and (ii) in the case where Expenses are required to be deducted or withheld by the Holder from payments it makes to the Issuer, such additional amount as is necessary to ensure that the net amount actually received by the Issuer (free and clear of Expenses, whether assessed against Issuer or Holder) will equal the full amount the Issuer would have received had no such deduction or withholding been required;
- (viii) including an authorisation to the Issuer (i) (in the case of Cash Settlement) to deduct any Expenses from the Settlement Amount, (ii) (in the case of Holder Physical Settlement) to deduct any Expenses from the Exercise Amount or any other amount payable by the Issuer to the Holder in connection with the exercise of such Warrants or (iii) (in the case of Issuer Physical Settlement) to delay delivery of the Reference Asset until such Expenses have been paid by the Holder;
- (ix) including a Warrant Account Notice;

- (x) including a Non-U.S. Certification; and
- (xi) authorising the production of such certification in applicable administrative or legal proceedings.

(b) ***Verification of the Holder***

Upon receipt of an Exercise Notice (if any), the Principal Agent will request the Relevant Clearing System(s) to verify that the person exercising the Warrants specified therein was, as at 10.00 a.m. (Local Time) on the relevant Exercise Date, the Holder thereof according to the books of the Relevant Clearing System(s). If the Relevant Clearing System(s) is/are unable so to verify, such Exercise Notice shall be deemed not to have been given. In the event that the Warrants are held as Definitive Securities, the Registrar will verify the person exercising the Warrants is the Holder thereof and will inform the Issuer of the details thereof, and the inability of the Registrar to so verify shall cause such Exercise Notice to be deemed not given. The Relevant Clearing System(s) will, on or before the Settlement Date, debit the Warrants being exercised from the account of the Holder specified in the Exercise Notice (but without prejudice to the accrued rights of the relevant Holder).

In the case of exercised Definitive Securities where Issuer Physical Settlement is applicable, the relevant Reference Assets (if any) shall be delivered to the Holder by the Principal Agent.

(c) ***Cash Settlement***

Subject to:

- (i) the Knock-in Event (if any) having occurred;
- (ii) there not having occurred a Disruption Event;
- (iii) there not having occurred a Knock-out Event (if any);
- (iv) the application of the Credit Linkage Provisions (if relevant); and
- (v) the provisions of (f), (g) and (h) below and the Issuer being satisfied that all notice obligations on the part of the Holder having been complied with,

the Issuer shall, for each Warrant being exercised and which is to be settled by Cash Settlement, on the Settlement Date transfer or procure the transfer of the Settlement Amount, or any other cash payment due in respect of each Warrant in accordance with the relevant Final Terms, less any Expenses which the Issuer is authorised to deduct under the Exercise Notice as applicable, to the Holder's account as specified in the relevant Exercise Notice for value on the Settlement Date.

(d) ***Issuer Physical Settlement***

Subject to:

- (i) the Knock-in Event (if any) having occurred;
- (ii) the application of General Security Condition 21 (if relevant);
- (iii) there not having occurred a Disruption Event or a Settlement Disruption Event;
- (iv) there not having occurred a Knock-out Event (if any);
- (v) the application of the Credit Linkage Provisions (if relevant); and
- (vi) the provisions of (f), (g) and (h) below (as applicable) and the Issuer being satisfied that all notice obligations on the part of the Holder having been complied with,

the Issuer shall, for each Warrant being exercised and which is to be settled by Issuer Physical Settlement, on the Settlement Date (but only if the Exercise Amount (if any) and any other

amounts payable by the Holder in connection with such exercise, including the additional amount (if any) under General Security Condition 3(a)(vii), have been received by the Issuer in accordance with the relevant Final Terms and all Expenses have been paid by the Holder in accordance with General Security Condition 3(a)(viii)), deliver or procure delivery of the Reference Asset as contemplated by the relevant Final Terms to the account or person specified in the relevant Exercise Notice, as applicable. For the purposes hereof, delivery of the Reference Asset will be made in accordance with usual market practice for delivery of such Reference Asset.

(e) ***Holder Physical Settlement***

Subject to:

- (i) the Knock-in Event (if any) having occurred;
- (ii) the application of General Security Condition 21 (if relevant);
- (iii) there not having occurred a Disruption Event or a Settlement Disruption Event;
- (iv) there not having occurred a Knock-out Event (if any);
- (v) the application of the Credit Linkage Provisions (if relevant); and
- (vi) the provisions of (f), (g) and (h) below (as applicable) and the Issuer being satisfied that all notice obligations on the part of the Holder having been complied with,

the Issuer shall, for each Warrant being exercised and which is to be settled by Holder Physical Settlement, on the Settlement Date (but only if the Reference Asset required to be delivered by the Holder in connection with such exercise has been received by the Issuer in accordance with the relevant Final Terms) transfer or procure the transfer of the Exercise Amount, less any Expenses which the Issuer is authorised to deduct under the Exercise Notice as applicable, to the Holder's account as specified in the relevant Exercise Notice as applicable, for value on the Settlement Date. For the purposes hereof, the Issuer shall, if necessary, upon receipt of an Exercise Notice, give the Holder sufficient information to enable it to deliver the Reference Asset to the Issuer.

(f) ***Determination***

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by the Principal Agent in its sole and absolute discretion and shall be conclusive and binding on the Issuer, the Guarantor in respect of Securities issued by JPMSP and JPMIDL, the Registrar, the Calculation Agent and the Holder. Any Exercise Notice so determined to be incomplete or not in proper form, or which is not, in the case of a Definitive Security sent or otherwise copied to the Principal Agent immediately after being sent to the Relevant Clearing System(s) (in the case of Global Securities) shall be void. If such Exercise Notice is subsequently corrected to the satisfaction of the Principal Agent, it shall be deemed to be a new Exercise Notice submitted at the time the correction is delivered. The Principal Agent will endeavour to notify the Holder of an incomplete Exercise Notice as soon as possible after it becomes aware of the improper exercise.

(g) ***Effect of Exercise of Warrants***

Delivery of an Exercise Notice or, in the case of automatically exercised Warrants, the occurrence of the Exercise Date shall constitute an irrevocable election and undertaking by the relevant Holder to exercise the relevant Warrants. After delivery of such Exercise Notice or occurrence of such Exercise Date (as applicable), such exercising Holder may not otherwise transfer such Warrants. Notwithstanding this, if any Holder does so transfer or attempts so to transfer such Warrants, the Holder will be liable to the Issuer for any Expenses suffered or incurred by the Issuer or any of its affiliates through whom it has hedged its position, including those suffered or incurred as a consequence of the Issuer or any of its affiliates through whom it has hedged its position having terminated or commenced any related hedging operations in reliance on the relevant Exercise Notice or Exercise Date (as applicable) and



subsequently (i) entering into replacement hedging operations in respect of such Warrants or (ii) paying any amount on the subsequent exercise of such Warrants without having entered into any replacement hedging operations.

(h) ***Expenses***

A Holder exercising a Warrant shall pay (i) all Expenses, if any, payable in connection with the exercise of the Warrant, (ii) all Expenses in relation to any transfer of the Reference Asset made as a result of such exercise, (iii) all Expenses arising on the exercise of the Warrants in the place in which the Exercise Notice is delivered, (iv) all Expenses involved in delivering the Exercise Notice and (v) all Expenses, if any, involved in complying with the Non-U.S. Certification.

4. **Minimum Number of Warrants Exercisable**

If Warrants are designated as "American Style" or "Bermudan Style" and a Minimum Exercise Number is specified in the relevant Final Terms, then, save in respect of when the Exercise Date is the Expiration Date, the Warrants of such Series or Tranche may only be exercised in the Minimum Exercise Number or such multiples in which such Series or Tranche may be exercised in accordance with the relevant Final Terms.

5. **Maximum Number of Warrants Exercisable**

If Warrants are designated as "American Style" or "Bermudan Style" and a Maximum Exercise Number is specified in the relevant Final Terms, then if, following any Exercise Date other than the Expiration Date, the Issuer determines in its sole and absolute discretion that more than the Quota were exercised on such Exercise Date by a single Holder or a group of Holders acting in concert, then the Issuer may deem the Valuation Date for the first Quota of Warrants of the relevant Series or Tranche exercised by such Holder or group of Holders to be the originally applicable Valuation Date for Warrants exercised on such Exercise Date, and the Valuation Date for each additional Quota of Warrants of the relevant Series or Tranche (or part thereof, in the case of the last amount) exercised by such Holder or group of Holders to be the respective Valuation Dates applicable to each succeeding date following such Exercise Date on which Warrants of the relevant Series or Tranche could have been exercised, until all such Warrants exercised on such Exercise Date by such Holder or group of Holders have been given a Valuation Date. In any case, where more than the Quota of Warrants of a Series or Tranche are so exercised on the same day by a Holder or group of Holders acting in concert, the order of settlement in respect of such Warrants shall be at the sole and absolute discretion of the Issuer. Notwithstanding the foregoing, the Issuer may, at any time, in its sole and absolute discretion, accept more than the Quota of Warrants of a Series or Tranche for exercise on any Exercise Date.

6. **General Security Conditions Applicable only to Certificates**

Unless otherwise specified in the relevant Final Terms, this General Security Condition and the following General Security Conditions 7 to 10 apply only to Securities which are Certificates.

7. **Redemption Rights**

Unless previously redeemed, purchased and/or cancelled, and subject to such provisions of General Security Condition 8 below as may be applicable, each Certificate shall be redeemed on the Redemption Date at its Redemption Amount, if any. The Redemption Amount shall be calculated by the Calculation Agent in accordance with the relevant Final Terms and shall be notified to the Relevant Clearing System(s) and/or any Holders of Certificates that are Definitive Securities, with a copy to the Principal Agent and the Issuer by no later than 10.00 a.m. (Local Time) on the earlier of one Clearance System Business Day after the Redemption Date and the Settlement Date. If the relevant Final Terms confer on the Issuer an option to deliver either Cash Settlement or Physical Settlement, its choice shall be notified to the Holders in accordance with General Security Condition 20.

8. **Redemption Procedure**

*General Security Condition 8 is amended in relation to the issue of Swedish Securities and Finnish Securities. The applicable amendments are set out in Part 2 and Part 3 of the Annex respectively.*

(a) **Cash Settlement**

If the relevant Final Terms state that a Non-U.S. Certification is applicable, the Holder shall, in respect of its Certificates, deliver, within 30 days of the Redemption Date, to the Relevant Clearing System(s) (or Registrar in the case of Definitive Securities) with a copy to the Principal Agent a certificate:

- (i) providing a Non-U.S. Certification; and
- (ii) authorising production of such certification in applicable administrative or legal proceedings.

Subject to:

- (iii) the Knock-in Event (if any) having occurred;
- (iv) the application of General Security Condition 21 (if relevant);
- (v) there not having occurred a Disruption Event;
- (vi) there not having occurred a Knock-out Event (if any);
- (vii) the application of the Credit Linkage Provisions (if relevant); and
- (viii) the provisions of (c) below and the Issuer being satisfied that all notice obligations on the part of the Holder have been complied with,

the Issuer shall, for each Certificate being redeemed and which is to be settled by Cash Settlement, transfer or procure the transfer of the Redemption Amount for value on the Settlement Date in respect of such Certificate, less any Expenses which the Issuer is required by law to deduct or withhold, or is authorised to deduct as specified in General Security Condition 8(c), to the Relevant Clearing System(s) for the credit of the account of the relevant Holder, or, in the case of Definitive Securities, directly to the Holder.

(b) **Issuer Physical Settlement**

Subject to:

- (i) the Knock-in Event (if any) having occurred;
- (ii) the application of General Security Condition 21 (if relevant);
- (iii) there not having occurred a Disruption Event or a Settlement Disruption Event;
- (iv) there not having occurred a Knock-out Event (if any);
- (v) the application of the Credit Linkage Provisions (if relevant); and
- (vi) the provisions of (c) below and the Issuer being satisfied that all notice obligations on the part of the Holder having been complied with,

and in compliance with the paragraphs below, the Issuer shall, for each Certificate being redeemed and which is to be settled by Issuer Physical Settlement, on the Settlement Date deliver or procure delivery of the Reference Asset as contemplated by the relevant Final Terms to the Relevant Clearing System(s) for the credit of the account of the relevant Holder in accordance with usual market practice for delivery of such Reference Asset; provided that the Holder has paid all Expenses specified in General Security Condition 8(c).

In order to obtain delivery of the Reference Assets in respect of such Certificates, the relevant Holder must deliver to the Relevant Clearing System(s) (or Registrar in the case of Definitive Securities) with a copy to the Principal Agent, within 30 days of the Redemption Date, a duly completed Certificate Account Notice.

A Certificate Account Notice must:

- (1) specify the name and number of the Holder's account with the Relevant Clearing System (or in the case of Definitive Securities, the name and address details of the relevant Holder) required for delivery as set out in the relevant Final Terms and the person from whom the Issuer may obtain details for the delivery of the Reference Asset if such delivery is to be made otherwise than in the manner specified in the Terms;
- (2) include an authorisation to the Issuer to delay delivery of the Reference Asset until relevant Expenses have been paid by the Holder;
- (3) authorise the production of such notice in any applicable administrative or legal proceedings; and
- (4) provide a Non-U.S. Certification.

Upon receipt of a Certificate Account Notice, the Principal Agent will request the Relevant Clearing System(s) to verify that the person specified therein as the Holder is the Holder thereof according to the books of the Relevant Clearing System(s). If the Relevant Clearing System(s) is/are unable so to verify, such Certificate Account Notice shall be deemed not to have been given. In the event that the Certificates are held as Definitive Securities, the Registrar will verify the person specified in the Certificate Account Notice as the Holder of the Certificates is the Holder thereof and will inform the Issuer of the details thereof. The Relevant Clearing System(s), or the Principal Agent in the case of Definitive Securities, will on or before the Settlement Date debit the Certificates being redeemed from the account of the Holders (but without prejudice to the accrued rights of the relevant Holders). In the case of Definitive Securities, the relevant Reference Assets shall be delivered to the Holder by the Principal Agent.

(c) ***Expenses***

A Holder shall pay (and the Issuer is authorised to deduct from the Redemption Amount) (i) all Expenses, if any, payable in connection with the redemption of the Certificates, (ii) all Expenses in relation to any transfer of the Reference Asset made as a result of such redemption, (iii) if the relevant Final Terms specify exercise rights, all Expenses arising in the exercise of the Certificates in the place in which the relevant Exercise Notice is delivered for exercise, (iv) if the relevant Final Terms specify exercise rights, all Expenses involved in delivering the relevant Exercise Notice and (v) all Expenses, if any, involved with complying with the Non-U.S. Certification.

9. **Contingent Coupon**

(a) ***Contingent Coupon Payment Dates***

Each Index Linked Contingent Coupon Certificate and Equity Linked Contingent Coupon Certificate will pay a contingent coupon in respect of the notional amount per Certificate specified in the relevant Final Terms (the "**Notional Amount**") at the rate per annum (expressed as a percentage) equal to the Contingent Coupon Rate, such contingent coupon being payable in arrear on each Contingent Coupon Payment Date. Such Contingent Coupon Payment Date(s) is/are either shown in the relevant Final Terms as Specified Contingent Coupon Payment Dates or, if no Specified Contingent Coupon Payment Date(s) is/are shown in the relevant Final Terms, Contingent Coupon Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Specified Period after the preceding Contingent Coupon Payment Date or, in the case of the first Contingent Coupon Payment Date, after the Issue Date.

(b) ***Business Day Convention***

If any date referred to in these General Security Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(c) ***Contingent Coupon Rate and/or Contingent Coupon Amount for Index Linked Contingent Coupon Certificates***

The Contingent Coupon Rate in respect of Index Linked Contingent Coupon Certificates for each Contingent Coupon Period and/or the Contingent Coupon Amount payable on any Contingent Coupon Payment Date shall be determined in the manner specified in the relevant Final Terms and the contingent coupon will be payable by reference to an Index and/or Index Basket and/or Formula as specified in the relevant Final Terms.

(d) ***Contingent Coupon Rate and/or Contingent Coupon Amount for Equity Linked Contingent Coupon Certificates***

The Contingent Coupon Rate in respect of Equity Linked Contingent Coupon Certificates for each Contingent Coupon Period and/or the Contingent Coupon Amount payable on any Contingent Coupon Payment Date shall be determined in the manner specified in the relevant Final Terms and the contingent coupon will be payable by reference to a Share and/or Share Basket and/or Formula as specified in the relevant Final Terms.

(e) ***Maximum/Minimum Contingent Coupon Rates and Rounding***

- (i) If any Maximum Contingent Coupon Rate or Minimum Contingent Coupon Rate is specified in the relevant Final Terms, then any Contingent Coupon Rate shall be subject to such maximum or minimum, as the case may be;
- (ii) For the purposes of any calculations required pursuant to these General Security Conditions (unless otherwise specified in the relevant Final Terms), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the country of such currency and in the case of euro means euro 0.01.

10. **Exercise Rights**

*General Security Condition 10 is amended in relation to the issue of Italian Securities. The applicable amendments are set out in Part 4 of the Annex.*

Certificates may be issued with exercise rights which shall be specified in the relevant Final Terms in which case the relevant Final Terms may (a) specify the application of General Security Conditions 2 to 5 and the disapplication of General Security Conditions 7 to 10 to such Certificates and (b) make such other consequential changes to these General Security Conditions as may be requisite or desirable in the sole and absolute discretion of the Issuer.

11. **General Security Conditions Applicable to Securities**

Unless otherwise specified in the relevant Final Terms, this General Security Condition and the following General Security Conditions 12 to 37 apply to Securities which are Warrants and Securities which are Certificates.

12. **Form and Transfer**

*General Security Condition 12 is amended in relation to the issue of Norwegian Securities, Swedish Securities and Finnish Securities. The applicable amendments are set out in Parts 1, 2 and 3 of the Annex respectively.*

(a) **Form and Title**

The Securities are issued in bearer form ("**Bearer Securities**") or in registered form ("**Registered Securities**") as set forth in the relevant Final Terms.

Title to the Bearer Securities shall pass by delivery.

Registered Securities are represented by registered security certificates and, save as provided in General Security Condition 12(b), each registered security certificate shall represent the entire holding of Registered Securities by the same holder.

Title to the Registered Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Security shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the registered security certificate representing it) or its theft or loss (or that of the related registered security certificate) and no person shall be liable for so treating the holder.

In these General Security Conditions, "**Holder**" or "**holder**" (in relation to a Security) means the bearer of any Bearer Security relating to it or the person in whose name a Registered Security is registered (as the case may be) and capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Securities.

(b) **Transfer of Registered Securities**

One or more Registered Securities may be transferred upon (i) the surrender (at the specified office of the Registrar or any Transfer Agent) of the registered security certificate representing such Registered Securities to be transferred, together with the form of transfer (which shall be available at the specified office of the Transfer Agent) endorsed on such registered security certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require; (ii) the recording of such transfer in the Register; and (iii) issuance of a new registered security certificate to the Transferee. In the case of a transfer of part only of a holding of Registered Securities represented by one registered security certificate, a new registered security certificate shall be issued to the transferee in respect of the part transferred and a further new registered security certificate in respect of the balance of the holding not transferred shall be issued to the transferor. Notwithstanding the other provisions of this General Security Condition 12(b), if a transferable amount is specified in the relevant Final Terms then Registered Securities may only be traded in such multiples as are specified in the relevant Final Terms.

(c) **Delivery of New Registered Securities**

Each new registered security certificate to be issued pursuant to General Security Condition 12(b) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in General Security Condition 5(e)) and surrender of

the Security for exchange. Delivery of the new registered security certificate shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or registered security certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new registered security certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this General Security Condition 12, "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(d) ***Exchange Free of Charge***

Exchange and transfer of Securities on registration, transfer, settlement or exercise shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(e) ***Certain Voidable Transfers***

The Securities may not be legally or beneficially owned by any U.S. Person at any time nor offered, sold, pledged or otherwise transferred or exercised or redeemed at any time, directly or indirectly, in the United States of America or its possessions or to any U.S. Person. The Issuer has the right, at its option, under the Securities Agreement and these General Security Conditions, to compel any legal or beneficial owner of the Securities that is a U.S. Person to void the transfer of the Securities to such legal or beneficial owner or to redeem any Securities held by such legal or beneficial owner or the Issuer may void the transfer of the Securities to such legal or beneficial owner. Transfers may be voided by the Issuer by compelling a sale by such legal or beneficial owner or by the Issuer selling the Securities on behalf of such legal or beneficial owner.

(f) ***Minimum Transferable Amount***

If a minimum transferable amount is specified in the relevant Final Terms, then the Securities of such Series or Tranche (as applicable) may only be traded in such multiples as are specified in such Final Terms.

13. **Status and Guarantee**

(a) ***Status***

The Securities issued by JPMSP represent general contractual obligations of JPMSP and are not secured by any property of JPMSP. The Securities issued by JPMSP rank equally among themselves and, save for such exceptions as may be provided by Applicable Law, *pari passu* with all other unsecured and unsubordinated obligations of JPMSP, but excluding any debts for the time being preferred by Applicable Law and any subordinated obligation.

The Securities issued by JPMIDL represent general contractual obligations of JPMIDL and are not secured by any property of JPMIDL. The Securities issued by JPMIDL rank equally among themselves and, save for such exceptions as may be provided by Applicable Law, *pari passu* with all other unsecured and unsubordinated obligations of JPMIDL, but excluding any debts for the time being preferred by Applicable Law and any subordinated obligation.

The Guarantee and the Securities issued by JPMCB are each not a deposit insured or guaranteed by the FDIC or any other government authority. The Guarantee and the Securities issued by JPMCB each is an unsecured and unsubordinated debt obligation of JPMCB and not of its parent, JPMorgan Chase & Co, or any of its affiliates, and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of JPMCB, subject to such exceptions as may be provided by Applicable Law including a preference in favour of certain deposit liabilities of JPMCB or other obligations that are subject to any priorities or preferences.

The Securities issued by JPMorgan Chase are not a deposit insured or guaranteed by the FDIC or any other government authority. The Securities issued by JPMorgan Chase are each an unsecured and unsubordinated debt obligation of JPMorgan Chase and not of any of its affiliates, and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of JPMorgan Chase, subject to such exceptions as may be provided by Applicable Law including a preference in favour of certain deposit liabilities of JPMorgan Chase or other obligations that are subject to any priorities or preferences.

(b) ***Guarantee***

JPMCB has irrevocably and unconditionally guaranteed the due and punctual settlement in full of all obligations of JPMSP and JPMIDL under the Securities issued by JPMSP or JPMIDL under the Agency Agreement, after taking account of any set-off, combination of accounts, netting or similar arrangement from time to time exercisable by JPMSP or JPMIDL, as the case may be, against any person to whom obligations are from time to time being owed, when and as due (whether at maturity, by acceleration or otherwise).

(c) ***No Principal Protection***

The Issuer and the Guarantor, if the Securities are issued by JPMSP or JPMIDL, hereby provide notice that there is (i) no minimum cash amount payable to a Holder (unless otherwise stated in the relevant Final Terms) or (ii) in the case of Securities to which Physical Settlement applies, no minimum guaranteed value of Reference Assets deliverable to a Holder upon settlement or redemption of the Securities and that this may result in a total loss of the principal invested in the Securities.

14. **Termination by the Issuer**

*General Security Condition 14 is amended in relation to the issue of Italian Securities. The applicable amendments are set out in Part 4 of the Annex.*

(a) ***Termination Events***

The Issuer shall have the right to terminate its obligations under the Securities by giving notice to the Holders, the Principal Agent, the Registrar and the Calculation Agent, if it determines in its sole and absolute discretion in good faith that its performance thereunder, or it becomes aware that the performance of JPMCB (in relation to Securities issued by JPMSP or JPMIDL) under the Guarantee, has become unlawful or impractical in whole or in part as a result of (i) any change in financial, political or economic conditions or currency exchange rates, or (ii) compliance in good faith by the Issuer or the Guarantor (as the case may be) with any Applicable Law (the circumstances referred to in (i) and (ii) hereafter referred to as "**Termination Events**").

(b) ***Additional Termination Events***

The Issuer shall have the right to terminate its obligations under the Securities by giving notice to the Holders, the Principal Agent, the Registrar and the Calculation Agent, if it determines in its sole and absolute discretion in good faith that (i) any circumstances, other than those in subsection 14(a) and which are designated as Additional Termination Events in the relevant Final Terms, have occurred, (ii) any Nationalisation, Delisting, Insolvency, Merger Event or Tender Offer has resulted in Cancellation and Payment (whether pursuant to "Cancellation and Payment" being specified as applicable thereto in the relevant Final Terms or the Securities otherwise becoming subject to cancellation and payment pursuant to the terms of General Security Condition 31) or (iii) due to any action taken by a taxing authority or brought in a court of competent jurisdiction, or a Change of Tax Law, which causes or is reasonably likely to cause any additional Expenses to arise (by whomsoever payable) (the circumstances referred to in (i), (ii) or (iii) hereafter referred to as "**Additional Termination Events**").

(c) ***Payments upon Termination Events and Additional Termination Events***

If a Termination Event or Additional Termination Event occurs, the Issuer will cause to be paid to each Holder in respect of each such Security held by it an amount determined by the

Calculation Agent in its sole and absolute discretion as representing the fair market value of such Security immediately prior to such termination (ignoring, in the case of a Termination Event, such illegality or impracticality), adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation on any investment in any share or investment of any type whatsoever, hedging the Issuer's obligations under the Securities) or an amount otherwise determined by the Calculation Agent in its sole and absolute discretion as specified in the relevant Final Terms. Payment will be made to the Relevant Clearing System(s) in such manner and shall be notified to the Holders in accordance with the procedure set out in General Security Condition 20. Such amount will be payable by the Issuer to the Holder net of any Expenses that arise on termination whether or not required by any Applicable Law to be deducted or withheld from the payment.

15. **No Ownership of Indian Participation Securities by Indian Residents**

Securities that for which a Reference Asset is an equity security listed on an Indian stock exchange ("**Indian Participation Securities**") may not be legally or beneficially owned by a person that is a resident of the Republic of India within the meaning of Indian Exchange control Laws (an "**Indian Resident**") at any time. Any pledge, sale or other transfer by an Indian Resident within the meaning of Indian Exchange Control Laws shall, at the option of the Issuer, (x) be voidable or (y) give the Issuer the right to compel the transferee to redeem any such relevant Indian Participation Securities held by such transferee.

16. **Prescription**

Claims against the Issuer or Guarantor, as the case may be, for payment in respect of the Securities (including, without limitation, claims for any redemption amounts payable, if applicable) shall be prescribed and become void unless made within 60 months from the Settlement Date and no claims shall be made after such date.

17. **Purchase**

The Issuer and, in respect of Securities issued by JPMSF or JPMIDL, the Guarantor or any of the Guarantor's subsidiaries and affiliates may at any time purchase Securities at any price in the open market or by tender or private treaty. Any Securities so purchased may be held or resold or surrendered for cancellation.

18. **Agents, Amendments, Calculation Agent, Calculations and Payments**

*General Security Condition 18 is amended in relation to the issue of Swedish Securities and Finnish Securities. The applicable amendments are set out in Part 2 and Part 3 of the Annex respectively.*

(a) **Changes in Agents**

The Issuer reserves the right at any time (and in relation to all Securities or, as the case may be, the Securities of a given Series or Tranche) to vary or terminate the appointment of the Principal Agent, the Transfer Agent, the Registrar and the Calculation Agent (the "**Agents**") and to appoint other or additional Agents, provided that, in relation to Securities admitted to the Official List and traded on the Regulated Market of the Luxembourg Stock Exchange (or any other stock exchange), there will always be an Agent with a specified office in Luxembourg for so long as it remains necessary to do so to comply with the Luxembourg Stock Exchange's listing rules (or in such other place as is required by such other stock exchange), so long as such Securities are so listed, and provided that, (in relation to all Securities) there will always be a Principal Agent and a Calculation Agent. Notice of any variation or termination of appointment and of any changes in the specified office of any Agent will be given to the Holders in accordance with the procedures set out in General Security Condition 20. In acting under the Agency Agreement, the Agents are acting solely as agents of the Issuer and do not assume any obligations or duty to, or any relationship of agency or trust for or with, the Holders.



(b) ***Amendments***

(i) The Agency Agreement may be amended by the parties to such agreement, and (ii) terms of any Securities (including these General Security Conditions and as may be completed and/or amended in the relevant Final Terms) may be amended by the Issuer, in each case without the consent of the Holders if, in the opinion of such parties or the Issuer, as the case may be, the amendment will not materially and adversely affect the interests of the Holders. In addition, the terms of any Securities (including these General Security Conditions and as may be completed and/or amended in the relevant Final Terms) may be amended by the Issuer without the consent of the Holders if the terms of the Securities contain an error or omission such that they do not represent the intended terms of the Securities on the basis of which the Securities were sold and have since traded. In such case, the Issuer shall execute and deliver to the Holder an amendment notice or a correction notice (such notice to be given in accordance with General Security Condition 20), as the case may be, setting out the amendment or the error or omission, as the case may be, and, in the case of an error or omission, the manner in which it is to become corrected. Upon receipt of such notice by the Holder, such amendment or correction shall be deemed to have been effective for all purposes from the Issue Date of the Securities and will be binding on all Holders, provided that, in respect of an amendment, the Issuer may select some other date from which such amendment will become effective and binding on all Holders as specified in such notice.

(c) ***Calculation Agent***

All calculation functions required of the Calculation Agent under these General Security Conditions and any Global Security or Definitive Security may be delegated to any such person as the Calculation Agent, in its sole and absolute discretion, may decide.

(d) ***Calculations***

Whenever any matter falls to be determined, considered or otherwise decided upon by the Calculation Agent or any other person (including where a matter is to be decided by reference to the Calculation Agent's or such other person's opinion), unless otherwise stated, that matter shall be determined, considered or otherwise decided upon by the Calculation Agent or such other person, as the case may be, in its sole and absolute discretion. None of the Calculation Agent, the Issuer and the Guarantor shall have responsibility to the Holders for good faith errors or omissions in the Calculation Agent's calculations and determinations as provided in the General Security Conditions, whether caused by negligence or otherwise. The calculations and determinations of the Calculation Agent shall be made in accordance with the General Security Conditions (having regard in each case to the criteria stipulated herein, and, where relevant, on the basis of the information provided to or obtained by employees or officers of the Calculation Agent responsible for making the relevant calculation or determination) and shall, in the absence of manifest error, be final, conclusive and binding on the Holders.

(e) ***Rounding***

For the purposes of any calculations required pursuant to these General Security Conditions (unless otherwise specified in the relevant Final Terms), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country of such currency and in the case of euro means euro 0.01.

(f) ***Non-business days***

If any date for payment in respect of any Security is not a Business Day, the Holder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment.

19. **Further Issues**

The Issuer shall be at liberty from time to time, without the consent of the Holders, to create and issue further Securities of any Series or Tranche so as to form a single series with the Securities of that Series or Tranche.

20. **Notices**

*General Security Condition 20 is amended in relation to the issue of Italian Securities. The applicable amendments are set out in Part 4 of the Annex.*

All notices to Holders will be valid if delivered to the Relevant Clearing System(s) or, in the case of Definitive Securities, to the Principal Agent for communication by them to entitled Holders and, so long as the Securities of a Series or Tranche are admitted to the Official List and traded on the Regulated Market of the Luxembourg Stock Exchange (or any other stock exchange), will be published (if relevant to the holders of such listed Securities) in the *Luxemburger Wort* or on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) (or such other publication required by such other stock exchange) for so long as it remains necessary to do so to comply with the Luxembourg Stock Exchange's or such other stock exchange's listing rules and as long as any Securities are listed on Euronext Amsterdam by NYSE Euronext, in the Daily Official List of Euronext Amsterdam N.V. (*Officiële Prijscourant*). Any such notice shall be deemed to have been given on the date of such delivery and publication or, if so delivered and published more than once or on different dates, on the date of the first such delivery and publication.

21. **Automatic Exercise Warrant Notice and/or Account Notice**

*General Security Condition 21 is amended in relation to the issue of Swedish Securities and Finnish Securities. The applicable amendments are set out in Part 2 and Part 3 of the Annex respectively.*

(a) **Warrants**

If an Automatic Exercise Warrant Notice is required by the Issuer to be delivered for any Warrant, pursuant to General Security Condition 2(g), then this General Security Condition 21 shall apply. The Settlement Amount of the relevant Security, the Exercise Amount of the relevant Security or the Reference Assets corresponding to the relevant Security will only be paid or delivered, as the case may be, to the relevant Holder if the Relevant Clearing System(s) and/or Principal Agent, as provided herein or in the relevant Final Terms, receives an Automatic Exercise Warrant Notice in such form as the Relevant Clearing System(s) and/or Principal Agent considers in its discretion to be satisfactory, within 30 days of the Expiration Date and if no such Automatic Exercise Warrant Notice is received in respect of those Warrants initially subject to Physical Settlement, such Warrants shall be subject to Cash Settlement in all circumstances with such reductions to the Settlement Amount for the Expenses arising as a result of such Holder's failure to have delivered such required Automatic Exercise Warrant Notice. Settlement of Warrants will be made in accordance with General Security Condition 3 except that the Issuer shall, for each Warrant being exercised, transfer or procure the transfer of the Settlement Amount or the Exercise Amount on the Alternative Settlement Date, which shall occur only upon receipt and approval of such Automatic Exercise Warrant Notice, as the case may be.

(b) **Certificates**

If a Non-U.S. Certification or Certificate Account Notice, as the case may be, is required to be delivered for any Certificates, then this General Security Condition 21 shall apply. The Redemption Amount of the relevant Security or the quantity of Reference Assets corresponding to the relevant Security shall only be paid or delivered, as the case may be, to the relevant Holder if the Relevant Clearing System(s) and/or Principal Agent, as provided herein or in the relevant Final Terms, receives a Non-U.S. Certification or Certificate Account Notice, as the case may be, in such form as the Relevant Clearing System(s) and/or Principal Agent considers in its discretion to be satisfactory, within 30 days of the Redemption Date and if no such Certificate Account Notice is received in respect of those Certificates initially

subject to Physical Settlement, such Certificates shall be subject to Cash Settlement in all circumstances with such reductions to the Redemption Amount for the Expenses arising as a result of such Holder's failure to have delivered such required Non-U.S. Certification or Certificate Account Notice. Settlement of Certificates will be made in accordance with General Security Condition 8, except that the Issuer shall, for each Certificate being redeemed, transfer or procure the transfer of the Redemption Amount on the Alternative Settlement Date, which shall occur only upon receipt and approval of such Non-U.S. Certification or Certificate Account Notice, as the case may be.

22. **Adjustments Affecting Reference Assets Listed, Quoted or Compiled on a Stock Exchange**

The Final Terms may include additional adjustment provisions relating to Reference Assets listed, quoted or compiled on any stock exchange and conferring authority upon the Issuer to switch or substitute any adjustment provisions applicable to the Reference Assets in these General Security Conditions with the adjustment provisions provided in the relevant Final Terms.

23. **Taxation and Other Expenses**

A Holder will be liable for all Expenses due or payable in connection with any exercise, settlement or redemption of Securities and/or with the resulting transfer of any Reference Asset, including without limitation in connection with any termination pursuant to General Security Condition 14 above or otherwise.

Except as provided in the preceding paragraph, all cash payments on the Securities will be made without deduction or withholding for or on account of any present or future tax, assessment or other governmental charge, of whatever nature, imposed or levied on such payment by or within the Relevant Jurisdiction, except as required by law. In that case, the Issuer or, as the case may be, the Guarantor will, subject to certain limitations and exceptions set forth below, pay to a Holder of Securities who is a United States Alien (in the case of United States-related taxes), or a person who is not a Dutch Tax Resident (in the case of Dutch taxes) or a person who is not a Jersey Tax Resident (in the case of Jersey taxes) (each as defined below) such additional amounts ("**Additional Amounts**") as may be necessary so that every net payment by the Issuer or the Guarantor or any of their Paying Agents with respect to the Securities after deduction or withholding for or on account of any such present or future tax, assessment or other governmental charge on such payment imposed upon such Holder or as a result of such payment of tax imposed or levied on such payment by or within the Relevant Jurisdiction, will not be less than the amount provided for in such Security to be then due and payable. However, neither the Issuer nor the Guarantor will be required to make any payment of Additional Amounts for or on account of:

- (i) any tax, assessment or other governmental charge which would not have been so imposed but for (A) the existence of any present or former connection between such holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such holder, if such holder is an estate, a trust, a partnership or a corporation) and the Relevant Jurisdiction, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, member, shareholder or assessor) being or having been present therein, being or having been a citizen or resident thereof, being or having been engaged in a trade or business therein or having had a permanent establishment therein, (B) the failure of such holder or the beneficial owner to comply with any certification, identification or information reporting requirements to establish entitlement to exemption from or reduction of such tax, assessment or other governmental charge, or (C) in the case of a Bearer Security, payments being made in the United States or other than to an account with a bank outside the United States;
- (ii) any estate, inheritance, gift, sales, transfer, personal property, or any similar tax, assessment or governmental charge;
- (iii) any tax, assessment or other governmental charge which is payable other than by withholding from payments on a Security;

- (iv) in respect of any Securities issued by JPMIDL or JPMCB, any tax, assessment or other governmental charge imposed by reason of such holder's past or present status as a personal holding company, private foundation or other tax exempt organisation, passive foreign investment company, controlled foreign corporation with respect to the United States; a dealer in securities, currency or commodities or a corporation that accumulates earnings to avoid United States federal income tax;
- (v) any tax, assessment or other governmental charge which is required to be withheld by a Paying Agent from payments on a Security if such payment can be made without such withholding by at least one other Paying Agent;
- (vi) in respect of any Securities issued by JPMIDL, JPMCB or JPMorgan Chase, any tax, assessment or other governmental charge imposed by reason of (i) such holder's past or present status as the actual or constructive owner of 10 per cent. or more of the total combined voting power of all classes of stock of such Issuer that is entitled to vote, (ii) such holder being a bank receiving interest described in Section 881(c)(3)(A) of the Code or (iii) such holder being a controlled foreign corporation that is treated as a "related person" (within the meaning of the Code) with respect to the Issuer;
- (vii) any tax assessment, or other governmental charge payable by a holder, or by a third party on behalf of a holder, who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Security is presented for payment;
- (viii) the presentation (where presentation is required) of a Security for payment on a date more than 10 days after the Relevant Date or the date on which such payment is fully provided for, whichever occurs later;
- (ix) where such withholding or deduction is imposed on a payment to an individual or other entity and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive;
- (x) any Security presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Security to another Paying Agent in a European Union Member State; or
- (xi) any combination of items (i), (ii), (iii), (iv), (v), (vi), (vii), (viii), (ix) or (x),

nor shall Additional Amounts be paid with respect to a payment on any Security to a holder that is not the beneficial owner of such Security to the extent that the beneficial owner thereof would not have been entitled to the payment of such Additional Amounts had such beneficial owner been the holder of such Security.

The Issuer undertakes that it will ensure that it maintains a paying agent in an EU Member State that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

As used in these General Security Conditions, the term "**United States**" means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction; the term "**United States Alien**" means any person who is, for United States federal income tax purposes, as to the United States: (i) a natural person who is not a citizen or resident of the United States, (ii) a foreign corporation; (iii) a foreign partnership any member of which is, as to the United States, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust; or (iv) a foreign estate or trust; and the terms "**Dutch Tax Resident**" means in respect of any particular time any person who will be required by Dutch law to file a Dutch tax return

in respect of the tax year of assessment which includes that time on the basis that such person is resident in The Netherlands for tax purposes and "**Jersey Tax Resident**" means in respect of any particular time any person who will be required by Jersey law to file a Jersey tax return in respect of the tax year of assessment which includes that time on the basis that such person is resident in Jersey for tax purposes and "**Relevant Jurisdiction**" means the country in which the Guarantor or the relevant Issuer is organised or incorporated or in which payments of any present or future tax, assessment or other governmental charge of whatever nature are regarded as being sourced or by or within any political subdivision or taxing authority thereof or therein.

As used in these General Security Conditions, the term "**Relevant Date**" in respect of any Security means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Holder that, upon further presentation of the Security being made in accordance with these General Security Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

24. **Governing Law**

*General Security Condition 24 is amended in relation to the issue of Finnish Securities. The applicable amendments are set out in Part 3 of the Annex.*

The Global Securities and the Agency Agreement shall be governed by and construed in accordance with English law. The Guarantee in respect of Securities issued by JPMSP and JPMIDL shall be governed by and construed in accordance with the law of the State of New York (without reference to the principles of conflicts of law).

In relation to any Proceedings, the Issuers irrevocably submit to the jurisdiction of the courts of England and waive any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Holders and shall not limit the right of any of them to take Proceedings in any court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

Each of JPMSP and JPMIDL has appointed the Company Secretary of J.P. Morgan Securities Ltd. of 125 London Wall, London EC2Y 5AJ, England and each of JPMCB and JPMorgan Chase has appointed the Company Secretary of J.P. Morgan Europe Limited, 125 London Wall, London EC2Y 5AJ, England as their respective agent in England to receive service of process in any Proceedings in England based on any of the Securities. If for any reason any such process agent ceases to act as such or no longer has an address in England, each of JPMSP, JPMIDL, JPMCB and JPMorgan Chase, as applicable, agree to appoint a substitute process agent and to notify Holders of such appointment.

25. **Contracts (Rights of Third Parties) Act 1999**

No person shall have the right to enforce any term or condition of the Securities under the Contracts (Rights of Third Parties) Act 1999.

26. **Disruption Events**

*General Security Condition 26 is amended in relation to the issue of Italian Securities. The applicable amendments are set out in Part 4 of the Annex.*

- (a) If the Calculation Agent shall, at any time and from time to time, determine in its sole discretion that a Disruption Event has occurred or is likely to occur, then the Calculation Agent shall as soon as practicable notify the Holders of the relevant Securities of the occurrence of a Disruption Event in accordance with General Security Condition 20 above whereupon the provisions of General Security Condition 26(b) or (c) below shall become applicable.

- (b) Upon the occurrence of a Payment Disruption Event:
- (i) the Exercise Date, the Redemption Date, Contingent Coupon Payment Date, the Settlement Date or any other date on which the Securities may be exercised or redeemed or any amount shall be due and payable in respect of the relevant Securities shall, subject to General Security Condition 26(b)(iv), be extended to a date falling 14 calendar days (or such other date as may be determined by the Calculation Agent and notified to the Holders in accordance with General Security Condition 20) after the date on which the Payment Disruption Event is no longer occurring, if relevant, and on which the Hedging Entity is able to, or would be able to, sell or otherwise realise all of the Reference Assets held by the Hedging Entity to hedge the Issuer's obligations in respect of the relevant Securities and notice thereof shall be given to the relevant Holders in accordance with General Security Condition 20;
  - (ii) the Issuer's obligation to pay the Settlement Amount, Exercise Amount, Contingent Coupon Payment Date, Redemption Amount or any such other amounts in respect of the relevant Securities or deliver any relevant Reference Asset, subject to General Security Condition 26(b)(iv), shall be postponed until 14 calendar days (or such other date as may be determined by the Calculation Agent and notified to the Holders in accordance with General Security Condition 20) after the date on which the Payment Disruption Event is no longer operating, if relevant, and on the date on which the Hedging Entity is able to, or would be able to, sell or otherwise realise all of the Reference Assets held by the Hedging Entity to hedge the Issuer's obligation in respect of the relevant Securities. Notwithstanding the foregoing, in the event that the Hedging Entity is able to sell or otherwise realise a part but not all of the Reference Assets held by the Hedging Entity to hedge the Issuer's obligation in respect of the relevant Securities, the Issuer may, in its sole and absolute discretion, satisfy in part its obligation to pay the amounts as may be due and payable under the relevant Securities by making a partial payment(s) or deliveries, as the case may be, based upon the relevant amount of the Reference Assets that the Hedging Entity has been able to sell or otherwise realise in respect of the relevant Securities (the "**Partial Distributions**"). Any Partial Distribution made by the Issuer to the Holders will be calculated and/or determined by the Calculation Agent in its sole and absolute discretion and shall be paid and/or delivered to the Holders *pro rata* to the proportion of the Securities of the same series held by the relevant Holder. In the event that any Partial Distribution is made by the Issuer, the Calculation Agent may, in its sole and absolute discretion, make any such corresponding adjustment to any variable relevant to the settlement, redemption or payment terms of the relevant Securities as it deems necessary and shall notify the relevant Holders thereof in accordance with General Security Condition 20;
  - (iii) for the avoidance of doubt and notwithstanding any provisions to the contrary, (a) any such payments or deliveries made in accordance with this General Security Condition 26 shall be made after deduction of any costs, expenses or liabilities incurred or to be incurred by the Calculation Agent or Issuer in connection with or arising from the resolution of the relevant Payment Disruption Event(s) (including, without limitation, any additional custodial fees); and (b) no interest shall be paid by the Issuer in respect of any delay which may occur in the payment of any amounts due and payable under the Securities as a result of the operation of this General Security Condition 26; and
  - (iv) in the event that a Payment Disruption Event is still occurring and there remain Reference Assets held by the Hedging Entity to hedge the Issuer's obligations in respect of the Securities which have not been sold or otherwise realised before the Payment Event Cut-off Date, the Exercise Date, the Redemption Date, the Settlement Date, Contingent Coupon Payment Date or any other date on which the relevant Reference Assets are due to be delivered or redemption amounts in relation to any of the Securities shall be due and payable (as the case may be) for the relevant Securities shall fall on the Payment Event Cut-off Date and the value of the remaining Reference Assets held by the Hedging Entity which are still subject to the Payment Disruption Event or have not been sold or realised by the Hedging Entity shall be deemed to be zero. Thereafter, the Issuer shall have no obligations whatsoever under the Securities.

- (c) Upon the occurrence of a Disruption Event other than a Payment Disruption Event, the Securities shall be subject to the provisions specified in the relevant Final Terms.

**27. Settlement Disruption**

If, in respect of a Security to which Physical Settlement applies, a Settlement Disruption Event prevents delivery of any relevant Reference Asset on the applicable Settlement Date, then the Settlement Date will be the first succeeding date on which delivery of the Reference Assets can take place through the Relevant Clearing System unless a Settlement Disruption Event prevents settlement on each of the eight relevant Clearance System Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been the Settlement Date. In that case:

- (a) if such Reference Assets can be delivered in any other commercially reasonable manner, then the Settlement Date will be the first date on which settlement of a sale of Reference Assets executed on that eighth relevant Clearance System Business Day customarily would take place using such other commercially reasonable manner of delivery (which other manner of delivery will be deemed the Relevant Clearing System for the purposes of delivery of the relevant Reference Assets);
- (b) if such Reference Assets cannot be delivered in any other commercially reasonable manner, then the Settlement Date will be postponed until delivery can be effected through the Relevant Clearing System or in any other commercially reasonable manner; and
- (c) such Holder shall not be entitled to any payment, whether of interest or otherwise, on such Security in the event of any delay in the delivery of the Redemption Amount or Settlement Amount pursuant to this paragraph and no liability in respect thereof shall attach to the Issuer, the Guarantor in the case of Securities issued by JPMSP or JPMIDL, or the Principal Agent.

For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Reference Assets comprised in a Basket, the Settlement Date for Reference Assets not affected by the Settlement Disruption Event will be the original Settlement Date and the Settlement Date for Reference Assets affected by the Settlement Disruption Event shall be determined as set forth above. In the event that a Settlement Disruption Event will result in the delivery on a Settlement Date of some but not all of the Reference Assets comprised in a Basket, the Calculation Agent shall determine in its sole and absolute discretion (i) the appropriate *pro rata* portion of the Settlement Amount or the Redemption Amount, as the case may be, to be delivered by the relevant party in respect of that partial settlement and (ii) the appropriate *pro rata* portion of Exercise Amount to be paid by the relevant party in respect of the partial settlement. For the avoidance of doubt, notwithstanding the foregoing, the Holder will be required to comply with any Non-U.S. Certification as a precondition to any Physical Settlement.

For so long as delivery of the Reference Assets in respect of any Security is prevented by reason of a Settlement Disruption Event, then notwithstanding that Physical Settlement is specified in the Final Terms, or any other provision hereof, the Issuer may elect in its sole and absolute discretion to satisfy its obligations in respect of the relevant Security by payment to the relevant Holder of the relevant Disruption Cash Settlement Price not later than on the third Clearance System Business Day following the date that the notice of such election (the "**Election Notice**") is given to the Holders in accordance with General Security Condition 20. Payment of the relevant Disruption Cash Settlement Price will be made in such manner as shall be notified to the Holders in accordance with General Security Condition 20.

For the avoidance of doubt, if during the period of time after the applicable Settlement Date, the Issuer, any affiliate of the Issuer or any other entity acting on behalf of the Issuer shall be the legal owner of any securities or other assets that may comprise a part of any Reference Assets (the "**Intervening Period**"), whether owned in connection with such entity's hedge of its obligations, directly or indirectly, under the Securities or otherwise held in its normal course of business, neither the Issuer nor any of its affiliates or such other entities shall be

under any obligation or liability to any Holder in respect of such Reference Assets, including (i) any obligation to deliver to the relevant Holder, or procure delivery to the relevant Holders of, any letter, certificate, notice, circular or any other document or payment (including any interest, dividend or any other distribution in respect of any Reference Asset(s)) whatsoever received by the Issuer, any of its affiliates or any such other entities in its capacity as the holder of such Reference Asset(s), (ii) any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such Reference Asset(s) during the Intervening Period or (iii) any liability to the relevant Holder or any subsequent legal or beneficial owner in respect of any loss or damage which the relevant Holder or legal or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that person being the legal owner of such Securities during such Intervening Period. In furtherance of the foregoing, each Holder of a Security linked to Reference Assets shall be deemed to have represented to the Issuer that it does not have, arising from its legal or beneficial ownership of a Security, a lien or any other type of security interest in or any other claim or entitlement to any such Reference Asset held by the Issuer or any such affiliate or other entity.

Where the Redemption Amount or Settlement Amount comprises, in the sole and absolute determination of the Issuer, fractions of Reference Assets, the Holder will receive Reference Assets comprising the nearest number (rounded down) of Reference Assets capable of being delivered by the Issuer (taking into account that a Holder's entire holding may be aggregated at the Issuer's discretion for the purpose of delivering the Reference Assets), and no such additional cash amounts shall be paid in respect of the value of the amount of the relevant Reference Asset so rounded down.

**28. Consequences of Non-Scheduled Trading Days and/or Disrupted Days**

(A) Subject as provided in General Security Condition 39, if in respect of any relevant Index or Share (as defined in the relevant Final Terms) the Calculation Agent determines that any Valuation Date or Initial Valuation Date, as the case may be, is not a Scheduled Trading Day or is a Disrupted Day in respect of such Index or Share:

(a) in the case of Securities on a single Index or Securities on a single Share, the Valuation Date or the Initial Valuation Date, as the case may be, shall be the first succeeding Scheduled Trading Day that the Calculation Agent determines is not a Disrupted Day in respect of such Index or Share, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Disruption Extension Period immediately following the Scheduled Valuation Date or Scheduled Initial Valuation Date, as the case may be, is a Disrupted Day. In that case, subject to General Security Condition 28(A)(d), (i) that last consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine:

(x) in respect of Securities on a single Index, the Closing Index Level as of the Valuation Time on that last consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using:

(I) in respect of Components which are share securities, the Exchange traded or quoted price as of the relevant Valuation Time on that last consecutive Scheduled Trading Day of each such Component comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of any such Component (as if each such Component had been specified as a Share in respect of the Securities) on that last consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant Component as of the relevant Valuation Time on that last consecutive Scheduled Trading Day); or

(II) in respect of Components which are not share securities, the latest available quotation or such other levels or values of each such



Component as the Calculation Agent determines to be appropriate, as of the relevant Valuation Time on that last consecutive Scheduled Trading Day,

(and such determination by the Calculation Agent pursuant to this paragraph (x) shall be deemed to be the Closing Index Level in respect of the relevant Initial Valuation Date or Valuation Date, as the case may be); and

- (y) in respect of Securities on a single Share, its good faith estimate of the value of the share as of the Valuation Time on that last consecutive Scheduled Trading Day (and such good faith estimate by the Calculation Agent pursuant to this paragraph (y) shall be deemed to be the Closing Share Price in respect of the relevant Initial Valuation Date or Valuation Date, as the case may be);
- (b) in the case of Securities on an Index Basket, the Valuation Date or the Initial Valuation Date, as the case may be, for each Index not affected by the occurrence of a Disrupted Day and for which the Scheduled Valuation Date or the Scheduled Initial Valuation Date, as the case may be, is a Scheduled Trading Day (as determined by the Calculation Agent) shall be the Scheduled Valuation Date or the Scheduled Initial Valuation Date, as the case may be, and the Valuation Date or the Initial Valuation Date, as the case may be, for each Index in respect of which the Initial Valuation Date or Valuation Date, as the case may be, is not a Scheduled Trading Day and/or is affected by the occurrence of a Disrupted Day (as determined by the Calculation Agent) shall be the first succeeding Scheduled Trading Day which the Calculation Agent determines is not a Disrupted Day relating to that Index, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Disruption Extension Period immediately following the Scheduled Valuation Date or the Scheduled Initial Valuation Date, as the case may be, is a Disrupted Day relating to that Index. In that case, subject to General Security Condition 28(A)(d), (i) that last consecutive Scheduled Trading Day shall be deemed to be the Valuation Date or the Initial Valuation Date, as the case may be, for the relevant Index notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Closing Index Level of that Index as of the Valuation Time on that last consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using:
  - (I) in respect of Components which are share securities, the Exchange traded or quoted price as of the relevant Valuation Time on that last consecutive Scheduled Trading Day of each such Component comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of any such Component (as if each such Component had been specified as a Share in respect of the Securities) on that last consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant Component as of the relevant Valuation Time on that last consecutive Scheduled Trading Day); or
  - (II) in respect of Components which are not share securities, the latest available quotation or such other levels or values of each such Component as the Calculation Agent determines to be appropriate, as of the relevant Valuation Time on that last consecutive Scheduled Trading Day,

(and such determination by the Calculation Agent pursuant to this paragraph (b) shall be deemed to be the Closing Index Level in respect of the relevant Initial Valuation Date or Valuation Date, as the case may be);

- (c) in the case of Securities on a Share Basket, for each Share not affected by the occurrence of a Disrupted Day and for which the Scheduled Valuation Date or the Scheduled Initial Valuation Date, as the case may be, is a Scheduled Trading Day (as determined by the Calculation Agent), the Valuation Date or the Initial Valuation Date as the case may be shall be the Scheduled Valuation Date or the Scheduled

Initial Valuation Date, as the case may be, and the Valuation Date for each Share in respect of which the Initial Valuation Date or the Valuation Date, as the case may be, is not a Scheduled Trading Day and/or is affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to that Share, unless each of the consecutive Scheduled Trading Days equal in number to the Maximum Disruption Extension Period immediately following the Scheduled Valuation Date or the Scheduled Initial Valuation Date, as the case may be is a Disrupted Day relating to that Share. In that case, (subject to General Security Condition 28(A)(d)) (i) that last consecutive Scheduled Trading Day shall be deemed to be the Valuation Date or Initial Valuation Date, as the case may be, for the relevant Share notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine its good faith estimate of the value for the Share as of the Valuation on Time on that last consecutive Scheduled Trading Day (and such good faith estimate by the Calculation Agent pursuant to this paragraph (c) shall be deemed to be the Closing Share Price in respect of the relevant Initial Valuation Date or Valuation Date, as the case may be); and

(d) notwithstanding the terms of General Security Conditions 28(A)(a), (b) or (c) above, if:

(x) following adjustment pursuant to the terms thereof in relation to a Share (for the purposes of this paragraph (d), an "**Affected Share**") or an Index (for the purposes of this paragraph (d), an "**Affected Index**"), the Initial Valuation Date or Valuation Date, as the case may be, for such Affected Share or Affected Index, as the case may be, would otherwise fall after the applicable Correction Cut-off Date for such date in respect of such Affected Share or Affected Index, as the case may be, such Correction Cut-off Date shall be deemed to be the Initial Valuation Date, Interest Valuation Date or Valuation Date, as the case may be, for such Affected Share or Affected Index, as the case may be, and if such Correction Cut-off Date is not a Scheduled Trading Day or is a Disrupted Day in respect of such Share or Index, as the case may be, General Security Conditions 28(A)(a), (b) or (c), as the case may be, shall apply as if references in that General Security Condition to "that last consecutive Scheduled Trading Day" were instead references to "such Correction Cut-off Date"; or

(y) the relevant Final Terms specify "No Adjustment" in relation to an Index or a Share, as the case may be, then if the Scheduled Initial Valuation Date or Scheduled Valuation Date, as the case may be, is not a Scheduled Trading Day or is a Disrupted Day in respect of such Index or Share, as the case may be, General Security Conditions 28(A)(a), (b) or (c), as the case may be, shall apply as if references in that General Security Condition to "that last consecutive Scheduled Trading Day" were instead references to "the Scheduled Initial Valuation Date or Scheduled Valuation Date, as the case may be".

(B) If "**Initial Averaging Date(s)**" and/or "**Averaging Date(s)**" are specified in the relevant Final Terms to be applicable, the following provisions will apply in relation thereto (save unless otherwise specified in the relevant Final Terms):

If the Calculation Agent determines that a Scheduled Initial Averaging Date or Scheduled Averaging Date, as the case may be, is not a Scheduled Trading Day or is a Disrupted Day in respect of an Index or a Share, as the case may be, and, if in the relevant Final Terms the consequence specified is:

(i) "**Omission**", then such Initial Averaging Date or Averaging Date, as the case may be, will be deemed not to be a relevant Initial Averaging Date or Averaging Date, as the case may be, for the purposes of determining the Closing Index Level or Closing Share Price, as the case may be, provided that, if through the operation of this provision there would not be an Initial Averaging Date or Averaging Date, as the case may be, then General Security Condition 28(A) will apply *mutatis mutandis* for the purposes of

determining the relevant Closing Index Level or Closing Share Price, as the case may be, on the final Initial Averaging Date or final Averaging Date, as if such Initial Averaging Date or Averaging Date, as the case may be, was a Valuation Date that was not a Scheduled Trading Day and/or was a Disrupted Day;

- (ii) **"Postponement"**, then General Security Condition 28(A) will apply *mutatis mutandis* for the purposes of determining the Closing Index Level or Closing Share Price, as the case may be, on that Initial Averaging Date or Averaging Date, as the case may be, as if such Initial Averaging Date or Averaging Date were a Valuation Date that was not a Scheduled Trading Day and/or was a Disrupted Day, irrespective of whether, pursuant to such determination, that deferred Initial Averaging Date or Averaging Date, as the case may be, would fall on a day that already is or is deemed to be an Initial Averaging Date or Averaging Date, as the case may be; or
- (iii) **"Modified Postponement"**, then (a) where the Securities are specified in the relevant Final Terms to relate to a single Index or a single Share, as the case may be, the Initial Averaging Date or Averaging Date, as the case may be, shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the consecutive Scheduled Trading Days equal in number to the Maximum Disruption Extension Period immediately following the relevant Scheduled Initial Averaging Date or Scheduled Averaging Date that, but for the occurrence of another Initial Averaging Date or Averaging Date or non-Scheduled Trading Day or Disrupted Day, as the case may be, would have been the final Initial Averaging Date or final Averaging Date, as the case may be, then (A) that last consecutive Scheduled Trading Day shall be deemed the Initial Averaging Date or Averaging Date, as the case may be (irrespective of whether that last consecutive Scheduled Trading Day is already an Initial Averaging Date or Averaging Date, as the case may be) and (B) the Calculation Agent shall determine the Closing Index Level or Closing Share Price, as the case may be, for that Initial Averaging Date or Averaging Date, as the case may be, in accordance with General Security Condition 28(A) as if such Initial Averaging Date or Averaging Date were a Valuation Date; and (b) where the Securities are specified in the relevant Final Terms to relate to an Index Basket or a Share Basket, as the case may be, subject to General Security Condition 28(C), the Initial Averaging Date or Averaging Date, as the case may be, for each Index or each Share, as the case may be, in respect of which the relevant Scheduled Initial Averaging Date or Scheduled Averaging Date, as the case may be, is a Scheduled Trading Day which is not affected by the occurrence of a Disrupted Day shall be the relevant Scheduled Initial Averaging Date or Scheduled Averaging Date, as the case may be, and the Initial Averaging Date or Averaging Date, as the case may be, for an Index or a Share, as the case may be, in respect of which the Initial Averaging Date or Averaging Date, as the case may be, is not a Scheduled Trading Day and/or is affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Index or such Share (subject as provided in the last paragraph hereof). If the first succeeding Valid Date in relation to such Index or such Share, as the case may be, has not occurred as of the Valuation Time on the consecutive Scheduled Trading Days equal in number to the Maximum Disruption Extension Period immediately following the relevant Scheduled Initial Averaging Date or Scheduled Averaging Date then (subject as provided in the last paragraph hereof), (A) that last consecutive Scheduled Trading Day shall be deemed the Initial Averaging Date or Averaging Date, as the case may be (irrespective of whether that last consecutive Scheduled Trading Day is already an Initial Averaging Date or Averaging Date, as the case may be) in respect of such Index or such Share, as the case may be, and (B) the Calculation Agent shall determine the Closing Index Level or Closing Share Price, as the case may be, for that Initial Averaging Date or Averaging Date, as the case may be, in accordance with General Security Condition 28(A) as if such Initial Averaging Date or Averaging Date were a Valuation Date.

(C) Notwithstanding the foregoing terms of this General Security Condition 28, if:

- (i) following adjustment pursuant to the terms of General Security Condition 28(B) in relation to an Index (for the purposes of this paragraph (iii), an **"Affected Index"**), or a Share for the purposes of this paragraph (iii), an **"Affected Share"**), as the case may

be, the Initial Averaging Date or Averaging Date, as the case may be, for such Affected Index or Affected Share, as the case may be, would otherwise fall after the applicable Correction Cut-off Date for such date in respect of such Affected Index or Affected Share, as the case may be, then (A) such Correction Cut-off Date shall be deemed to be the Initial Averaging Date or Averaging Date, as the case may be, for such Affected Index or Affected Share, as the case may be (irrespective of whether after such Correction Cut-off Date is already an Initial Averaging Date or Averaging Date, as the case may be) and (B) the Calculation Agent shall determine the Closing Index Level or the Closing Share Price, as the case may be, for that Initial Averaging Date or Averaging Date, as the case may be, in accordance with the relevant part of General Security Condition 28(B) (as if references in that condition to "that last consecutive Scheduled Trading Day" were instead references to "such Correction Cut-off Date"); or

- (ii) the relevant Final Terms specify "No Adjustment" in relation to an Index or a Share, as the case may be, then if the Scheduled Initial Averaging Date or Scheduled Averaging Date, as the case may be, is not a Scheduled Trading Day or is a Disrupted Day in respect of such Index or Share, as the case may be, General Security Conditions 28(A)(a), (b) or (c), as the case may be, shall apply as if references in that General Security Condition to "that last consecutive Scheduled Trading Day" were instead references to "the Scheduled Initial Averaging Date or Scheduled Averaging Date, as the case may be".

29. **Notice of Settlement Disruption Event, Disrupted Day and Disruption Event**

(a) ***Settlement Disruption Event***

If reasonably practicable in the circumstances, the Calculation Agent shall as soon as reasonably practicable notify the Holders by notice to the Principal Agent of the existence of a Settlement Disruption Event on any day that but for the occurrence or existence of a Settlement Disruption Event would have been a Settlement Date.

(b) ***Disrupted Days***

The Calculation Agent shall as soon as reasonably practicable under the circumstances notify the Holders by notice to the Principal Agent and the Relevant Clearing System(s) of the occurrence of a Disrupted Day on any day that but for the fact it is a Disrupted Day would have been a Valuation Date, an Initial Valuation Date, an Averaging Date or an Initial Averaging Date.

(c) ***Disruption Event***

The Calculation Agent shall as soon as reasonably practicable under the circumstances notify the Holders by notice to the Principal Agent and the Relevant Clearing System(s) of the existence of a Disruption Event on any day but for the occurrence or existence of a Disruption Event would have been a Settlement Date.

30. **Adjustments to Index for all Securities on a Single Index and Securities on an Index Basket**

(a) ***Adjustments to Index***

- (A) If, in respect of Securities on a single Index or Securities on an Index Basket, a relevant Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent, or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then that Index (the "**Successor Index**") will be deemed to be the Index. The Calculation Agent shall make such adjustment(s) that it determines, in its sole and absolute discretion, to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in respect of the Securities to account for such replacement.

- (B) If (i) on or prior to any Valuation Date, Initial Valuation Date, Initial Averaging Date, Averaging Date or other relevant date specified in the relevant Final Terms, as the case may be, in respect of Securities on a single index or Securities on an Index Basket, a relevant Index Sponsor or (if applicable) Successor Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**") or permanently cancels the Index and no Successor Index exists (an "**Index Cancellation**") or (ii) subject to General Security Condition 39, if applicable, on any Valuation Date, Initial Valuation Date, Initial Averaging Date, Averaging Date or other relevant date specified in the relevant Final Terms, as the case may be, in respect of Securities on a single Index or Securities on an Index Basket, the Index Sponsor or (if applicable) Successor Index Sponsor does not calculate and announce a relevant Index (and provided that if the Index is a Composite Commodity Index, a Multi-Exchange Index or a Proprietary Index, the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of a Disrupted Day) (an "**Index Disruption**", together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**"), then the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the relevant Settlement Amount or Redemption Amount, as the case may be, using, in lieu of a published level for that Index, the level for that Index as at the relevant date as determined by the Calculation Agent in its sole and absolute discretion in accordance with the formula for and method of calculating that Index last in effect prior to that change, failure or cancellation, but using only those Components that comprised that Index immediately prior to that Index Adjustment Event.

(b) ***Alternative Index***

In the event that the Calculation Agent determines, in its sole and absolute discretion, that it is not reasonably practicable (taking into account the costs involved) to calculate or continue to calculate the Index on the basis of General Security Condition 30(a)(B) above, the Calculation Agent may rebase Securities on a single Index or Index Basket against another index determined by the Calculation Agent, in its sole and absolute discretion, to be a comparable index and, following such rebasing, the Calculation Agent shall make such adjustment(s) that it determines, in its sole and absolute discretion, to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in respect of the Securities to account for such rebasing.

If the Calculation Agent determines in its sole and absolute discretion that there is not such a comparable index, the Issuer may elect to terminate the Securities by giving notice to the Holders in accordance with General Security Condition 20 of such situation and the fair market value (adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, on any investment in any share or investment of any type whatsoever, hedging the Issuer's obligations under the Securities)) as determined by the Calculation Agent in its discretion, and the fair market value (as adjusted) so determined to be payable in respect of a Security, or an amount otherwise determined by the Calculation Agent in its sole and absolute discretion as specified in the relevant Final Terms, shall be payable on the date specified in such notice.

(c) ***Correction of Index Levels***

In the event that any price or level published by the Index Sponsor on any date and which is utilised for any calculation or determination is subsequently corrected and the correction is published by the Index Sponsor within one Settlement Cycle after the original publication and in any event, on or before the applicable Correction Cut-off Date specified in the relevant Final Terms on or before the Correction Cut-off Date, the Calculation Agent will determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust any relevant terms of the Securities to account for such correction and will notify the Fiscal Agent and the Holders thereof (in accordance with General Security

Condition 20) and, so long as the Securities are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, a copy of such notice shall be given to such listing authority, stock exchange and/or quotation system (including, so long as the Securities are admitted to the Official List and traded on the Regulated Market thereon, the Luxembourg Stock Exchange).

### 31. **Adjustments affecting Securities on a Single Share and Securities on a Share Basket**

#### (a) *Adjustments*

- (A) **"Method of Adjustment"** means a method for determining the appropriate adjustment to make to the terms of a Security on a single Share or Securities on a Share Basket upon the occurrence of an event having, in the determination of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.
- (B) If **"Options Exchange Adjustment"** is specified as the Method of Adjustment in the relevant Final Terms, then following each adjustment to the exercise, settlement, payment or other terms of options on any relevant Shares traded on any Options Exchange, the Calculation Agent will make the corresponding adjustments, if any, to any one or more of the Exercise Amount, the Settlement Amount or the Redemption Amount, as the case may be, the number of Reference Assets or Shares comprised in the Basket, as applicable, and any other variable relevant to the exercise, settlement, redemption, payment terms, number of, or other terms of the Securities, as determined by the Calculation Agent, which adjustment will be effective as of the date determined by the Calculation Agent in its sole and absolute discretion to be the effective date of the corresponding adjustment made by the Options Exchange. Notwithstanding the above, in addition to or instead of varying the Exercise Amount, the Settlement Amount, the Redemption Amount or the number of Reference Assets or Shares in the Basket, as applicable, in relation to Securities affected by an event having, in the determination of the Calculation Agent, a dilutive of or concentrative effect on the theoretical value of the relevant Shares, the Calculation Agent may distribute to the holders of the outstanding Securities additional Securities on a delivery versus payment basis in consideration for a cash amount to be determined by the Calculation Agent in its sole discretion. If options on the relevant Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of the relevant variables referred to above or any other variable relevant to the exercise, settlement, redemption, payment or other terms of the Securities as the Calculation Agent determines in its sole and absolute discretion appropriate, with reference to the rules of and precedents (if any) set by the Options Exchange, to account for the diluting or concentrative effect of any event that, in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded.
- (C) If **"Calculation Agent Adjustment"** is specified as the Method of Adjustment in the relevant Final Terms (or if no Method of Adjustment is specified in the relevant Final Terms), then following the declaration by the issuer of the relevant Share of the terms of any Potential Adjustment Event, the Calculation Agent will determine, in its sole and absolute discretion, whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will:
  - (i) make the corresponding adjustment(s), if any, to any one or more of the Exercise Amount, the Settlement Amount or the Redemption Amount, as the case may be, the number of Reference Assets or number of shares comprised in a Basket, as applicable, and any other variable relevant to the exercise, settlement, redemption, payment terms, number of, or other terms of the Securities as the Calculation Agent determines in its sole and absolute discretion appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share); and

- (ii) determine the effective date(s) of such adjustment(s). The Calculation Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Shares traded on such options exchange;

Provided that, notwithstanding the above, in addition to or instead of varying the Exercise Amount, the Settlement Amount, the Redemption Amount or the number of Reference Assets or number of shares comprised in a Basket, as applicable, in relation to Securities affected by an event having, in the determination of the Calculation Agent, a dilutive or concentrative effect on the theoretical value of the relevant Shares, the Calculation Agent may (x) distribute to the holders of the outstanding relevant Securities additional Securities free of payment; or (y) distribute to the holders of the outstanding relevant Securities additional securities on a delivery versus payment basis in consideration for a cash amount to be determined by the Calculation Agent in its sole discretion.

(D) **"Options Exchange"** means, in respect of Securities for which Options Exchange Adjustment is the applicable Method of Adjustment and/or the applicable consequence of one or more types of Merger Event under General Security Condition 30(C), the exchange or quotation system specified as such in the related Terms or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in options contracts relating to the relevant Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such options contracts on such temporary substitute exchange or quotation as on the original Options Exchange) or, if no such exchange or quotation system is specified, the Related Exchange (if such Related Exchange trades options contracts relating to the relevant Share) or, if more than one such Related Exchange is specified in the relevant Final Terms, the Related Exchange selected by the Calculation Agent as the primary market for listed options contracts relating to the relevant Share.

(E) **"Potential Adjustment Event"** means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the relevant Shares of (A) such Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the issuer of the relevant Shares equally or proportionately with such payments to holders of such Shares, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the issuer of the relevant Shares as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent in its sole and absolute discretion;
- (iii) a dividend or portion thereof that the Calculation Agent, in its sole and absolute discretion, determines should be characterised as an extraordinary dividend;
- (iv) a call by the issuer of the relevant Shares in respect of relevant Shares that are not fully paid;
- (v) a repurchase by the issuer of the relevant Shares, or any of its subsidiaries, of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of the issuer of the relevant Shares, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of that issuer pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that

provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

- (vii) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

(b) ***General Provisions relating to Extraordinary Events***

**"Announcement Date"** means, in respect of an Extraordinary Event and in each case as determined by the Calculation Agent, (a) in the case of a Merger Event, the date of the first public announcement of a firm intention to engage in a transaction (whether or not subsequently amended) that leads to the Merger Event, (b) in the case of a Tender Offer, the date of the first public announcement of a firm intention to purchase or otherwise obtain the requisite number of voting shares (whether or not subsequently amended) that leads to the Tender Offer, (c) in the case of an Index Disruption or Index Cancellation the date of the first public announcement by the Index Sponsor of any adjustment or cancellation that leads, in the opinion of the Calculation Agent, to the Index Disruption or Index Cancellation and in the case of an Index Modification, the Exchange Business Day immediately prior to the effective date of the Index Modification, (d) in the case of a Nationalisation the date of the first public announcement to nationalise (whether or not subsequently amended) that leads to the Nationalisation, (e) in the case of Insolvency, the date of the first public announcement of the institution of a proceeding or presentation of a petition or passing of a resolution (or other analogous procedure in any jurisdiction) that leads to the Insolvency, and (f) in the case of a Delisting, the date of the first public announcement by the Exchange that the Shares will cease to be listed, traded or publicly quoted as described in the definition of "Delisting". In respect of any Extraordinary Event other than an Index Disruption, if the announcement of such Extraordinary Event is made after the actual closing time for the regular trading session on the relevant Exchange, without regard to any after hours or any other trading outside of such regular session hours, the Announcement Date shall be deemed to be the next following Scheduled Trading Day.

**"Combined Consideration"** means New Shares in combination with Other Consideration.

**"Extraordinary Event"** means a Merger Event, Tender Offer, Index Adjustment Event, Nationalisation, Insolvency, Delisting or any applicable Disruption Event, as the case may be.

**"Merger Date"** means, in respect of a Merger Event and any relevant Shares, the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as is determined by the Calculation Agent.

**"Merger Event"** means, in respect of any Share, any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the issuer of the relevant Shares with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such issuer is the continuing entity and which does not result in any such reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than the Shares owned or controlled by such other entity or person), (iv) consolidation, amalgamation, merger or binding share exchange of the issuer of the relevant Shares or its subsidiaries with or into another entity in which the issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event (a **"Reverse Merger"**), in each case if the Merger Date is on or before (a) in the case of Securities to which Physical Settlement



applies, the later to occur of the Expiration Date and the final Settlement Date or (b) in any other case, the final Valuation Date.

**"New Shares"** means ordinary or common shares whether of the entity or person (other than the issuer of the Shares) involved in the Merger Event or the making of the Tender Offer or a third party, that are, or that as of the Merger Date or Tender Offer Date are promptly scheduled to be (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union) and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations.

**"Other Consideration"** means cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the issuer of the Shares) involved in the Merger Event or the making of the Tender Offer or a third party).

**"Share-for-Combined"** means, in respect of a Merger Event or Tender Offer, that the consideration for the Shares consists of Combined Consideration.

**"Share-for-Other"** means, in respect of a Merger Event or Tender Offer, that the consideration for the Shares consists solely of Other Consideration.

**"Share-for-Share"** means, (i) in respect of a Merger Event or Tender Offer, that the consideration for the Shares consists (or, at the option of the holder of such Shares, will consist) solely of New Shares, and (ii) a Reverse Merger.

**"Tender Offer Date"** means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the issuer of the relevant Shares, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

(c) ***Consequences of Merger Events***

(A) In respect of any Merger Event if, under the relevant Final Terms, in relation to "Share-for-Share", "Share-for-Other" or "Share-for-Combined", the consequence specified is:

- (i) **"Alternative Obligation"**, then except in respect of a Reverse Merger, on or after the relevant Merger Date, the New Shares and/or the amount of Other Consideration, if applicable (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) will be deemed the "Shares" and the "Share Issuer" respectively, the number of New Shares and/or amount of Other Consideration, if applicable, (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) to which a holder of the number of Shares equal to the number of Shares immediately prior to the occurrence of the Merger Event would be entitled upon consummation of the Merger Event will be deemed the number of Shares and, if necessary, the Calculation Agent will adjust any relevant terms accordingly (provided however, that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or the Securities);
- (ii) **"Cancellation and Payment"**, then the Securities will be cancelled as of the Merger Date and the Issuer will pay to the Holder an amount calculated in accordance with General Security Condition 14(c);

- (iii) **"Options Exchange Adjustment"**, then following such adjustment to the settlement terms of options on any relevant Shares traded on any Options Exchange the Calculation Agent will make one or more adjustments as provided in General Security Condition 31(A)(b) (without regard to the words "diluting or concentrative" in the second sentence);
  - (iv) **"Calculation Agent Adjustment"**, then on or after the relevant Merger Date the Calculation Agent shall either (i) (A) make such adjustment to the exercise, redemption, settlement, payment or any other variation to the terms of the Securities as it, in its sole and absolute discretion, considers appropriate (including, but not limited to, a Share Substitution if specified as being applicable in the relevant Final Terms) to account for the economic effect on the Securities of such Merger Event (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities) which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event by an options exchange to options on the relevant Shares traded on such options exchange and (B) determine the effective date of that adjustment, or (ii) if the Calculation Agent determines that no adjustment that it could make under (i) will produce a commercially reasonable result, shall determine that the relevant consequence shall be the cancellation of the Securities and the Issuer will pay the Holder an amount calculated in accordance with General Security Condition 14(c);
  - (v) **"Modified Calculation Agent Adjustment"** then, on or after the relevant Merger Date the Calculation Agent shall either (i) (A) make such adjustment to the exercise, redemption, settlement, payment or any other variation to the terms of the Securities as it, in its sole and absolute discretion, considers appropriate (including, but not limited to, a Share Substitution if specified as being applicable in the relevant Final Terms) to account for the economic effect on the Securities of such Merger Event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities) which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event by an options exchange to options on the relevant Shares traded on such options exchange and (B) determine the effective date of that adjustment, or (ii) if the Calculation Agent determines that no adjustment that it could make under (i) will produce a commercially reasonable result, shall determine that the relevant consequence shall be the cancellation of the Securities and the Issuer will pay the Holder an amount calculated in accordance with General Security Condition 14(c);
  - (vii) **"Component Adjustment"** then, in respect of a Share-for-Combined Merger Event, the consequence specified opposite "Share-for-Share" shall apply to that portion of the consideration that consists of New Shares (as determined by the Calculation Agent) and the consequence specified opposite "Share-for-Other" shall apply to that portion of the consideration that consists of Other Consideration (as determined by the Calculation Agent); and
  - (viii) **"Other Adjustment"**, then the Calculation Agent shall make such other adjustment, in its sole and absolute discretion, as is specified in the relevant Final Terms.
- (B) The Calculation Agent shall, upon making any of the adjustments set forth in this General Security Condition 31, notify each Holder of such adjustment as soon as reasonably practicable.
- (d) ***Consequences of Tender Offers***
- (A) In respect of any Tender Offer, if, under the relevant Final Terms, in relation to "Share-for-Share", "Share-for-Other" or "Share-for-Combined", the consequence specified is:

- (i) **"Cancellation and Payment"**, then the Securities will be cancelled as of the Tender Offer Date and the Issuer will pay to the Holder an amount calculated in accordance with General Security Condition 14(c);
  - (ii) **"Options Exchange Adjustment"**, then following such adjustment to the settlement terms of options on any relevant Shares traded on any Options Exchange the Calculation Agent will make one or more adjustments as provided in General Security Condition 31(A)(b) (without regard to the words "diluting or concentrative" in the second sentence);
  - (iii) **"Calculation Agent Adjustment"**, then on or after the relevant Tender Offer Date the Calculation Agent shall either (i) (A) make such adjustment to the exercise, redemption, settlement, payment or any other variation to the terms of the Securities as it, in its sole and absolute discretion, considers appropriate (including, but not limited to, a Share Substitution if specified as being applicable in the relevant Final Terms) to account for the economic effect on the Securities of such Tender Offer (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities) which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the relevant Shares traded on such options exchange and (B) determine the effective date of that adjustment, or (ii) if the Calculation Agent determines that no adjustment that it could make under (i) will produce a commercially reasonable result, shall determine that the relevant consequence shall be the cancellation of the Securities and the Issuer will pay the Holder an amount calculated in accordance with General Security Condition 14(c);
  - (iv) **"Modified Calculation Agent Adjustment"**, then, on or after the relevant Tender Offer Date the Calculation Agent shall either (i) (A) make such adjustment to the exercise, redemption, settlement, payment or any other variation to the terms of the Securities as it, in its sole and absolute discretion, considers appropriate (including, but not limited to, a Share Substitution if specified as being applicable in the relevant Final Terms) to account for the economic effect on the Securities of such Tender Offer (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities) which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the relevant Shares traded on such options exchange and (B) determine the effective date of that adjustment, or (ii) if the Calculation Agent determines that no adjustment that it could make under (i) will produce a commercially reasonable result, shall determine that the relevant consequence shall be the cancellation of the Securities and the Issuer will pay the Holder an amount calculated in accordance with General Security Condition 14(c); and
  - (vi) **"Component Adjustment"**, then where the Securities relate to a Basket in respect of a Share-for-Combined Tender Offer, the consequence specified opposite "Share-for-Share" shall apply to that portion of the consideration that consists of New Shares (as determined by the Calculation Agent) and the consequence specified opposite "Share-for-Other" shall apply to that portion of the consideration that consists of Other Consideration (as determined by the Calculation Agent).
- (B) The Calculation Agent shall, upon making any of the adjustments set forth in this General Security Condition 31, notify each Holder of such adjustment as soon as reasonably practicable.

(e) ***Settlement following a Merger Event or Tender Offer***

- (A) If New Shares are required to be delivered in relation to Securities to which Physical Settlement applies and the terms of such Securities have been adjusted following a Merger Event or Tender Offer, in respect of each Security exercised or redeemed, as the case may be, the Issuer or the Holder, as the case may be, will deliver the relevant New Shares in accordance with the relevant Final Terms, provided that if on the relevant Settlement Date a holder of the relevant Shares would not yet have received the New Shares to which it is entitled, the Settlement Date with respect to such New Shares will be postponed to the first Clearance System Business Day falling on or after the first day on which a holder of the relevant Shares, having received the New Shares, would be able to deliver such New Shares to the Holder or the Issuer, as the case may be.
- (B) If Other Consideration is required to be delivered in relation to Securities to which Physical Settlement applies and the terms of such Securities have been adjusted following a Merger Event or Tender Offer, then in respect of each such Security exercised or redeemed, as the case may be, the Issuer or the Holder, as the case may be, will deliver the relevant Other Consideration to the Holder or the Issuer, as the case may be, in a commercially reasonable manner as soon as reasonably practicable after the later of (i) the relevant Settlement Date, as the case may be, and (ii) the first day on which a holder of the relevant Shares, having received the Other Consideration, would be able to deliver such Other Consideration to the Holder or the Issuer, as the case may be.
- (C) If Other Consideration is required to be valued in relation to Securities to which Cash Settlement applies the terms of which have been adjusted following a Merger Event or Tender Offer, the Other Consideration will be valued by the Calculation Agent on each Valuation Date or Redemption Date, as the case may be, in a commercially reasonable manner. For the avoidance of doubt the provisions in these General Security Conditions relating to Market Disruption Events will not apply to Other Consideration.

(f) ***Election of Combined Consideration***

In respect of any Share-for-Combined Merger Event or Tender Offer, to the extent that a holder of Shares represented by the relevant number of Securities could elect for the Combined Consideration then:

- (A) if a holder of Shares could elect to receive New Shares as part of the Combined Consideration, then the Combined Consideration shall be deemed to be New Shares to the maximum value permitted; and
- (B) if a holder of Shares could make any other election, the composition of the Combined Consideration shall be determined by the Calculation Agent in its sole and absolute discretion.

(g) ***Nationalisation, Delisting or Insolvency***

- (A) The following terms have the meanings given below:
  - (i) "**Nationalisation**" of Shares means that all the Shares or all the assets or substantially all the assets of an issuer of Shares are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity or instrumentality thereof;
  - (ii) "**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting an issuer of Shares, (A) all the Shares of that issuer are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of that issuer become legally prohibited from transferring them; and

- (iii) **"Delisting"** of Shares means that the Exchange announces that pursuant to the rules of such Exchange, the Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union).
- (B) The Calculation Agent shall, upon becoming aware of the occurrence of a Nationalisation, Delisting or Insolvency affecting Shares to which a Security relates, notify the Holder as soon as reasonably practicable under the circumstances of such event in accordance with General Security Condition 20.
- (C) In respect of Securities on a single Share, upon a Nationalisation, a Delisting or an Insolvency affecting Shares to which such Securities relate, the Securities will be cancelled on a date as notified by the Calculation Agent to the Holder by notice to the Principal Agent and the Issuer will pay to the Holder the amount specified in General Security Condition 14(c).
- (D) In respect of Securities on a Share Basket, upon a Nationalisation, Delisting or an Insolvency affecting Shares to which the Securities relate, the Issuer may, at its sole and absolute discretion:
  - (i) cancel such Securities on a date as notified by the Calculation Agent to the Holder by notice to the Principal Agent, in which event the Issuer shall pay to the Holder the amount specified in General Security Condition 14(c) (*Payments upon Termination Events and Additional Termination Events*); or
  - (ii) elect not to cancel such Securities, in which event, on a day as notified by the Calculation Agent to the Holder by notice to the Principal Agent:
    - (1) the Issuer shall pay to the Holder the amount of the fair market value as determined by the Calculation Agent in its sole and absolute discretion of the Securities, insofar as such Securities relate to the Shares affected by the Nationalisation, Delisting or Insolvency (but not further or otherwise), or an amount determined by the Calculation Agent in its sole and absolute discretion as specified in the relevant Final Terms, and such amount so determined to be payable in respect of such Securities shall be payable on the date specified in such notice; and
    - (2) the Calculation Agent shall make such adjustment to the exercise, redemption, settlement, payment or other variation to the terms of the Securities as it, taking into account the removal of the relevant Share from the Basket by virtue of the partial cancellation and payment effected under General Security Condition 31(G)(d)(ii)(A) above, in its sole and absolute discretion, considers appropriate; or
  - (iii) if Share Substitution is specified as being applicable to such Extraordinary Event in the relevant Final Terms, substitute the affected Share(s) on the terms thereof.

### 32. **Adjustments affecting Securities on Interest Rates**

The relevant Interest Rate shall be defined in accordance with the relevant Final Terms. If, on or prior to any Valuation Date, the Calculation Agent is unable to obtain the relevant Interest Rate, the Calculation Agent may rebase the Securities on Interest Rates against another interest rate determined by the Calculation Agent, in its sole and absolute discretion, to be a comparable interest rate.

If the Calculation Agent determines in its sole and absolute discretion that there is not such a comparable interest rate, the Issuer may elect to terminate the Securities by giving notice to the Holders in accordance with General Security Condition 20 of such situation and the fair

market value, as determined by the Calculation Agent in its sole and absolute discretion, of such Securities on Interest Rates and the fair market value so determined to be payable in respect of a Security on Interest Rates shall be payable on the date specified in such notice.

**33. Adjustments affecting Securities on Foreign Exchange Rates**

Unless otherwise specified in the Final Terms, the relevant Foreign Exchange Rate shall be defined in the relevant Final Terms. If, on or prior to any Valuation Date, the Calculation Agent is unable to obtain the Foreign Exchange Rate, the Calculation Agent may rebase the Securities on Foreign Exchange Rates against another foreign exchange rate determined by the Calculation Agent, in its sole and absolute discretion, to be a comparable foreign exchange rate.

If the Calculation Agent determines in its sole and absolute discretion that there is not such a comparable foreign exchange rate, the Issuer may elect to terminate the Securities by giving notice to the Holders in accordance with General Security Condition 20 of such situation and the fair market value, as determined by the Calculation Agent in its sole and absolute discretion, of such Securities on Foreign Exchange Rates and the fair market value so determined to be payable in respect of a Security on Foreign Exchange Rates shall be payable on the date specified in such notice.

**34. Adjustment affecting Securities Related to Depositary Receipts or Depositary Shares**

This General Security Condition 34 shall apply to Securities for which all or any of the Reference Assets are ADRs, and the terms and expressions defined below shall, unless otherwise specified in the relevant Final Terms, apply to such ADRs for the purposes of the Securities, General Security Conditions 31 and 37 are amended as set out below:

- (i) The definition of "Potential Adjustment Event" in General Security Condition 31(A)(e) shall include, in relation to the ADRs:
  - (A) the occurrence of any Potential Adjustment Event in relation to the Underlying Share or any other shares or securities represented by the ADRs; and
  - (B) the making of any amendment or supplement to the terms of the Deposit Agreement.
- (ii) The definition of "Merger Event" in General Security Condition 31(B) shall include, in relation to ADRs, the occurrence of any Merger Event in relation to the Underlying Share.
- (iii) If the Deposit Agreement is terminated, then on or after the date of such termination, references to ADRs shall be replaced by references to the Underlying Share and the Calculation Agent will adjust any relevant terms and will determine the effective date of such replacement and adjustments.
- (iv) The definitions of "Nationalisation" and "Insolvency" in General Security Condition 31(G) shall be construed in relation to the ADRs as if references herein to the ADRs of the Share Company were references to the Underlying Share.
- (v) The definition of "Market Disruption Event" in General Security Condition 37 shall include, in relation to the ADRs, the occurrence of a Market Disruption Event in relation to the Underlying Share, and, only for the purpose of determining whether a Market Disruption Event has occurred in relation to an Underlying Share, each reference in the Conditions to "Share" or "Shares" shall be construed as a reference to "Underlying Share" or "Underlying Shares", respectively.

**"ADRs"** means the American depositary receipts specified in the relevant Final Terms.

**"Deposit Agreement"** means the agreement or other instrument constituting the ADRs, as from time to time amended or supplemented in accordance with its terms.

**"Depository"** means the depository of the ADRs appointed as such under the terms of the Deposit Agreement or any successor depository thereunder.

**"Share Company"** means (i) for the purposes of applying the provisions of this General Security Condition 34, both the Depository and the Underlying Share Issuer in respect of the ADRs, and (ii) for all other purposes in relation to the Securities, the Depository.

**"Underlying Shares"** shall be as specified in the relevant Final Terms.

**"Underlying Share Issuer"** shall be as specified in the relevant Final Terms.

35. **Adjustments affecting Securities Related to Collective Investment Schemes**

This General Security Condition 35 shall apply to Fund Securities.

The relevant Final Terms may include additional provisions relating to market disruption, merger, nationalisation, insolvency and other adjustment or extraordinary events relating to or affecting Fund Securities or Fund Interests or conferring authority upon the Issuer to switch or substitute any Fund Interest relating to a Fund Security upon the terms and subject to the conditions therein specified.

36. **Adjustments for other Reference Assets**

The relevant Final Terms may include additional provisions specifying adjustments for Reference Assets not addressed in these General Security Conditions or amending the adjustments for Reference Assets specified in these General Security Conditions.

37. **Definitions**

*General Security Condition 37 is amended in relation to the issue of Norwegian Securities, Swedish Securities and Finnish Securities. The applicable amendments are set out in Part 1, Part 2 and Part 3 of the Annex respectively.*

The following capitalised terms shall have the meanings set out below:

**"Additional Amount"** has the meaning ascribed to it in General Security Condition 23;

**"Additional Termination Event"** has the meaning ascribed to it in General Security Condition 14(b);

**"ADRs"** has the meaning ascribed to it in General Security Condition 34;

**"Agent(s)"** has the meaning ascribed to it in General Security Condition 18(a);

**"Alternative Clearing System"** means any alternative clearing system specified in the relevant Final Terms in addition to, or in place of, Euroclear and/or Clearstream, Luxembourg;

**"Alternative Obligation"** has the meaning ascribed to it in General Security Condition 31(C);

**"Alternative Settlement Date"** means such date as the Calculation Agent reasonably determines;

**"American Style"** has the meaning ascribed to it in General Security Condition 2(a);

**"Applicable Law"** means any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative or judicial authority or power;

**"Arranger"** means J.P. Morgan Securities Ltd.;

**"Automatic Exercise"** means a provision in the relevant Final Terms specifying that Securities not exercised prior to the Expiration Date shall be deemed to have been exercised on the Expiration Date;

**"Automatic Exercise Warrant Notice"** means, in respect of Warrants, the notice specified in General Security Condition 2(g);

**"Averaging Date"** means, in respect of an Index or a Share, subject as provided in General Security Condition 28(B), each Averaging Date specified, or otherwise determined in respect of that Index or Share as specified in the relevant Final Terms;

**"Bad Settlement Event"** means an event where the Hedging Entity is not able or would not be able to transfer or procure transfer of any of the Reference Assets (i) acquired by it from any transferor or (ii) held by it to any transferees, in any case, due to torn, damaged, or forged certificates or any other limitations whatsoever on or in respect of the transfer or registration of Reference Assets;

**"Baseline Date"** means, in respect of an Index or a Share, subject as provided in General Security Condition 28, each Baseline Date specified, or otherwise determined in respect of that Index or Share as specified in the relevant Final Terms;

**"Basket"** a basket composed of two or more Reference Assets in defined proportions and/or amounts, as specified in the relevant Final Terms, if applicable;

**"Bermudan Style"** has the meaning ascribed to it in General Security Condition 2(c);

**"Business Day"** means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of euro, a TARGET Settlement Day; and
- (iii) if one or more Additional principal financial centre(s) are specified in the relevant Final Terms, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Additional principal financial centre(s) or, if no currency is indicated, generally in each of the Additional principal financial centre(s),

provided that if the Additional principal financial centre(s) are specified in the relevant Final Terms to be or to include "TARGET", then Business Day shall also be a day which is a TARGET Settlement Day (in addition to the terms of foregoing paragraphs (i), (ii) and (iii) above and paragraph (iv) below, as applicable); and

- (iv) in cases where payments and/or deliveries are to be made through a Relevant Clearing System, a day on which such Relevant Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) also open for the acceptance and execution of settlement instructions;

**"Calculation Agent"** means J.P. Morgan Securities Ltd. and includes any alternative calculation agent appointed from time to time in respect of a Series of Securities identified as such in the relevant Final Terms;

**"Cancellation and Payment"** has the meaning ascribed to it in General Security Condition 31(c) and 31(d);

**"Cash Settlement"** means payment of the Settlement Amount or Redemption Amount, as applicable, in cash, as specified in the relevant Final Terms;

**"Certificate"** means an instrument identified on its face as a certificate issued under these General Security Conditions by the Issuer and the obligations of the Issuer under which are guaranteed by the Guarantor as further provided in General Security Condition 13;

**"Change of Tax Law"** means the enactment, promulgation, execution or ratification of, or any change in or amendment to, any law or regulation relating to the imposition of taxes, duties,



withholdings, deductions or other similar assessments (or in the application or official interpretation of any such law or regulation);

**"Clearance System Business Day"** means, in respect of any Relevant Clearing System, any day on which such Relevant Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions;

**"Clearstream, Luxembourg"** means Clearstream Banking, société anonyme;

**"Closing Index Level"** means, in respect of an Index and any date, the official closing level as determined by the Calculation Agent as at the Valuation Time on the relevant date, as calculated and published by the relevant Index Sponsor, subject as provided in these General Security Conditions (including, without limitation, General Security Condition 28) or determined as otherwise specified in the relevant Final Terms;

**"Closing Share Price"** means (subject as provided in (i) below), on any day in respect of a Share, the official closing price of such Share on the Exchange as of the Valuation Time on such day, or if there is no official closing price, the mid-market price per such Share on the Exchange at the Valuation Time on such day, all as determined by the Calculation Agent subject as provided in these General Security Conditions (including, without limitation, General Security Condition 28), provided that (i) in the event that "Closing Share Price (ISDA)" is specified in the relevant Final Terms to apply, or if an alternative definition of "Closing Share Price" is set forth in the relevant Final Terms, then "Closing Share Price" shall mean Closing Share Price (ISDA) or such alternative definition, as the case may be, and (ii) in the event that any price published on the Exchange and which is utilised for any calculation or determination in respect of the Securities is subsequently corrected and the correction is published by the Exchange on or before the applicable Correction Cut-off Date, such corrected price;

**"Closing Share Price (ISDA)"** means, on any day and any time, (i) in respect of any Share for which the Exchange is an auction or "open outcry" exchange that has a price as of the Valuation Time at which any trade can be submitted for execution, the Closing Share Price (ISDA) of such share shall be the price per Share as of the Valuation Time on the relevant day as reported in the official real-time price dissemination mechanism for such Exchange; and (ii) in respect of any Share for which the Exchange is a dealer exchange or dealer quotation system, the Closing Share Price (ISDA) of such share shall be the mid-point of the highest bid and lowest ask prices quoted as of the Valuation Time on the relevant day, (or the last such prices quoted immediately before such time) without regard to quotations that "lock" or "cross" the dealer exchange or dealer quotation system; provided that in the event that any price published on the Exchange and which is utilised for any calculation or determination in respect of the Securities is subsequently corrected and the correction is published by the Exchange on or before the applicable Correction Cut-off Date, the Calculation Agent will determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust any relevant terms of the Securities to account for such correction;

**"Code"** means the United States Internal Revenue Code of 1986, as amended;

**"Combined Consideration"** has the meaning ascribed to it in General Security Condition 31(b);

**"Component"** means, in respect of an Index and any relevant day, a security, or a commodities or futures contract or other asset then comprising a constituent of the Index, as applicable, and **"Components"** means some or all of such constituents, as applicable;

**"Composite Commodity Index"** means each Index designated as such in the relevant Final Terms;

**"Contingent Coupon Amount"** for any period or Contingent Coupon Payment Date means the amount payable for such period on such Contingent Coupon Payment Date as specified in

the relevant Final Terms or as determined pursuant to the formula for its calculation set out in the relevant Final Terms;

**"Contingent Coupon Period"** means the period beginning on (and including) the Issue Date and ending on (but excluding) the first Contingent Coupon Payment Date and each successive period beginning on (and including) a Contingent Coupon Payment Date and ending on (but excluding) the next succeeding Contingent Coupon Payment Date;

**"Contingent Coupon Valuation Date"** means, with respect to an Index Linked Contingent Coupon Certificate or an Equity Linked Contingent Coupon Certificate, the date specified in the relevant Final Terms in accordance with General Security Condition 30;

**"Correction Cut-off Date"** means, in respect of an Index or a Share, each date specified in the relevant Final Terms after which all corrections of the level of the Index or the price of the Share originally calculated and published by the Index Sponsor or the Exchange, as the case may be, on or before such date, shall be disregarded for the purposes of any calculations to be made using, or determinations to be made by reference to, such level of the Index or price of the Share;

**"Credit Linkage Provisions"** means the provisions of General Security Condition 38;

**"Day Count Fraction"** means, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**), such day count fraction as may be specified in these General Instrument Conditions or the relevant Final Terms and:

- (i) if **"Actual/Actual (ICMA)"** is so specified, means:
  - (A) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year; and
  - (B) where the Calculation Period is longer than one Regular Period, the sum of:
    - (1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (a) the actual number of days in such Regular Period and (b) the number of Regular Periods normally ending in any year; and
    - (2) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (b) the number of Regular Periods normally ending in any year;
- (ii) if **"Actual/365"** or **"Actual/Actual (ISDA)"** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) **"Actual/365 (Fixed)"** is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if **"Actual/360"** is so specified, means the actual number of days in the Calculation Period divided by 360;
- (v) if **"30/360"** is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30; and

- (vi) if "**30E/360**" or "**Eurobond Basis**" is so specified means, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30

"**Dealers**" means J.P. Morgan Securities Ltd. and any other dealer appointed in relation to the issue of Securities;

"**Definitive Security**" means a security issued (whether in exchange for a Global Security or otherwise) and registered in definitive form;

"**Delisting**" has the meaning ascribed to it in General Security Condition 31(g);

"**Deposit Agreement**" has the meaning ascribed to it in General Security Condition 34;

"**Depository**" has the meaning ascribed to it in General Security Condition 34;

"**Disrupted Day**" means, subject to General Security Condition 39, if applicable, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open

for trading during its regular trading session or on which a Market Disruption Event has occurred;

**"Disruption Cash Settlement Price"** means an amount equal to the fair market value of the relevant Security on such day as shall be selected by the Calculation Agent in its discretion adjusted to take account fully for any losses, expenses and costs to the Issuer and/or any affiliate of the Issuer of unwinding or adjusting any underlying or related hedging arrangements (including but not limited to any options or selling or otherwise realising any relevant Share or other instruments of any type whatsoever which the Issuer and/or any of its affiliates may hold as part of such hedging arrangements), all as calculated by the Calculation Agent in its discretion;

**"Disruption Event"** means any one or more of the following as specified in the relevant Final Terms:

- (a) **"Change in Law"** means that, on or after the date specified in the applicable Terms (or if no such date is specified, the Issue Date) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (X) it has become illegal to hold, acquire or dispose of Shares relating to a Security, or (Y) the Issuer will incur a materially increased cost in performing its obligations under such Security (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);
- (b) **"Failure to Deliver"** means the failure of the Issuer to deliver, when due, the relevant Shares under a Security, where such failure to deliver is due to illiquidity in the market for such Shares;
- (c) **"Insolvency Filing"** means that the Share Issuer institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Issuer shall not be deemed an Insolvency Filing;
- (d) **"Hedging Disruption"** means that the Issuer or such Hedging Entity designated by the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of the Issuer issuing and the Issuer performing its obligations with respect to or in connection with the relevant Security, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s);
- (e) **"Increased Cost of Hedging"** means that the Issuer or such Hedging Entity designated by the Issuer would incur a materially increased (as compared with circumstances existing on the date specified in the relevant Final Terms (or if no date is so specified, the Issue 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 equity price risk of the Issuer issuing and the Issuer performing its obligations with respect to or in connection with the relevant Security, 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 Issuer or such Hedging Entity designated by the Issuer shall not be deemed to be an Increased Cost of Hedging;

- (f) **"Loss of Stock Borrow"** means that the Issuer or such Hedging Entity designated by the Issuer is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) Shares with respect to or in connection with such Security in an amount equal to the Hedging Shares (not to exceed the number of Shares underlying the Security) at a rate equal to or less than the Maximum Stock Loan Rate;
- (g) **"Increased Cost of Stock Borrow"** means that the Issuer or such Hedging Entity designated by the Issuer would incur a rate to borrow Shares in respect of such Security that is greater than the Initial Stock Loan Rate;
- (h) **"Payment Disruption Event"** means any event, circumstance or cause beyond the control of the Issuer or such Hedging Entity designated by the Issuer as a result of which there is or will be (1) an adverse effect on the Issuer's ability to perform its obligations under, or for the Hedging Entity to hedge the Issuer's obligations under, the Securities prior to or on any date on which payments or deliveries in respect of such Securities shall fall due, (2) any inability due to illiquidity, illegality, or lack of availability of hedging transaction market participants or otherwise, to establish, re-establish or maintain in an economically efficient manner any hedging transaction(s) (including purchases, sales, settlements or other transactions whether in Reference Assets or other securities or financial products) necessary in the normal course of the Issuer's or Hedging Entity's business of hedging the price and market risk of the Issuer's issuance of and obligations under the Securities in compliance with applicable laws or (3) any inability to cause any proceeds of such hedging transaction(s) to be delivered in satisfaction of the Issuer's obligations under such Securities.

Without prejudice to the generality of the foregoing, each of the following events shall constitute a Payment Disruption Event:

- (i) the delivery of the further Shares, arising on the occurrence of a Potential Adjustment Event;
- (ii) the occurrence of an FX Disruption Event;
- (iii) the occurrence of a Bad Settlement Event or an Objection to Registration Event;
- (iv) the application is pending with the Share Issuer or relevant agent of the Reference Assets for the registration of the transfers of the Reference Assets to or from the Hedging Entity;
- (v) an application is pending for the dematerialisation of the Reference Assets; and
- (vi) any law or regulation is imposed which affects the Hedging Entity's status as a holder of the Reference Assets;

**"Dutch Tax Resident"** has the meaning ascribed to it in General Security Condition 23;

**"Early Closure"** means, subject to General Security Condition 39, if applicable, the closure on any Exchange Business Day of the relevant Exchange (or in the case of Securities on an Index or on an Index Basket, any relevant Exchange(s) relating to Components that comprise 20 per cent. or more of the level of the relevant Index) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"Euroclear"** means Euroclear Bank S.A./N.V.;

**"European Style"** has the meaning ascribed to it in General Security Condition 2(b);

**"Euro-zone"** means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

**"Exchange"** means, subject to General Security Condition 39, if applicable:

- (a) in respect of an Index, each exchange or quotation system specified in the relevant Final Terms, if applicable, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the shares underlying such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the shares underlying such Index on such temporary substitute exchange or quotation system as on the original Exchange); and
- (b) in respect of a Share, each exchange or quotation system specified in the relevant Final Terms, if applicable, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange);

**"Exchange Business Day"** means, subject to General Security Condition 39, if applicable, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their regular trading sessions notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time;

**"Exchange Disruption"** means, subject to General Security Condition 39, if applicable, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general: (i) to effect transactions in, or obtain market values for, the Shares on the Exchange (or in the case of Securities on an Index or Index Basket, on any relevant Exchange(s) Components that comprise 20 per cent. or more of the level of the relevant Index); or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Share or that Index on any relevant Related Exchange;

**"Exercise Amount"** means, in the case of Securities for which Physical Settlement applies, the amount payable by the intended recipient of the Reference Assets upon exercise of such Securities, as specified in the relevant Final Terms;

**"Exercise Date"** means the day, as specified in the relevant Final Terms, during the Exercise Period on which a Security is, or is deemed to be, exercised in accordance with the General Security Conditions;

**"Exercise Notice"** has the meaning ascribed to it in General Security Condition 3(a);

**"Exercise Period"** means, in respect of:

- (a) Securities designated in the relevant Final Terms as "American Style", all Scheduled Trading Days (or such other types of days as may be specified in the relevant Final Terms) from, and including, the Issue Date to, and including, the Expiration Date;
- (b) Securities designated in the relevant Final Terms as "European Style", the Expiration Date; and
- (c) Securities designated in the relevant Final Terms as "Bermudan Style", each Potential Exercise Date and the Expiration Date;

**"Expenses"** means all expenses, costs, charges, levies, tax, duties, withholding, deductions or other payments including without limitation, all depositary, custodial, registration, transaction and exercise charges and all stamp, issues, registration or, securities transfer or other similar taxes or duties incurred by the Issuer and/or a Hedging Entity in respect of the Issuer's obligations under the Securities;

**"Expiration Date"** means the date specified in the relevant Final Terms, provided that if "Expiration Date subject to Valuation Date adjustment" is stated to be applicable in the relevant Final Terms, then the provisions of General Security Condition 28 shall apply to the Expiration Date as if such date were a Valuation Date.

Notwithstanding the foregoing, if a Security is exercised on a Scheduled Trading Day that would have been an Expiration Date but for the occurrence of an event giving rise to a Disrupted Day, such Scheduled Trading Day shall be deemed to be the Expiration Date for the purpose of determining whether an Exercise Date has occurred during the Exercise Period;

**"Foreign Exchange Rate"** means a Reference Asset that is a foreign exchange rate;

**"Fund Interests"** means shares, units, securities or other interests in any undertaking for collective investment in transferable securities (a fund, including, without limitation, a unit trust or an investment fund constituted by a limited partnership);

**"Fund Securities"** means securities for which all or any of the Reference Assets are Fund Interests;

**"FX Disruption Event"** means:

- (a) an event in relation to a Relevant Reference Asset Jurisdiction which has the effect of preventing, restricting or delaying the Calculation Agent or Hedging Entity from:
  - (i) converting the Reference Currency into the Specified Currency through customary legal channels; or
  - (ii) converting the Reference Currency into the Specified Currency at a rate at least as favourable as the rate for domestic institutions located in the Relevant Reference Asset Jurisdiction; or
  - (iii) delivering the Specified Currency from accounts inside the Relevant Reference Asset Jurisdiction to accounts outside the Relevant Reference Asset Jurisdiction; or
  - (iv) delivering the Reference Currency between accounts inside the Relevant Reference Asset Jurisdiction or to a party that is a non-resident of the Relevant Reference Asset Jurisdiction; or
- (b) the imposition by the Relevant Reference Asset Jurisdiction (or any political or regulatory authority thereof) of any capital controls, or the publication of any notice of an intention to do so, which the Calculation Agent determines in good faith is likely materially to affect the Securities, and notice thereof is given by the Issuer to the Holders in accordance with Condition 20; or
- (c) the implementation by the Relevant Reference Asset Jurisdiction (or any political or regulatory authority thereof) or the publication of any notice of an intention to implement any changes to the laws or regulations relating to foreign investment in the Relevant Reference Asset Jurisdiction (including, but not limited to, changes in tax laws and/or laws relating to capital markets and corporate ownership), which the Calculation Agent determines are likely to affect materially the Issuer's ability to hedge its obligations under the Securities;

**"General Security Conditions"** means these General Security Conditions;

**"Global Security"** means a Security in global form representing interests in Securities;

**"Guarantee"** means the guarantee of the obligations of JPMSP and JPMIDL with respect to the Securities provided by JPMCB, dated 14 May 2008;

**"Guarantor"** means JPMCB;

**"Hedging Entity"** means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions relating to the Securities and/or Reference Assets in respect of the Issuer's obligations under the Securities;

**"Hedging Shares"** means the number of Shares that the Issuer or such Hedging Entity designated by the Issuer deems necessary to hedge the equity price risk of entering into and performing the Issuer's obligations with respect to or in connection with a Security to which the "Loss of Stock Borrow" or "Increased Cost of Stock Borrow" Disruption Events are applicable;

**"Holder"** has the meaning ascribed to it in General Security Condition 12(b);

**"Holder Physical Settlement"** means the payment of the Exercise Amount by the Issuer against delivery of the Reference Asset by the Holder as provided in General Security Condition 3(e);

**"Index or Indices"** means a Reference Asset that is an index;

**"Index Disclaimer"** If **"Index Disclaimer"** is specified to be applicable in the relevant Final Terms then each of the Issuer and the Holders agrees and acknowledges, in respect of each Index, that the Securities are not sponsored, endorsed, sold or promoted by the Index or the Index Sponsor and no Index Sponsor makes any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. No Index or Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor is under no obligation to advise any person of any error therein. No Index Sponsor is making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Securities. The Issuer (or, if applicable, the Guarantor) shall have no liability to the Holders for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. Except as disclosed prior to the Issue Date specified in the relevant Final Terms, neither the Issuer (or, if applicable, the Guarantor) nor its affiliates has any affiliation with or control over the Index or Index Sponsor or any control over the computation, composition or dissemination of the Indices. Although the Calculation Agent will obtain information concerning the Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer (or, if applicable, the Guarantor), its affiliates or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Index;

**"Index Level"** means, in respect of an Index, the level of such Index as determined by the Calculation Agent as at any time on any relevant date, as calculated and published by the relevant Index Sponsor, subject as provided in these General Security Conditions (including, without limitation, General Security Condition 28) or determined as otherwise specified in the relevant Final Terms;

**"Index Performance"** means, in respect of an Index and any Initial Valuation Date, Valuation Date, Initial Averaging Date, Averaging Date or any other relevant date, an amount determined by the Calculation Agent as the quotient of (i) the Closing Index Level or such other level as may be specified in the relevant Final Terms of such Index in respect of such date, and (ii) the Closing Index Level or such other level as may be specified in the relevant Final Terms of such Index in respect of the applicable Baseline Date;

**"Index Ranking"** means, in respect of an Index and any Initial Valuation Date, Valuation Date, Initial Averaging Date, Averaging Date or any other relevant date (for the purposes of this definition only, the **"Relevant Date"**), the unique ranking of such Index for such Relevant Date assigned by the Calculation Agent amongst all the relevant Indices, where such ranking is assigned by reference to the Index Performance of each relevant Index for such Relevant Date sequentially from the highest to the lowest, such that, for the avoidance of doubt, the Index with the highest Index Performance shall have the highest ranking and the Index with the lowest Index Performance shall have the lowest ranking, provided that, if two or more



such Indices have the same Index Performance for such Relevant Date, as determined by the Calculation Agent (all such Indices, if any, being for the purposes of this definition only, "**Equal Performance Indices**", and each being an "**Equal Performance Index**") then:

- (i) any Index, if any, with a higher Index Performance for such Relevant Date than any such Equal Performance Index, shall have a higher Index Ranking than any such Equal Performance Index;
- (ii) any Index, if any, with a lower Index Performance for such Relevant Date than any such Equal Performance Index, shall have a lower Index Ranking than any such Equal Performance Index; and
- (iii) subject to paragraphs (i) and (ii) above, as amongst themselves, all such Equal Performance Indices shall be assigned such Index Ranking as the Calculation Agent may determine in its sole and absolute discretion,

or determined as otherwise specified in the relevant Final Terms;

**"Index Sponsor"** means, subject to General Security Condition 39, if applicable, the corporation or entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the relevant Index and (b) announces (directly or through an agent) the level of the relevant Index on a regular basis during each Scheduled Trading Day;

**"Initial Averaging Date"** means in respect of an Index or a Share, subject as provided in General Security Condition 28(B), each Initial Averaging Date specified or otherwise determined in respect of that Index or that Share as specified in the relevant Final Terms;

**"Initial Stock Loan Rate"** means, in respect of a Security to which the "Increased Cost of Stock Borrow" Disruption Event is applicable, the stock loan rate specified as such in the applicable Terms;

**"Initial Valuation Date"** means in respect of an Index or a Share, subject as provided in General Security Condition 28(A), the Initial Valuation Date so specified or otherwise determined as specified in the relevant Final Terms;

**"Insolvency"** has the meaning ascribed to it in General Security Condition 31(g);

**"Interest Rate"** or **"Interest Rates"** means a Reference Asset that is an interest rate;

**"Issue Date"** means the date on which the relevant Securities are issued;

**"Issuer"** means JPMSP, JPMIDL, JPMCB or JPMorgan Chase, as applicable;

**"Issuer Physical Settlement"** means the delivery of the Reference Asset by the Issuer to the Holder against payment by the Holder of the Exercise Amount to the Issuer as provided in General Security Condition 3(d);

**"Jersey Tax Resident"** has the meaning ascribed to it in General Security Condition 23;

**"JPMCB"** means JPMorgan Chase Bank, National Association, including acting through one or more of its non-U.S. branches, as specified in the applicable Terms;

**"JPMIDL"** means J.P. Morgan International Derivatives Ltd.;

**"JPMorgan Chase"** means JPMorgan Chase & Co.;

**"JPMSP"** means J.P. Morgan Structured Products B.V.;

**"Knock-in Event"** means that event or occurrence specified in the relevant Final Terms;

**"Knock-out Event"** means that event or occurrence specified in the relevant Final Terms;

**"Latest Exercise Time"** has the meaning ascribed to it in General Security Condition 3(a);

**"Local Time"** means the local time in the city of the Relevant Clearing System(s);

**"Market Disruption Event"** subject as provided in General Security Condition 39, if applicable, means in respect of a Share or an Index the occurrence or existence of: (i) a Trading Disruption; (ii) an Exchange Disruption, which, in either case, the Calculation Agent determines is material at any time during the one hour period that ends at the relevant Valuation Time; or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of an Index exists at any time, if a Market Disruption Event occurs in respect of a Component included in the Index at any time, then the relevant percentage contribution of that Component to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event;

**"Maximum Disruption Extension Period"** means eight Scheduled Trading Days, or such other period of Scheduled Trading Days (or other types of days) specified in the relevant Final Terms;

**"Maximum Exercise Number"** means the maximum number of Securities which may be exercised on any Exercise Date, as specified in the relevant Final Terms;

**"Maximum Stock Loan Rate"** means, in respect of a Security to which "Loss of Stock Borrow" Disruption Event is applicable, the stock loan rate specified as such in the relevant Final Terms;

**"Merger Date"** has the meaning ascribed to it in General Security Condition 31(b);

**"Merger Event"** has the meaning ascribed to it in General Security Condition 31(b);

**"Method of Adjustment"** has the meaning ascribed to it in General Security Condition 31(a)(A);

**"Minimum Exercise Number"** means the minimum number of Securities which may be exercised on any Exercise Date as specified in the relevant Final Terms;

**"Multi-Exchange Index"** means each Index designated as such in the relevant Final Terms;

**"Nationalisation"** has the meaning ascribed to it in General Security Condition 31(g);

**"New Shares"** has the meaning ascribed to it in General Security Condition 31(b);

**"Non-U.S. Certification"** means a certification from the relevant Holder that, in the case of its Securities, such Securities are not being exercised or redeemed (as applicable) in the United States or by or on behalf of any U.S. Person, that the payment or delivery with respect to such Securities will not be made in the United States or to, or for the account of, a U.S. Person, that none of such Securities were purchased in the United States and that the Holder was not solicited to purchase such Securities in the United States;

**"Objection to Registration Event"** means an event where the Hedging Entity is not able or would not be able to effect the registration of the transfer of any of the Reference Assets (i) acquired by it from any transferor or (ii) held by it to any transferees, in any case, due to a refusal or objection by the issuer of the Reference Assets to register any such transfer for any reasons whatsoever;

**"Options Exchange"** has the meaning ascribed to it in General Security Condition 31(a)(D);

**"Options Exchange Adjustment"** has the meaning ascribed to it in General Security Condition 31(c);

**"Other Adjustment"** has the meaning ascribed to it in General Security Condition 31(c);

**"Other Consideration"** has the meaning ascribed to it in General Security Condition 31(b);

**"Payment Event Cut-Off Date"** means a date which is one year after the Exercise Date, Redemption Date or Settlement Date or any other date on which the Securities may be exercised or redeemed and any amount under the Securities shall be due and payable, or as determined by the Calculation Agent acting in good;

**"Physical Delivery Securities"** means Securities which allow for Physical Settlement;

**"Physical Settlement"** means for Warrants, either Holder Physical Settlement or Issuer Physical Settlement and for Certificates, the delivery of Reference Assets in discharge of the obligation to pay the Redemption Amount from the Issuer to the Holders as specified in the relevant Final Terms;

**"Potential Adjustment Event"** has the meaning ascribed to it in General Security Condition 31(a)(E);

**"Potential Exercise Date"** means each date specified as such in the relevant Final Terms, provided that if "Potential Exercise Date subject to Valuation Date adjustment" is stated to be applicable in the relevant Final Terms, then the provisions of General Security Condition 28 shall apply to the Expiration Date as if such date were a Valuation Date;

Notwithstanding the foregoing, if a Security is exercised on a Scheduled Trading Day that would have been a Potential Exercise Date prior to the occurrence of an event giving rise to a Disrupted Day, such Scheduled Trading Day shall be deemed to be the Potential Exercise Date for the purpose of determining whether an Exercise Date has occurred during the Exercise Period;

**"Principal Agent"** means The Bank of New York, London branch, and includes any successor or additional agent or any other such agent identified as such in the relevant Final Terms;

**"Proceedings"** means any legal action or proceedings arising out of or in connection with the Securities;

**"Proprietary Index"** means each Index designated as such in the relevant Final Terms;

**"Quota"** means the Maximum Exercise Number of Securities of a Series (or, where a Series is constituted by two or more Tranches and the relevant Final Terms so provide, a Tranche);

**"Redemption Amount"** means the redemption amount specified in the relevant Final Terms;

**"Redemption Date"** means a day on which any Securities may be redeemed, as specified in the relevant Final Terms;

**"Reference Asset or Reference Assets"** means as specified in the relevant Final Terms;

**"Reference Country"** means as specified in the relevant Final Terms;

**"Reference Currency"** means the currency in which the Reference Assets are denominated as specified in the relevant Final Terms;

**"Reference Index"** means, in respect of each Share which is subject to a Share Substitution, an index, as selected by the Calculation Agent, (a) in respect of which the relevant Share is, or has been at some time during the immediately preceding six months, a component and (b) which has (in the opinion of the Calculation Agent) actively traded futures contracts in respect of such index. If more than one index falls within (a) and (b), then the Calculation Agent shall select the Reference Index in its sole and absolute discretion. If no index can be selected pursuant to (a) and (b), then the Calculation Agent shall select the Reference Index in its sole and absolute discretion.

**"Registrar"** The Bank of New York

**"Regular Period"** means:

- (i) in the case of Certificates where contingent coupons are scheduled to be paid only by means of regular payments, each period from and including the Issue Date to but excluding the first Contingent Coupon Payment Date and each successive period from and including one Contingent Coupon Payment Date to but excluding the next Contingent Coupon Payment Date;
- (ii) in the case of Certificates where, apart from the first Contingent Coupon Period, contingent coupons are scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Contingent Coupon Payment Date falls; and
- (iii) in the case of Certificates where, apart from one Contingent Coupon Period other than the First Contingent Coupon Period, contingent coupons are scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Contingent Coupon Payment Date falls other than the Contingent Coupon Period falling at the end of the irregular Contingent Coupon Period.

"**Regulation S**" means Regulation S under the Securities Act;

"**Related Exchange**" means, subject as provided in General Security Condition 39, if applicable, in the case of Securities on an Index, Index Basket, Share or Share Basket, each exchange or quotation system specified as such in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the relevant Index or Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index or Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that where "All Exchanges" is specified as the Related Exchange in the relevant Final Terms, Related Exchange shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index or Share;

"**Related Securities**" has the meaning ascribed to it in General Security Condition 34;

"**Relevant Clearing System(s)**" means the clearing system(s) in which a Global Security for a Series or Tranche of Securities has been deposited as specified in the relevant Final Terms, which may be Euroclear, Clearstream, Luxembourg or any Alternative Clearing System and, as the case may be, the clearing system or other appropriate method selected by the Issuer to effect the settlement and delivery of a Reference Asset in the case of an issue of Securities to which Physical Settlement applies;

"**Relevant Date**" has the meaning ascribed to such term in General Security Condition 23;

"**Relevant Jurisdiction**" has the meaning ascribed to such term in General Security Condition 23;

"**Relevant Reference Asset Jurisdiction**" means the jurisdiction(s) specified in the relevant Final Terms;

"**Scheduled Averaging Date**" means, in respect of an Index or a Share, any original date that, but for such day not being a Scheduled Trading Day in respect of such Index or Share or for the occurrence of an event causing a Disrupted Day on such date (following adjustment pursuant to the terms of General Security Condition 28(B)), would have been an Averaging Date;

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange and each Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

**"Scheduled Initial Averaging Date"** means, in respect of an Index or a Share, any original date that, but for such day not being a Scheduled Trading Day in respect of such Index or Share or for the occurrence of an event causing a Disrupted Day on such date (following adjustment pursuant to the terms of General Security Condition 28(B), as applicable), would have been an Initial Averaging Date;

**"Scheduled Initial Valuation Date"** means any original date that, but for such day not being a Scheduled Trading Day in respect of such Index or Share or for the occurrence of an event causing a Disrupted Day on such date (following adjustment pursuant to the terms of General Security Condition 28(A)), would have been an Initial Valuation Date;

**"Scheduled Trading Day"** means, subject as provided in General Security Condition 39, if applicable, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions;

**"Scheduled Valuation Date"** means any original date that, but for such day not being a Scheduled Trading Day in respect of such Index or Share or for the occurrence of an event causing a Disrupted Day on such date (following adjustment pursuant to the terms of General Security Condition 28(A)), would have been a Valuation Date;

**"Securities"** means the Warrants and Certificates or other similar instruments;

**"Securities Act"** means the U.S. Securities Act of 1933, as amended;

**"Series"** means any series of the Securities;

**"Settlement Amount"** means the settlement amount specified in the relevant Final Terms, as applicable;

**"Settlement Cycle"** means, in the case of Securities on a single Index or Share or Securities on an Index Basket or Shares, the period of Clearance System Business Days following a trade in the shares underlying such Index or such Shares, as the case may be, on the Exchange in which settlement will customarily occur according to the rules of such Exchange (or, if there are multiple Exchanges in respect of an Index, the longest such period);

**"Settlement Date"** means, unless otherwise specified in the relevant Final Terms, and subject to there not having occurred a Disruption Event:

- (i) in relation to Reference Assets to be delivered in respect of an Exercise Date or Redemption Date, the date that falls one Settlement Cycle following that Exercise Date or Redemption Date (or, if such date is not a Clearance System Business Day, the next following Clearance System Business Day), unless a Settlement Disruption Event prevents delivery of such Reference Assets on that date. If a Settlement Disruption Event prevents delivery of a Reference Asset on that date, General Security Condition 27 shall apply; and
- (ii) in relation to payment of the Settlement Amount or Redemption Amount, the date specified or otherwise determined as provided in the relevant Final Terms. If no such date is specified in the relevant Final Terms, (a) in the case of Securities on a single Index or Share or Securities on an Index Basket or Shares the Settlement Date shall fall on the date that is one Settlement Cycle following the Valuation Date and (b) in the case of Securities on an Index Basket or Securities on a Share Basket, if as a result of the occurrence of a Disrupted Day there is more than one Valuation Date with respect to Indices or Shares comprised in the Basket, then the Settlement Date shall be determined by reference to the Valuation Date which is the last to occur;

**"Settlement Disruption Event"** means an event beyond the control of the Issuer or other Hedging Entity (including illiquidity in the market for the relevant Reference Assets or any legal prohibition, or material restriction imposed by any law, order or regulation on the ability of the Issuer or any Hedging Entity, to deliver the Reference Asset) as a result of which, in the opinion of the Calculation Agent, delivery of the Reference Asset Amount by or on behalf of the Issuer, in accordance with these General Security Conditions and/or the relevant Final

Terms is not practicable, or as a result of which the relevant Clearing System cannot clear the transfer of the relevant Reference Assets;

**"Share-for-Combined"** has the meaning ascribed to it in General Security Condition 31(b);

**"Share-for-Other"** has the meaning ascribed to it in General Security Condition 31(b);

**"Share-for-Share"** has the meaning ascribed to it in General Security Condition 31(b);

**"Share or Shares"** means a Reference Asset that is a share, stock or other equity instrument;

**"Share Issuer"** means, in respect of a Share, the relevant issuer of such Shares;

**"Share Performance"** means, in respect of a Share and any Initial Valuation Date, Valuation Date, Initial Averaging Date, Averaging Date or any other relevant date, an amount determined by the Calculation Agent as the quotient of (i) the Closing Share Price or such other Share price as may be specified in the relevant Final Terms of such Share in respect of such date, and (ii) the Closing Share Price or such other Share price as may be specified in the relevant Final Terms of such Index in respect of the applicable Baseline Date;

**"Share Price"** means (subject as provided in (i) below), on any day and any time in respect of a Share, the Exchange traded price of such Share at such time on such day as determined by the Calculation Agent (subject as provided in these General Security Conditions (including, without limitation, General Security Condition 28), provided that: (i) in the event that "Share Price (ISDA)" is specified in the relevant Final Terms to apply, or if an alternative definition of "Share Price" is set forth in the relevant Final Terms, then "Share Price" shall mean Share Price (ISDA) or such alternative definition, as the case may be and (ii) in the event that any price published on the relevant Exchange in respect of a Share and which is utilised for any calculation or determination in respect of the Securities is subsequently corrected and the correction is published by the Exchange on or before the applicable Correction Cut-off Date, such corrected price;

**"Share Price (ISDA)"** means on any day and any time, (i) in respect of any Share for which the Exchange is an auction or "open outcry" exchange that has a price as of such time at which any trade can be submitted for execution, the Share Price of such Shares shall be the price per Share as of such time on the relevant day as reported in the official real-time price dissemination mechanism for such Exchange; and (ii) in respect of any Share for which the Exchange is a dealer exchange or dealer quotation system, the Share Price of such Shares shall be the mid-point of the highest bid and lowest ask prices quoted as of such time on the relevant day, (or the last such prices quoted immediately before such time) without regard to quotations that "lock" or "cross" the dealer exchange or dealer quotation system; provided that in the event that any price published on the Exchange and which is utilised for any calculation or determination in respect of the Securities is subsequently corrected and the correction is published by the Exchange on or before the applicable Correction Cut-off Date, the Calculation Agent will determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust any relevant terms of the Securities to account for such correction;

**"Share Ranking"** means, in respect of a Share and any Initial Valuation Date, Valuation Date, Initial Averaging Date, Averaging Date or any other relevant date (for the purposes of this definition only, the **"Relevant Date"**), the unique ranking of such Share for such Relevant Date assigned by the Calculation Agent amongst all the relevant Shares, where such ranking is assigned by reference to the Share Performance of each relevant Share for such Relevant Date sequentially from the highest to the lowest, such that, for the avoidance of doubt, the Share with the highest Share Performance shall have the highest ranking and the Share with the lowest Share Performance shall have the lowest ranking, provided that, if two or more such Shares have the same Share Performance for such Relevant Date, as determined by the Calculation Agent (all such Shares, if any, being for the purposes of this definition only, **"Equal Performance Shares"**, and each being an **"Equal Performance Share"**) then:

- (i) any Share, if any, with a higher Share Performance for such Relevant Date than any such Equal Performance Share, shall have a higher Share Ranking than any such Equal Performance Share;
- (ii) any Share, if any, with a lower Share Performance for such Relevant Date than any such Equal Performance Share, shall have a lower Share Ranking than any such Equal Performance Share; and
- (iii) subject to paragraphs (i) and (ii) above, as amongst themselves, all such Equal Performance Shares shall be assigned such Share Ranking as the Calculation Agent may determine in its sole and absolute discretion, or determined as otherwise specified in the relevant Final Terms;

**"Share Substitution"** means, in respect of an Extraordinary Event, the selection by the Calculation Agent in its sole and absolute discretion of a new underlying share (for such purpose, the "New Share"), which New Share will be deemed to be a Share in place of the Share which has been replaced by the Calculation Agent following such Extraordinary Event (and the Share Issuer of the new Share will be replace the Share Issuer of the replaced Share). Any New Share will, to the extent practicable, be selected from the same industry, have shares denominated in the same currency and have a similar market capitalisation to the relevant replaced share and belong to the Reference Index.

**"Specified Currency"** means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Securities are denominated;

**"TARGET"** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System or any successor thereto;

**"TARGET Settlement Day"** means any day on which TARGET is open for the settlement of payments in euro;

**"Termination Event"** has the meaning ascribed to it in General Security Condition 14(a);

**"Terms"** means the terms of the Securities set out in these General Security Conditions and the relevant Final Terms regarding any Series or Tranche, as applicable;

**"Trading Disruption"** means, subject as provided in General Security Condition 39, if applicable, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to the Share on the Exchange (or in the case of Securities on an Index or Index Basket, on any relevant Exchange(s) relating to Components that comprise 20 per cent. or more of the level of the relevant Index); or (ii) in futures or options contracts relating to the Share or that Index on any relevant Related Exchange;

**"Tranche"** means any tranche of the Securities;

**"U.S. Person"** has the meaning ascribed to it in Regulation S or the Code;

**"Underlying Share Issuer"** has the meaning ascribed to it in General Security Condition 34;

**"Underlying Shares"** has the meaning ascribed to it in General Security Condition 34;

**"Unitary Exchange Index"** means each Index designated as such in the relevant Final Terms;

**"United States"** has the meaning ascribed to such term in General Security Condition 23;

**"Valid Date"** means a Scheduled Trading Day that is not a Disrupted Day and on which another Initial Averaging Date or Averaging Date, as the case may be, does not or is not deemed to occur;

**"Valuation Date"** means in respect of an Index or a Share, subject as provided in General Security Condition 28(A), the Valuation Date so specified or otherwise determined as specified in the relevant Final Terms;

**"Valuation Time"** means, subject as provided in General Security Condition 39, if applicable, in respect of an Index or a Share, the time specified in the relevant Final Terms or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date, Initial Valuation Date, Interest Valuation Date, Initial Averaging Date or Averaging Date, as the case may be in relation to each Index or Share to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time;

**"Warrant"** means an instrument identified on its face as a warrant issued under these General Security Conditions by the Issuer and the obligations of the Issuer under which are guaranteed by the Guarantor as further provided in General Security Condition 13; and

**"Warrant Account Notice"** means a notice (substantially in the form which can be obtained from the Principal Agent) stating the Relevant Clearing System account number and name of the person to whom the Reference Asset is to be delivered (if any) and all other amounts payable by the Issuer in respect of the applicable Securities are to be paid.

38. **Credit Linkage Provisions**

In respect of Credit Linked Securities, the "Credit Linkage Provisions" will be as set forth in the relevant Final Terms and references in these General Security Conditions to "Credit Linkage Provisions" shall be to such Final Terms (including Part C thereof).

39. **Market Disruption Provisions and Securities Linked to Indices**

In relation to any Securities which are linked to an Index or an Index Basket, the provisions of, and the terms and expressions defined in, Schedule A in the case of a Composite Commodity Index, Schedule B in the case of a Multi-Exchange Index, Schedule C in the case of a Unitary Exchange Index or Schedule D in the case of a Proprietary Index (each, a "**Schedule**"), as the case may be, as may be specified (with or without amendment) in the relevant Final Terms as being applicable to an Index, shall apply in relation to such Index for the purposes of the Securities. General Security Conditions 30 and 37 are amended accordingly pursuant to the terms of such Schedule as is stated to be applicable in relation to such Index and such Securities.

40. **Substitution**

*General Security Condition 40 is amended in relation to the issue of Swedish Securities and Italian Securities. The applicable amendments are set out in Part 2 and Part 4 of the Annex respectively.*

Subject to the requirements of (i) through (v) below, the Issuer, or any previous substituted company, may without the consent of the Holders, substitute for itself as principal debtor under the Securities, any company (the "**Substitute**") from the JPMorgan Chase & Co. group provided that in respect of Securities issued by JPMSP, the Issuer (or the Guarantor, as the case may be) has or will (or, based on an opinion of counsel to the Issuer (or the Guarantor, as the case may be) there is a substantial likelihood that it will) become obliged to pay Additional Amounts as provided or referred to in General Security Condition 23 as a result of any action taken by The Netherlands or the United States or any political subdivision or any authority thereof or therein having power to tax or brought in a court of competent jurisdiction on or after the Issue Date or any change in, or amendment to, the laws or regulations of The Netherlands or the United States or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date and such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking other reasonable measures available to it. The substitution shall be made by a deed poll (the "**Deed Poll**"), to be substantially in the form scheduled to the Agency Agreement as



Schedule 8, and may take place only if (i) the Substitute shall, by means of the Deed Poll, agree to indemnify each Holder against any tax, duty, assessment or governmental charge that is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Security or the Deed of Covenant and that would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution, (ii) where the Substitute is not the Guarantor, the obligations of the Substitute under the Deed Poll, Securities and Deed of Covenant shall be unconditionally guaranteed by the Guarantor by means of the Deed Poll, (iii) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll, the Securities and Deed of Covenant represent valid, legally binding and enforceable obligations of the Substitute and in the case of the Deed Poll of the Guarantor have been taken, fulfilled and done and are in full force and effect, (iv) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it, and (v) the Issuer shall have given at least 14 days' prior notice of such substitution to the Holders, stating that copies, or pending execution the agreed text, of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to Holders, shall be available for inspection at the specified office of each of the Paying Agents.

For the purposes of this General Security Condition 40, "**JPMorgan Chase & Co. group**" means JPMorgan Chase & Co. and its consolidated subsidiaries.

So long as the Securities are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system (including, so long as the Securities are admitted to the Official List and traded on the Regulated Market thereon, the Luxembourg Stock Exchange), the Issuer shall notify such listing authority, stock exchange and/or quotation system of any substitution pursuant to this General Security Condition 40, prepare a supplement to the Base Prospectus if required to do so and, so long as the Securities are admitted to the Official List and traded on the Regulated Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, publish a notification in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## ANNEX TO THE GENERAL SECURITY CONDITIONS

### Part 4

#### Amendments to the General Security Conditions in respect of Italian Securities

"**Italian Securities**" means any Tranche of Securities issued by an Issuer and designated as "Italian Securities" in item 48 (*Form of Securities*) of "Part A – Contractual Terms" of the relevant Final Terms and for which it is intended to seek admission to listing on the regulated markets organised and managed by Borsa Italiana S.p.A..

For the purposes of all Italian Securities, the General Security Conditions and Final Terms shall be amended as set forth below.

Unless stated below or otherwise required by the context the amendments set forth below shall apply to all Italian Securities whether the relevant Italian Securities are Warrants or Certificates and consequently the General Security Conditions and the relevant Final Terms shall be construed and applied accordingly.

The amendments to the General Security Conditions set out below only relate to Italian Securities duly designated as such and do not apply to any other Securities whether sold to investors in Italy or elsewhere.

1. General Security Condition 10 shall be amended by the insertion of the following at the end after the word "Issuer":

***"Trading on Italian regulated markets managed by Borsa Italiana S.p.A."***

Save as specified in the applicable Final Terms, if the Certificates are traded on the regulated markets organised and managed by Borsa Italiana S.p.A. and Monte Titoli is specified in the applicable Final Terms as a relevant Clearing System, the following provisions shall apply and any other General Security Condition providing otherwise with respect thereto shall not apply.

The exercise of each Series of Certificates is automatic on the Redemption Date, without any prior notice being delivered by the relevant Holder. Any Redemption Amount, which shall be a cash settlement amount, shall be credited, on the Settlement Date, through the Paying Agent, to the account of the relevant intermediary in the relevant Clearing System.

The Paying Agent and the Issuer shall not apply any charge for the automatic exercise of the Certificates. Any other taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties which may arise in connection with the automatic exercise of the Certificates are payable by the Holder.

Each Holder has the right to renounce to the exercise of the relevant Certificates held by it (subject as set out below). In this case, a duly completed renouncement notice (a "**Renouncement Notice**") must be delivered by facsimile to the Paying Agent prior to 10.00 a.m. (Milan time) on the Redemption Date at the facsimile numbers set out in the form of Renouncement Notice attached to the relevant Final Terms.

The Holder must deliver the completed Renouncement Notice to the Paying Agent with a copy to the Issuer and its financial intermediary which will be in charge of sending it by facsimile to the relevant Clearing System.

The Paying Agent and the Issuer shall not apply any charge for the renouncement to the exercise of the Certificates. Any other taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties which may arise in connection with the renouncement of any Certificates duties are payable by the Holder.

In the event that a Holder does not execute, where applicable, a duly completed Renouncement Notice in accordance with the provisions hereof, the relevant Certificate or Certificates shall be exercised

automatically and shall be repaid in the manner set out herein, and the Issuer's obligations in respect of such Certificates shall be discharged and no further liability in respect thereof shall attach to the Issuer.

The number of Certificates specified in the Renouncement Notice must be a multiple of the Minimum Transferable Amount, otherwise such number of Certificates so specified shall be rounded down to the preceding multiple of the Minimum Transferable Amount (as specified in the relevant Final Terms) and the Renouncement Notice shall not be valid in respect of the Certificates exceeding such rounded number of Certificates.

The minimum number of Certificates specified in the Renouncement Notice must be equal to the Minimum Transferable Amount, otherwise the Renouncement Notice shall not be valid.

The Paying Agent will, in its sole and absolute discretion, determine whether the above conditions are satisfied and its determination will be final, conclusive and binding on the Issuer and on the Holders.

The Renouncement Notice is irrevocable.

2. General Security Condition 14 shall be amended by the deletion of the following in paragraph (c) from the sixth line thereof:

"and costs of unwinding any underlying and/or related hedging and funding arrangements (including without limitation on any investment in any share or investment of any type whatsoever, hedging the Issuer's obligations under the Securities) or an amount otherwise determined by the Calculation Agent in its sole and absolute discretion as specified in the relevant Final Terms".

3. General Security Condition 20 shall be amended by the insertion of the following at the end after the word "publication":

"If the Certificates are traded on the regulated markets organised and managed by Borsa Italiana S.p.A. and so long as the applicable rules so require, all notices to the Holders shall be valid if published by Borsa Italiana S.p.A. In the case that the notices have been published both by Borsa Italiana S.p.A. and the Calculation Agent, such notices will be considered valid from the date of publication of Borsa Italiana S.p.A."

4. General Security Condition 26 shall be amended by:

- (i) the insertion of the following at the end of paragraph (b)(ii) after the words "Condition 20":

"If the Certificates are traded on the regulated markets organised and managed by Borsa Italiana S.p.A., this General Security Condition 26(b)(ii) shall not apply,"

- (ii) the insertion of the following at the end of paragraph (b)(iv) after the word "Securities":

"If the Certificates are traded on the regulated markets organised and managed by Borsa Italiana S.p.A., this General Security Condition 26(b)(iv) shall not apply".

Such changes shall be set out in Part C of the relevant Final Terms.

5. General Security Condition 40 shall be amended by:

- (i) the insertion of the words "and irrevocably" in the twenty-fifth line of the first paragraph thereof after the word "unconditionally";
- (ii) the insertion of the following in the thirty-sixth line of the first paragraph thereof after the words "14 days' prior notice":

"(or, if the Certificates are traded on the regulated markets organised and managed by Borsa Italiana S.p.A., at least 30 days' prior notice)".

## NOTA DI SINTESI

La presente Nota di Sintesi deve essere letta come un'introduzione al Prospetto di Base e qualsiasi decisione di investire negli Strumenti Finanziari deve essere basata sulla lettura del Prospetto di Base considerato nella sua interezza, compresi i documenti inclusi mediante riferimento. Quando questa Nota di Sintesi si riferisce alle Notes, essa fa riferimento agli Strumenti Finanziari che possono essere acquisiti solo nell'ambito di un'emissione per un corrispettivo complessivo inferiore a 50.000 Euro per ciascuno Strumento Finanziario. Con l'attuazione della Direttiva Prospetto in ogni Stato Membro dell'Area Economica Europea, il relativo Emittente o il Garante non potranno essere ritenuti responsabili in alcun Stato Membro dell'Area Economica Europea solamente sulla base della presente Nota di Sintesi, inclusa ogni traduzione della medesima, a meno che risulti fuorviante, inaccurata o incoerente ove letta congiuntamente con le altre parti del Prospetto di Base. Ove sia proposta un'azione legale avente ad oggetto informazioni contenute nel Prospetto di Base, davanti a una corte di un Stato Membro dell'Area Economica Europea, l'attore può, secondo la legislazione nazionale di un Stato Membro ove l'azione è proposta, essere tenuto al pagamento dei costi della traduzione di questo Prospetto di Base prima che i procedimenti giudiziari siano instaurati.

### Informazioni e fattori di rischio relativi a JPMSF, JPMIDL, JPMCB e JPMorgan Chase

#### *J.P. Morgan Structured Products B.V. ("JPMSF")*

##### Storia ed Evoluzione di JPMSF

JPMSF è stata costituita ad Amsterdam, il 6 novembre 2006 come una società privata a responsabilità limitata a durata illimitata (*besloten vennootschap met beperkte aansprakelijkheid*) secondo le leggi dei Paesi Bassi, JPMSF è stata registrata presso la Camera di Commercio di Amsterdam con numero di registrazione 34259454 ed ha la sua sede legale in Strawinskylaan, 3105 Atrium, 7<sup>th</sup> Floor, 1077 ZX Amsterdam, Paesi Bassi (numero di telefono +31 20 406 4444). JPMSF è una società interamente controllata, indirettamente, da JPMorgan Chase Bank, N.A. che, a sua volta, è interamente controllata da JPMorgan Chase. Le azioni ordinarie di JPMorgan Chase sono quotate presso il *New York Stock Exchange*.

##### Principali Attività

L'attività principale di JPMSF consiste principalmente nell'emissione di strumenti finanziari derivati cartolarizzati comprese *notes*, *warrants* e certificati, incluse *equity-linked*, *reverse convertible* e *market participation notes* e la conseguente copertura di tali posizioni di rischio. Ad oggi tutte le emissioni sono state oggetto di accordi di copertura. I ricavi della vendita degli strumenti finanziari sono utilizzati per gli scopi generali sociali compresa la conclusiva di accordi di copertura con altri soggetti del gruppo JPMorgan Chase.

##### Fattori di Rischio

Di seguito vengono descritti alcuni rischi e incertezze che JPMSF crede possano avere un impatto negativo sui propri risultati:

- la capacità di JPMSF di adempiere le proprie obbligazioni potrebbe essere influenzata dall'impossibilità ad eseguire, o dall'inadempimento di, obbligazioni da parte di altre società di JPMorgan Chase dovute a JPMSF.

#### *J.P. Morgan International Derivatives Ltd. ("JPMIDL")*

##### Storia ed Evoluzione di JPMIDL

JPMIDL è stata costituita in Jersey come una società a responsabilità limitata secondo le leggi del Jersey, Isole del Canale, in data 20 giugno 1990 con durata illimitata. JPMIDL è stata registrata presso la *Royal Court* del Jersey con numero di registrazione 47659 e ha la sua sede legale presso Rathbone House, 15 Esplanade, St. Helier, Jersey, JE1 1RB, Channel Islands (numero di telefono +44 1534 740 000). JPMIDL è una società interamente controllata, indirettamente, da JPMorgan Chase Bank, N.A. che, a sua volta, è interamente controllata da JPMorgan Chase. Le azioni ordinarie di JPMorgan Chase sono quotate presso il *New York Stock Exchange*.

##### Attività Principali

L'attività di JPMIDL consiste principalmente nell'emissione di strumenti finanziari derivati cartolarizzati, che comprendono *notes*, *warrants* e *certificates*, inclusi *equity-linked reverse convertible* e *market participation notes*, e le conseguenti coperture di tali posizioni di rischio. Ad oggi tutte le emissioni effettuate sono state oggetto di accordi di

copertura. I ricavi della vendita degli strumenti finanziari vengono utilizzati per scopi societari generali, inclusa la conclusione di accordi di copertura con altre società del gruppo JPMorgan Chase.

JPMCB potrà emettere titoli che se posseduti fino alla scadenza, potrebbero essere rimborsate attraverso l'impiego dell'importo di rimborso di tali titoli per l'acquisto di alcuni *warrants*. Tali *warrants* dovrebbero conferire il diritto, per mezzo dell'esercizio in conformità ai loro termini, al portatore del *warrant* di acquistare azioni privilegiate emesse da JPMIDL.

### **Fattori di Rischio**

Di seguito vengono descritti alcuni rischi e incertezze che JPMIDL crede possano avere un impatto negativo sui propri risultati:

- la capacità di JPMIDL di adempiere le proprie obbligazioni potrebbe essere influenzata dall'impossibilità di eseguire, o dall'inadempimento di, obbligazioni da parte di altre società di JPMorgan Chase dovute a JPMIDL.

### **JPMorgan Chase Bank, N.A. ("JPMCB")**

#### **Storia ed Evoluzione di JPMCB**

JPMCB è una società bancaria completamente controllata da JPMorgan Chase. JPMorgan Chase è una società costituita nello Stato del Delaware negli Stati Uniti d'America e la sua sede principale si trova a New York. La sede legale di JPMCB si trova negli Stati Uniti d'America al n.1111 di Polaris Parkway Columbus, Ohio 43240, e la sua sede principale si trova negli Stati Uniti d'America in New York al n. 270 Park Avenue, New York, 10017, Stati Uniti di America, (numero di telefono +1 212 270 6000). JPMCB è una banca che offre un'ampia gamma di servizi di natura bancaria ai propri clienti negli Stati Uniti e a livello internazionale. JPMCB è registrata e sottoposta alla sorveglianza e regolamentazione della *U.S. Office of the Comptroller of the Currency ("OCC")*, un ufficio dello *United States Department of the Treasury*. Le attività che può svolgere sono descritte nello *United States National Bank Act* e includono tutte le attività necessarie per svolgere l'attività bancaria; dallo sconto e negoziazione di vaglia cambiari, cambiali tratte, cambiali, e altri titoli di credito; alla ricezione di depositi; all'acquisto ed alla vendita relativa ai cambi, alla moneta e all'oro; concessione di mutui su garanzia personale; e emissione e circolazione di strumenti finanziari. JPMCB è stata costituita secondo le leggi dello Stato di New York in data 26 novembre 1968 come "*banking corporation*" (società bancaria) per una durata illimitata. In data 13 novembre 2004, JPMCB si è trasformata da banca soggetta alla sorveglianza dello stato di New York ad associazione bancaria nazionale costituita secondo le leggi degli Stati Uniti d'America.

JPMCB è membro del "*Federal Reserve System*" ed i suoi depositi sono assicurati dalla "*Federal Deposit Insurance Corporation*". Il suo numero di identificazione presso la *Federal Reserve Bank* è 852218.

#### **Principali Attività**

Le principali attività di JPMCB sono organizzate ed integrate con le attività svolte da JPMorgan Chase e le sue succursali. Il settore di attività rivolto ai clienti istituzionali è suddiviso nelle seguenti attività: *Investment Bank*, *Commercial Bank*, *Treasury & Securities Services* e *Asset Management*. Il settore di attività rivolto agli investitori privati comprende l'attività *Retail Financial Services*.

#### **Informazioni finanziarie relative a JPMCB**

I bilanci certificati di JPMCB per gli esercizi chiusi il 31 dicembre 2007 e il 31 dicembre 2006 sono inclusi mediante riferimento nel Documento di Registrazione di JPMCB. Detti rendiconti sono stati sottoposti a revisione da *PricewaterhouseCoopers LLP* una società di revisione indipendente pubblica, regolarmente registrata, come risulta dalla sua relazione ivi inclusa. Durante il periodo coperto dai citati rendiconti finanziari, la società di revisione non ha rinunciato al mandato, né il mandato le è stato revocato.

#### **Ulteriori informazioni**

Ulteriori informazioni su JPMCB, compreso l'*Annual Report Form 10-K* di JPMorgan Chase relativo all'esercizio chiuso il 31 dicembre 2007 (il "**Form 10-K del 2007**") nonché le relazioni trimestrali e quelle correnti depositate da JPMorgan Chase presso la *U.S. Securities and Exchange Commission* (la "**SEC**"), si possono consultare, ove disponibili, sul sito internet della SEC ([www.sec.gov](http://www.sec.gov)) e sul sito internet di JPMorgan Chase

([www.jpmorganchase.com](http://www.jpmorganchase.com)). Nessun sito internet citato o cui si fa riferimento nel presente Prospetto di Base si deve intendere essere parte integrante ovvero incluso tramite rinvio in questo Prospetto di Base.

### **Fattori di Rischio**

Di seguito vengono descritti alcuni rischi e incertezze che JPMCB crede possano avere un impatto negativo sui propri risultati:

- Il risultato di operazioni svolte da JPMCB può essere negativamente influenzato dalle condizioni economiche e di mercato degli Stati Uniti ed internazionali.
- Esiste un'intensificazione della concorrenza nel settore dei servizi finanziari che può influenzare negativamente il risultato di operazioni svolte da JPMCB.
- L'acquisizione e l'integrazione delle attività acquisite da parte di JPMCB può non apportare tutti i benefici previsti.
- JPMCB si affida ai propri sistemi, dipendenti ed a determinate controparti e determinati inadempimenti possono influenzare negativamente le operazioni svolte da JPMCB.
- Le operazioni internazionali di JPMCB sono soggette al rischio di perdite dovute a sfavorevoli condizioni economiche, politiche e giuridiche nonché ad ulteriori sviluppi.
- Il danno alla reputazione di JPMCB potrebbe pregiudicare gli affari di JPMCB.
- JPMCB opera in un settore ad elevata regolamentazione e le sue attività ed i risultati delle stesse dipendono in maniera significativa dalla regolamentazione alla quale è soggetta.
- JPMCB affronta rischi legali significativi, derivanti sia da indagini e procedimenti regolamentari che da azioni private intentate contro JPMCB.
- La capacità di JPMCB di attrarre e mantenere personale qualificato è fondamentale per il successo delle attività e, in caso contrario, l'andamento di JPMCB ne può risentire negativamente in concreto.
- Gli affari e gli utili di JPMCB sono influenzati dalla politica tributaria e da altre norme adottate dalle autorità di regolamentari statunitensi e non, e dalle agenzie internazionali.
- Il sistema di gestione dei rischi di JPMCB può non essere in grado di mitigare in maniera efficace rischi e perdite per JPMCB.
- L'attività potrebbe risentire in maniera negativa nel caso in cui JPMCB non riesca a gestire la propria liquidità in maniera efficiente.
- JPMCB potrebbe avere ripercussioni sfavorevoli qualora altri istituti finanziari subissero un impatto negativo.
- Gli strumenti derivati e le operazioni di altro tipo possono esporre JPMCB a rischi imprevisti e perdite potenziali.
- Le attività di JPMCB nell'ambito delle *commodities* sono soggette a numerose regolamentazioni, eventi potenzialmente catastrofici e rischi di natura ambientale e normativa possono determinare notevoli costi e responsabilità per JPMCB.
- I rendiconti finanziari di JPMCB si basano in parte su previsioni e valutazioni che, qualora si dimostrassero errate, potrebbero determinare, in futuro, perdite inattese.
- JPMCB subisce i contraccolpi dei rischi che influenzano la sua capogruppo.

## **JPMorgan Chase & Co. ("JPMorgan Chase")**

### **Storia ed Evoluzione di JPMorgan Chase**

JPMorgan Chase è una *holding* finanziaria costituita secondo il diritto del Delaware il 28 ottobre 1968 con numero di registrazione 0691011. JPMorgan Chase è una importante società di servizi finanziari su scala globale e uno dei maggiori istituti bancari degli Stati Uniti.

JPMorgan Chase è *leader* nei servizi di banca d'affari (*investment banking*), nei servizi finanziari ai consumatori e alle imprese, nell'esecuzione di transazioni finanziarie e nella gestione del risparmio. Con i marchi JPMorgan e Chase, JPMorgan Chase serve milioni di consumatori negli Stati Uniti e, su scala mondiale, molti tra i clienti più importanti a livello imprenditoriale, istituzionale e governativo.

### **Struttura organizzativa**

Le principali banche controllate da JPMorgan Chase sono la JPMorgan Chase Bank, National Association, una associazione bancaria nazionale con succursali in 17 stati degli Stati Uniti, e la Chase Bank USA, National Association, un istituto bancario di livello nazionale con sede principale nel Delaware la quale opera come banca emittente delle carte di credito di JPMorgan Chase. La principale controllata di JPMorgan Chase che non svolge attività bancaria è J.P. Morgan Securities Inc., la banca d'affari di JPMorgan Chase negli Stati Uniti. Le società controllate di JPMorgan Chase appartenenti al settore bancario e non bancario sono presenti non solo negli Stati Uniti ma anche all'estero con filiali e succursali, uffici di rappresentanza e banche collegate. JPMorgan Chase finanzia le proprie operazioni con i dividendi, le distribuzioni e gli altri pagamenti provenienti dalle sue società controllate.

Le azioni ordinarie di JPMorgan Chase sono quotate presso il *New York Stock Exchange* con il ticker "JPM", ed anche presso le borse valori di Londra e Tokio. Le azioni ordinarie di JPMorgan Chase sono incluse nell'indice *Dow Jones Industrial Average Index* del *New York Stock Exchange*.

La sede principale di JPMorgan Chase è nella città di New York. L'attività bancaria di tipo *retail*, che consiste nel *consumer banking* (risparmio gestito e credito al consumo), nel credito alle piccole imprese e nelle attività di finanziamento del consumatore (esclusa l'attività delle carte di credito), ha sede a Chicago. Chicago è anche sede delle attività commerciali.

Il principale ufficio operativo di JPMorgan Chase è sito al n. 270 di Park Avenue, Eighth Floor, New York, 10017-2070, U.S.A., e il numero di telefono è +1 212 270-6000.

### **Principali Attività**

Le attività di JPMorgan Chase sono organizzate, a fini di gestione del *reporting*, in sei segmenti di *business* e in un segmento *Corporate*. L'attività di JPMorgan Chase verso i clienti istituzionali è formata dai segmenti *Investment Bank*, *Commercial Banking*, *Treasury & Securities Services* e *Asset Management*. L'attività di JPMorgan Chase verso la clientela privata è formata dai segmenti *Retail Financial Services* e *Card Services*.

### **Informazioni finanziarie relative a JPMorgan Chase**

I bilanci certificati di JPMorgan Chase per gli esercizi chiusi il 31 dicembre 2007 e il 31 dicembre 2006 sono contenuti nel Form 10-K del 2007 depositato da JPMorgan Chase presso la SEC. Detti rendiconti sono stati sottoposti a revisione da *PricewaterhouseCoopers LLP* una società di revisione indipendente pubblica, regolarmente registrata, come risulta dalla sua relazione ivi inclusa. Durante il periodo coperto dai citati rendiconti finanziari, la società di revisione non ha rinunciato al mandato, né il mandato le è stato revocato. Il Form 10-K del 2007 è incluso mediante riferimento nel Documento di Registrazione di JPMorgan Chase.

### **Ulteriori informazioni**

Ulteriori informazioni addizionali su JPMorgan Chase, compreso il Form 10-K del 2007, nonché le relazioni trimestrali e quelle correnti depositate da JPMorgan Chase presso la SEC, si possono consultare, man mano che saranno rese disponibili, sul sito internet della SEC ([www.sec.gov](http://www.sec.gov)) e sul sito internet di JPMorgan Chase ([www.jpmorganchase.com](http://www.jpmorganchase.com)). Nessun sito internet citato o cui si fa riferimento nel Prospetto di Base si deve intendere essere parte integrante ovvero incluso tramite rinvio nel Prospetto di Base.

## Fattori di Rischio

Di seguito vengono descritti alcuni rischi e incertezze che JPMorgan Chase crede possano avere un impatto negativo sui propri risultati:

- I rischi dianzi evidenziati per JPMCB si applicano anche a JPMorgan Chase, come se i riferimenti a "JPMCB" fossero a "JPMorgan Chase".
- La capacità di JPMorgan Chase di adempiere alle proprie obbligazioni può subire condizionamenti dall'incapacità o dalla mancata esecuzione di altre società di JPMorgan Chase delle obbligazioni verso JPMorgan Chase.
- Nel caso la prevista fusione di JPMorgan Chase con The Bear Stearns Companies Inc. ("**Bear Stearns**") non fosse perfezionata, JPMorgan Chase continuerebbe ad avere un'esposizione per il fatto di avere garantito talune passività di Bear Stearns.
- Anche se la fusione con Bear Stearns fosse perfezionata, JPMorgan Chase potrebbe non realizzare i benefici e sostenere perdite impreviste correlate all'attivo ed al passivo di Bear Stearns accollati con la fusione.

## Informazioni relative alle Notes

<b>Emittenti</b>	J.P. Morgan Structured Products B.V., J.P. Morgan International Derivatives Ltd, JPMorgan Chase Bank, N.A. e JPMorgan Chase & Co.
<b>Garante (soltanto per quanto riguarda le Notes emesse da JPMSP e JPMIDL)</b>	JPMorgan Chase Bank, N.A.  Le Notes emesse da JPMCB e da JPMorgan Chase non saranno oggetto di garanzia
<b>Descrizione</b>	Programma di Prodotti Strutturati per l'emissione di <i>Notes</i> , <i>Warrants</i> e Certificati
<b>Dimensione</b>	Fino a USD 50.000.000.000 (o l'equivalente in altre valute)
<b>Arranger</b>	J.P. Morgan Securities Ltd.
<b>Dealer</b>	J.P. Morgan Securities Ltd. o come altrimenti specificato nelle Condizioni Definitive
<b>Agente Fiscale</b>	The Bank of New York o come altrimenti specificato nelle Condizioni Definitive
<b>Agenti incaricati del Pagamento</b>	The Bank of New York, The Bank of New York (Luxembourg) S.A. e/o come specificato nelle pertinenti Condizioni Definitive
<b>Registrar</b>	The Bank of New York (Luxembourg) S.A.
<b>Agente per i Trasferimenti</b>	The Bank of New York (Luxembourg) S.A. e The Bank of New York, o come altrimenti specificato nelle pertinenti Condizioni Definitive
<b>Agente di Calcolo</b>	J.P. Morgan Securities Ltd., salvo indicazione contraria nelle pertinenti Condizioni Definitive
<b>Agente per la Consegna</b>	J.P. Morgan Securities Ltd. o come altrimenti specificato nelle pertinenti Condizioni Definitive



**Metodo di Emissione**

Le Notes saranno emesse in serie (ognuna una "Serie"). Ogni Serie può essere emessa in *tranches* (ognuna una "Tranche") alle condizioni esposte nelle Condizioni Definitive relative a tale Tranche (le "Condizioni Definitive")

**Prezzo di Emissione**

Le Notes possono essere emesse al rispettivo valore nominale o con sconto oppure con sovrapprezzo

Il prezzo e l'importo delle Notes da emettersi ai sensi del Programma sarà determinato dall'Emittente e dal relativo Dealer di volta in volta in relazione alle prevalenti condizioni di mercato

**Forma delle Notes**

Le Notes possono essere al portatore ("Notes al Portatore") o in forma nominativa ("Notes Nominative"). Le Notes al Portatore saranno rappresentate all'emissione da una Global Note al Portatore temporanea scambiabile - previa certificazione di proprietà (diretta o indiretta) *non-U.S.* - con un diritto in una Global Note al Portatore oppure - se così stabilito, ai sensi di quanto previsto dalle Condizioni Generali delle Notes, come disposto nelle Condizioni Definitive - con Notes Definitive al Portatore. La Global Note al Portatore permanente si potrà scambiare con Notes Definitive al Portatore, se così stabilito, secondo quanto previsto dalle Condizioni Generali delle Notes e come disposto nelle Condizioni Definitive. Le Notes Nominative saranno rappresentate da un certificato che si riferisce alla Note Nominativa per Titolare di una Serie. Le Notes Nominative registrate a nome di un incaricato di un depositario comune oppure di un depositario per ogni *clearing system*, sono dette Global Notes Nominative. Le Notes Nominative saranno rappresentate all'emissione da una Global Note temporanea Nominativa, scambiabile, al termine dei 40 giorni successivi la loro data di emissione, su certificazione di proprietà (diretta e indiretta) *non-U.S.* con un diritto su una Global Note permanente Nominativa o, se così previsto nelle Condizioni Definitive, sulle Notes Definitive Nominative

**Clearing Systems**

*Euroclear e Clearstream Luxembourg* o altro *Clearing System* eventualmente specificato nelle Condizioni Definitive

**Valute**

Le Notes possono essere denominate in qualsiasi valuta o valute concordate tra l'Emittente rilevante e il Dealer e come stabilito nelle Condizioni Definitive, fermo restando il rispetto di tutte le limitazioni di ordine legale e/o normativo. I pagamenti delle Notes, sempre che sussista la conformità anzidetta, possono essere eseguiti e/o correlati a qualsiasi valuta o valute in aggiunta o diverse dalla valuta in cui le Notes sono denominate, come indicato nelle Condizioni Definitive

**Scadenze**

Da un giorno a 30 anni

**Taglio**

I tagli specificati nelle Condizioni Definitive, fermo restando che qualsiasi Note emessa da JPMSP, JPMIDL o da JPMorgan Chase, a seconda del caso, - la cui scadenza sia inferiore ad un anno e i cui ricavi dall'emissione devono essere accettati da JPMSP, da JPMIDL o da JPMorgan Chase nel Regno Unito - deve avere il taglio minimo di 100.000 Sterline (o l'equivalente in altre valute)

**Interessi**

Le Condizioni Definitive indicheranno se le Notes non fruttano interessi oppure se fruttano interessi a tasso fisso, a tassi flottanti, a tassi variabili o a tassi legati all'andamento del Bene/i di Riferimento

## **Rimborso**

Le Condizioni Definitive indicheranno la data di rimborso delle Notes e l'ammontare da pagare oppure l'attivo/i da consegnare al momento del rimborso, e quanto precede potrà essere legato alla *performance* del Bene/i di Riferimento

## **Rimborso Anticipato**

Le Notes legate ad una o più azioni o indici saranno soggette a rimborso anticipato a scelta dell'Emittente in certe circostanze successive ad un evento di fusione, offerta pubblica di acquisto o altro evento straordinario, fermo restando quanto specificato nelle Condizioni Definitive

Le Notes possono essere rimborsate in anticipo in caso di certi Eventi di Estinzione Addizionali esposti nella Condizione Generale delle Notes 5(n) ove specificato in tal senso nelle Condizioni Definitive, oppure al verificarsi di certi Eventi di Estinzione indicati nella Condizione Generale delle Notes 5(o). Le Notes saranno rimborsabili prima della scadenza a scelta dell'Emittente per ragioni fiscali nonché, ove appositamente specificato nelle Condizioni Definitive, nelle altre circostanze appositamente specificate

Le *Index Linked Notes* possono essere anche soggette a rimborso anticipato in base alla disposizione Indice Alternativo di cui alla Condizione Generale delle Notes 5(i)(iii)(C)

## **Notes a Tasso Fisso**

Gli interessi a tasso fisso saranno pagati nel giorno/(i) indicati nelle relative Condizioni Definitive e a scadenza

Gli interessi saranno calcolati in base alla *Day Count Fraction* (convenzione di calcolo dell'interesse) come concordato tra l'Emittente e il Dealer(s) rilevante e specificato nelle relative Condizioni Definitive oppure corrisponderanno all'Ammontare della Cedola Fissa indicato in dette Condizioni Definitive

## **Notes a Tasso Variabile**

Le Notes a Tasso Variabile fruttano interessi che sono calcolati:

- (a) sulla stessa base del tasso variabile previsto da un contratto *swap* di tassi di interesse nozionale nella Valuta Specificata rilevante regolato da un accordo avente forma di un contratto che incorpora (come indicato nelle relative Condizioni Definitive) le Definizioni ISDA del 2000 o le Definizioni ISDA del 2006 in ciascun caso (pubblicate dall'*International Swaps and Derivatives Association Inc.* e modificate e aggiornate alla Data di Emissione della prima Tranche di Notes della Serie rilevante);
- (b) in base al tasso di riferimento riportato su una pagina video, concordata, di un servizio di quotazione commerciale; oppure
- (c) su altra base indicata nelle relative Condizioni Definitive

Le Notes a Tasso Variabile possono anche prevedere un tasso di interesse minimo, un tasso di interesse massimo o entrambi

Gli interessi relativi alle Notes a Tasso Variabile saranno pagabili e saranno calcolati prima dell'emissione, come indicato nelle relative Condizioni Definitive

Gli interessi saranno calcolati in base alla *Day Count Fraction* concordata tra l'Emittente e il relativo Dealer(s) e come indicato

	nelle relative Condizioni Definitive
<b>Notes a Doppia Valuta (<i>Dual Currency Notes</i>)</b>	I pagamenti (per capitale o interesse oppure a scadenza o ad altro titolo) relativi alle Notes a Doppia Valuta saranno eseguiti nelle valute e basati sui tassi di cambio concordati tra l'Emittente e il Dealer(s) rilevante, indicati nelle relative Condizioni Definitive
<b>Notes legate ad uno o più Beni di Riferimento</b>	<p>I pagamenti (per capitale o interesse oppure a scadenza o ad altro titolo) possono essere calcolati con riferimento a:</p> <ul style="list-style-type: none"> <li>• uno o più Indici e/o formula come indicato nelle relative Condizioni Definitive ("<i>Index Linked Notes</i>")</li> <li>• un'Azione e/o un Paniere di Azioni e/o formula come indicato nelle relative Condizioni Definitive ("<i>Equity Index Notes</i>")</li> <li>• uno o più Indici di prezzo al consumo e/o formula come indicato nelle relative Condizioni Definitive ("<i>Inflation Linked Notes</i>")</li> <li>• una o più <i>commodities</i> e/o formula come indicato nelle relative Condizioni Definitive ("<i>Commodity Linked Notes</i>")</li> <li>• uno o più tassi di cambio e/o formula come indicato nelle relative Condizioni Definitive ("<i>Foreign Exchange Linked Notes</i>")</li> <li>• uno o più fondi e/o formula come indicato nelle relative Condizioni Definitive ("<i>Fund Linked Notes</i>")</li> <li>• uno o più altri attivi e/o formula come indicato nelle relative Condizioni Definitive ("<i>Other Variable Linked Notes</i>")</li> <li>• qualsiasi combinazione di Beni di Riferimento e/o formula come indicato nelle relative Condizioni Definitive ("<i>Combination Notes</i> o <i>Hybrid Notes</i>")</li> </ul>
<b><i>Notes Physically Settled</i></b>	I pagamenti (per capitale o interesse oppure a scadenza o ad altro titolo) relativi alle Notes ai quali si applica la Consegna Fisica e la consegna di ogni Bene/i di Riferimento in relazione a Notes cui si applica la Consegna Fisica saranno effettuati in accordo con le Condizioni Definitive
<b>Notes a Cedola Zero</b>	Il pagamento degli interessi relativi alle Notes a Cedola Zero dovrà avvenire in caso di capitale in sofferenza. Il tasso di interesse sarà uguale al Tasso di Ammortamento
<b>Notes Parzialmente Liberate</b>	I pagamenti delle Notes Parzialmente Liberate saranno eseguiti in base alle relative Condizioni Definitive. Gli interessi matureranno sull'ammontare nominale liberato delle Notes
<b><i>Participation Notes</i></b>	Il rendimento delle <i>Participation Notes</i> sarà legato alla performance delle azioni nelle società sottostanti specificate e quotate in una borsa locale e l'investimento in esse potrà essere alquanto limitato, come meglio illustrato nelle relative Condizioni Definitive
<b>Notes Norvegesi, Notes Svedesi, Notes Finlandesi e Notes Danesi</b>	Le Notes possono essere compensate mediante il <i>clearing system</i> nazionale in Norvegia (" <i>Notes Norvegesi</i> "), in Svezia (" <i>Notes Svedesi</i> "), Finlandia (" <i>Notes Finlandesi</i> "), e in Danimarca (" <i>Notes Danesi</i> "), e ciò può incidere sulla forma di tali Notes
<b>Notes di altro Tipo</b>	I pagamenti (per capitale o interesse oppure a scadenza o ad altro titolo) relativi a tutte le altre Notes emesse nel quadro del Programma saranno effettuati in conformità alle Condizioni Definitive
<b>Eventi di Turbativa del Mercato</b>	In relazione alle <i>Equity Linked Notes</i> , <i>Index Linked Notes</i> , <i>Commodity Linked Notes</i> e a determinati tipi di altre Notes, qualora l'Agente di Calcolo determini che un Evento di Turbativa del

Mercato si sia verificato o esista alla Data di Valutazione Iniziale, alla Data di Valutazione degli Interessi, alla Data Iniziale di *Averaging*, alla Data di *Averaging*, alla Data di Osservazione o in altra data rilevante, tale data può essere posticipata e, in tali circostanze, si possono applicare disposizioni alternative rispetto al relativo Bene di Riferimento

**Rettifiche delle *Equity Linked Notes* per Potenziali Eventi Potenziali di Rettifica ed Eventi Straordinari**

In relazione alle *Equity Linked Notes*, il verificarsi di un Evento di Rettifica Potenziale o di determinati Eventi Straordinari (compreso un *Merger Event*, Offerta Pubblica, Nazionalizzazione, Insolvenza o Revoca della Quotazione, può (qualora le relative Condizioni Definitive prevedano espressamente la "Rettifica da parte dell'Agente di Calcolo") condurre l'Agente di Calcolo ad effettuare rettifiche ai termini delle Notes ed ai calcoli come descritto nelle Condizioni e comportare il rimborso anticipato delle Notes

**Rettifiche delle *Index Linked Notes* per determinati eventi**

In relazione alle *Index Linked Notes*, il verificarsi di determinati eventi in relazione ad un Indice sottostante (come, per esempio, la sostituzione dello Sponsor dell'Indice, modifiche, cancellazioni o turbative dell'Indice e successive correzioni dei Livelli dell'Indice rilevante) possono comportare modifiche da parte dell'Agente di Calcolo dei termini delle Notes e/o rettifiche ai Livelli del relativo Indice

**Eventi di Turbativa della Liquidazione**

Nel caso di *Notes Physically Settled*, se un Evento di Turbativa della Liquidazione (essenzialmente, un evento al di fuori del controllo dell'Emittente o di altro Agente di Copertura in conseguenza del quale, nell'opinione dell'Agente di Calcolo, non sia attuabile la consegna dell'Importo del Bene di Riferimento da parte o per conto dell'Emittente in conformità alle Condizioni Generali delle Notes, oppure se, in conseguenza di ciò il relativo *Clearing System* non possa liquidare il trasferimento dei relativi Beni di Riferimento) si verifica o esiste alla Data di Liquidazione, la liquidazione può essere posticipata sino al giorno successivo in cui la Liquidazione si possa effettuare e nel quale non si verifichino Eventi di Turbativa della Liquidazione. In queste circostanze, inoltre, il relativo Emittente può avere il diritto di pagare il Prezzo della Liquidazione in Contanti per Turbativa al posto di consegnare il Bene di Riferimento

**Eventi di Turbativa del Pagamento**

Qualora un "Evento di Turbativa del Pagamento" sia dichiarato applicabile nelle Condizioni Definitive, e l'Agente di Calcolo determini che si sia verificato un Evento di Turbativa del Pagamento (essenzialmente, il verificarsi di un evento al di fuori del controllo dell'Agente di Copertura (e cioè l'Emittente o una controllata che agisce per suo conto) in conseguenza del quale l'Agente di Copertura non sia in grado o non sarebbe in grado di vendere o altrimenti realizzare o ricevere i profitti dalla vendita o altra disposizione di tutto o parte dei Beni di Riferimento o altri prodotti finanziari detenuti dall'Agente di Copertura per coprire le obbligazioni dell'Emittente in relazione alle Notes) prima di o in qualsiasi data nella quale i pagamenti relativi a tali Notes saranno esigibili, allora la Data di Rimborso o qualsiasi altra relativa data di pagamento (come applicabile) può essere posticipata e potenzialmente le obbligazioni di pagamento dell'Emittente ai sensi delle Notes saranno ridotte

**Altre Rettifiche**

Le rettifiche diverse da quelle descritte più sopra possono essere apportate alle Notes emesse nell'ambito del Programma come indicato nelle Condizioni Generali delle Notes e come eventualmente stabilito nelle relative Condizioni Definitive (per esempio, gli "Eventi di Lock-

in" correlati alle *Fund Linked Notes* e gli eventi di inconvertibilità che riguardano le *Foreign Exchange Linked Notes* )

<b>Status</b>	Le Notes costituiscono obbligazioni non subordinate e non garantite dell'Emittente rilevante
<b>Garanzia (soltanto in riferimento alle Notes emesse da JPMS e da JPMIDL)</b>	Le Notes emesse da JPMS e da JPMIDL sono garantite JPMCB. Le Notes emesse da JPMCB e da JPMorgan Chase non saranno garantite
<b>Negative Pledge/Cross Default</b>	Le Notes non prevedono disposizioni relative a <i>negative pledge</i> o a <i>cross default</i>
<b>Rating</b>	Le Notes possono avere o non avere un <i>rating</i> . Il <i>rating</i> assegnato agli strumenti finanziari non significa una raccomandazione all'acquisto, alla vendita o al mantenimento delle Notes e può essere soggetto a sospensione, modifica o revoca in qualunque momento da parte dell'agenzia che ha assegnato tale <i>rating</i>
<b>Ritenuta Fiscale</b>	Fatte salve le eccezioni d'uso, indicate nei Termini e Condizioni, il relativo Emittente pagherà somme aggiuntive qualora si dovessero operare ritenute di imposta sul pagamento del capitale e degli interessi ad un <i>United States Alien</i> (in caso di imposte negli Stati Uniti), ad un soggetto che non sia residente in Olanda ai fini fiscali (in caso di imposte olandesi) oppure ad un soggetto che non sia residente in Jersey ai fini fiscali (in caso di imposte nel Jersey)
<b>Legge Applicabile</b>	Le Notes sono regolate dal diritto inglese, a meno che nell'Allegato alle Condizioni Generali delle Notes esista diversa indicazione per il trasferimento delle Notes Danesi, Notes Norvegesi, Notes Svedesi e Notes Finlandesi. Ogni Garanzia è regolata dal diritto di New York
<b>Quotazione e Ammissione alla Negoziazione</b>	Le Notes potrebbe essere quotate nel Listino Ufficiale della Borsa Valori di Lussemburgo o ammesse alle negoziazioni sul Mercato Regolamentato della Borsa Valori di Lussemburgo o come diversamente specificato nelle Condizioni Definitive. Una Serie di Notes potrebbe non essere quotata
<b>Divieto di Proprietà per U.S. Person</b>	In nessun momento le Notes possono essere possedute direttamente o indirettamente da <i>U.S. Persons</i> . Ogni portatore e ogni proprietario anche attraverso interposta persona di una Note, (a) come condizione all'acquisto di tale Note, sarà tenuto a dichiarare all'acquisto che né lui né alcuna persona a beneficio della quale le Notes sono state acquistate sono (i) residenti negli Stati Uniti, (ii) sono una <i>U.S. Person</i> o (iii) sono stati sollecitati all'acquisto di Notes mentre si trovavano negli Stati Uniti e (b) saranno considerati come impegnati a non offrire, vendere, consegnare, dare in pegno, o altrimenti trasferire alcuna Note, in qualsiasi momento, direttamente o indirettamente negli Stati Uniti o ad una <i>U.S. Person</i>
<b>Divieto di proprietà delle Notes di Partecipazione Indiane da parte di Residenti Indiani</b>	Le <i>Participation Notes</i> per le quali un Bene di Riferimento è un titolo azionario quotato alla borsa valori indiana (" <b>Notes di Partecipazione Indiane</b> ") in nessun momento possono essere possedute direttamente o indirettamente da persone residenti nella Repubblica d'India nell'accezione di cui all' <i>Indian Exchange Control Law</i> (un " <b>Residente Indiano</b> "). Qualsiasi pegno, vendita o altro trasferimento delle <i>Participation Notes</i> Indiane da parte di un Residente Indiano nell'accezione di cui all' <i>Indian Exchange Control Law</i> dovrà, secondo l'opzione del relativo Emittente, (x) essere annullabile o (y) dare al relativo Emittente il diritto di costringere il cessionario a richiedere il rimborso di ogni note

posseduta dal medesimo cessionario

#### **Restrizioni alla vendita**

Restrizioni si applicano all'offerta, vendita o trasferimento di Strumenti Finanziari in varie giurisdizioni. Si veda "Sottoscrizione e Vendita". In tutte le giurisdizioni l'offerta, la vendita o il trasferimento possono essere effettuati solo nei limiti legali vigenti nella relativa giurisdizione

## Informazioni relative agli Strumenti Finanziari

<b>Emittenti</b>	J.P. Morgan Structured Products B.V., J.P. Morgan International Derivatives Ltd, JPMorgan Chase Bank, N.A. e JPMorgan Chase & Co.
<b>Garante (per quanto riguarda gli Strumenti Finanziari emessi da JPMSP e JPMIDL)</b>	JPMorgan Chase Bank, N.A.  Gli Strumenti Finanziari emessi da JPMCB e da JPMorgan Chase non saranno oggetto di garanzia
<b>Descrizione</b>	Programma di Prodotti Strutturati per l'emissione di Notes, Warrants e Certificati
<b>Arranger</b>	J.P. Morgan Securities Ltd.
<b>Dealer</b>	J.P. Morgan Securities Ltd. o come altrimenti specificato nelle Condizioni Definitive.
<b>Principal Agent</b>	The Bank of New York, Filiale di Londra
<b>Agente incaricato del Pagamento</b>	The Bank of New York e/o gli ulteriori o altri Agenti di Pagamento indicati nelle Condizioni Definitive
<b>Registrar</b>	The Bank of New York (Luxembourg) S.A.
<b>Agente di Calcolo</b>	J.P. Morgan Securities Ltd., salvo indicazione contraria nelle Condizioni Definitive.
<b>Metodo di Emissione</b>	Gli Strumenti Finanziari saranno emessi in serie (ognuna una "Serie"). Ogni Serie può essere emessa in tranches (ognuna una "Tranche") alla stessa data o in date diverse di emissione alle condizioni esposte nelle Condizioni Definitive relative a tale Tranche (le "Condizioni Definitive")
<b>Prezzo di Emissione</b>	Come specificato nelle Condizioni Definitive  Il prezzo e l'importo degli Strumenti Finanziari da emettersi ai sensi del Programma sarà determinato dall'Emittente e dal relativo Dealer di volta in volta in relazione alle prevalenti condizioni di mercato
<b>Forma degli Strumenti Finanziari</b>	Gli Strumenti Finanziari possono essere al portatore (" <b>Strumenti Finanziari al Portatore</b> ") o in forma nominativa (" <b>Strumenti Finanziari Nominativi</b> "). Gli Strumenti Finanziari al Portatore saranno rappresentati all'emissione da uno Strumento Finanziario in forma Globale temporaneo al Portatore scambiabile - previa certificazione di proprietà (diretta o indiretta) <i>non-U.S.</i> - con un diritto in uno Strumento Finanziario in forma Globale al Portatore oppure - se così stabilito, ai sensi di quanto previsto dalle Condizioni Generali degli Strumenti Finanziari, come disposto dalle Condizioni Definitive - con Strumenti Finanziari Definitivi al Portatore. Lo Strumento Finanziario in forma Globale permanente al Portatore si potrà scambiare con Strumenti Finanziari in forma Definitiva al Portatore, se così stabilito, secondo quanto previsto dalle Condizioni Generali degli Strumenti Finanziari e come disposto nelle Condizioni Definitive. Gli Strumenti Finanziari Nominativi saranno rappresentati da uno Strumento Finanziario Nominativo per ciascun Portatore. Gli Strumenti Finanziari Nominativi in forma Globale, registrati a nome di un incaricato di un depositario comune o di un depositario per un <i>clearing system</i> , sono " <b>Strumenti</b>

**Finanziari Globali Nominativi**". Gli Strumenti Finanziari Nominativi saranno rappresentati all'emissione da un Strumento Finanziario in forma Globale temporaneo Nominativo, scambiabile, al termine dei 40 giorni successivi la loro data di emissione, su certificazione di proprietà (diretta e indiretta) *non-U.S.* con un diritto su uno Strumento Finanziario in forma Globale permanente Nominativo o, se così previsto nelle Condizioni Definitive, sugli Strumenti Finanziari Nominativi Definitivi

**Clearing Systems**

*Euroclear e Clearstream Luxembourg* o altro *Clearing System(s)* eventualmente specificato nelle Condizioni Definitive

**Valute**

Le valute specificate nelle Condizioni Definitive

**Scadenze dei Certificati**

Come specificato nelle Condizioni Definitive

**Coupon Eventuale**

Le Condizioni Definitive specificheranno se i Certificati pagheranno un Coupon Eventuale e, in tal caso, se tale Coupon Eventuale sarà legato alla *performance* di un qualsiasi Bene/i di Riferimento

**Esercizio dei Warrants**

I *Warrants* creano opzioni esercitabili da parte del relativo Portatore. Non vi è alcuna obbligazione in capo a qualsiasi Portatore di esercitare il/i proprio/i *Warrant(s)* né alcuna obbligazione in capo all'Emittente o, in assenza di tale, a seconda del caso, in capo al Garante di pagare alcuna somma relativa ai *Warrants*

Potrà essere previsto un numero massimo di esercizio per i *Warrants* ad una certa data ed un numero minimo di esercizio per i *Warrants* ad un'altra data

**Liquidazione**

Come specificato nelle Condizioni Definitive

**Status**

Gli Strumenti Finanziari costituiscono obbligazioni non subordinate e non garantite dell'Emittente rilevante

**Events of Defaults e Negative Pledge**

Nessuno

**Estinzione / Rimborso Anticipato**

Gli Strumenti Finanziari possono essere rimborsati in anticipo in caso di certi Eventi di Estinzione come esposti nella Condizione Generale degli Strumenti Finanziari 14(a) e Eventi di Estinzione Aggiuntivi come esposti nella Condizione Generale degli Strumenti Finanziari 14(b), e ogni altro Evento di Rimborso Anticipato come sarà stabilito nelle Condizioni Definitive. L'importo pagato in relazione a ciascun Strumento Finanziario sarà un importo determinato dall' Agente di Calcolo che rappresenti il giusto valore di tali Strumenti Finanziari immediatamente prima di (ed ignorando le circostanze che hanno condotto a) tale rimborso anticipato, rettificato al fine di tenere pienamente in conto di qualsiasi ragionevole spesa e costo di liquidazione di qualsiasi accordo di copertura e di *funding* sottostante e/o correlato (compresi, senza limitazioni qualsiasi investimento in qualsiasi azione o investimento di qualsiasi tipo che copra le obbligazioni dell'Emittente ai sensi degli Strumenti Finanziari)

**Strumenti Finanziari legati ad uno o più Beni di Riferimento**

L'ammontare del regolamento, l'ammontare del rimborso, l'ammontare del *coupon* eventuale e/o l'ammontare del rimborso anticipato possono essere calcolati con riferimento a:

- uno o più Indici e/o formule come indicato nelle Condizioni definitive rilevanti ("**Strumenti Finanziari Index Linked**")



- un'Azione e/o un Paniere di Azioni e/o formula come indicato nelle relative Condizioni Definitive ("**Strumenti Finanziari Equity Linked**")
- uno o più Indici di prezzo al consumo e/o formula come indicato nelle relative Condizioni Definitive ("**Strumenti Finanziari Inflation Linked**")
- una o più *commodities* e/o formula come indicato nelle relative Condizioni Definitive ("**Strumenti Finanziari Commodity Linked**")
- uno o più tassi di cambio e/o formula come indicato nelle relative Condizioni Definitive ("**Strumenti Finanziari Foreign Exchange Linked**")
- uno o più fondi e/o formula come indicato nelle relative Condizioni Definitive ("**Strumenti Finanziari Fund Linked**")
- uno o più altri attivi e/o formula come indicato nelle relative Condizioni Definitive ("**Altri Strumenti Finanziari Variable Linked**")
- qualsiasi combinazione di Beni di Riferimento e/o formula come indicato nelle relative Condizioni Definitive ("**Strumenti Finanziari Combination** o **Strumenti Finanziari Hybrid**")

#### **Strumenti Finanziari *Physically Settled***

L'importo di liquidazione, l'importo di rimborso e/o l'importo di rimborso anticipato in relazione agli Strumenti Finanziari ai quali si applica la Consegna Fisica e la consegna di ogni Bene/i di Riferimento in relazione a strumenti finanziari cui si applica la Consegna Fisica saranno effettuati in accordo con le Condizioni Definitive

#### **Strumenti Finanziari *Participation***

L'importo di liquidazione, l'importo di rimborso e/o l'importo di rimborso anticipato in relazione agli Strumenti Finanziari *Participation* saranno correlati alla *performance* delle azioni in determinate società sottostanti quotate su una borsa valori locale e l'investimento nelle quali può essere in qualche modo limitato, come esposto più nel dettaglio nelle Condizioni Definitive

#### **Strumenti Finanziari Norvegesi, Strumenti Finanziari Svedesi, Strumenti Finanziari Finlandesi**

Gli Strumenti Finanziari possono essere compensati mediante il *clearing system* nazionale in Norvegia ("**Strumenti Finanziari Norvegesi**"), in Svezia ("**Strumenti Finanziari Svedesi**") e in Finlandia ("**Strumenti Finanziari Finlandesi**"), e ciò può incidere sulla forma di tali Strumenti Finanziari

#### **Eventi di Turbativa del Mercato**

In relazione agli Strumenti Finanziari *Equity Linked*, Strumenti Finanziari *Index Linked*, Strumenti Finanziari *Commodity Linked*, e determinati altri tipi di Strumenti Finanziari, qualora l'Agente di Calcolo determini che un Evento di Turbativa del Mercato si sia verificato o esista alla Data di Valutazione Iniziale, alla Data di Valutazione, alla Data Iniziale di *Averaging*, alla Data di *Averaging*, alla Data di Osservazione o in altre date rilevanti, tale data può essere posticipata e, in tali circostanze, si possono applicare disposizioni alternative rispetto al relativo Bene di Riferimento

#### **Rettifiche degli Strumenti Finanziari *Equity Linked* per Potenziali Eventi di Rettifica Potenziale ed Eventi Straordinari**

In relazione agli Strumenti Finanziari *Equity Linked*, il verificarsi di un Evento di Rettifica Potenziale o di determinati Eventi Straordinari (compreso un Evento di Fusione, Offerta Pubblica, Evento di Rettifica dell'Indice, Nazionalizzazione, Insolvenza o Revoca della Quotazione), può (dipendendo dalle conseguenze applicabili stabilite nelle Condizioni Definitive) condurre l'Agente di Calcolo ad effettuare rettifiche ai termini degli Strumenti

Finanziari e/o calcoli come descritti nelle Condizioni Generali degli Strumenti Finanziari che potrebbero comportare il rimborso anticipato degli Strumenti Finanziari

#### **Rettifiche degli Strumenti Finanziari *Index Linked* per determinati eventi**

In relazione agli Strumenti Finanziari *Index Linked*, il verificarsi di determinati eventi in relazione ad un Indice sottostante (come, per esempio, la sostituzione dello *Sponsor* dell'Indice, modifiche, cancellazioni o turbative dell'Indice e successive correzioni dei relativi Livelli dell'Indice) possono condurre a modifiche da parte dell'Agente di Calcolo dei termini degli Strumenti Finanziari e/o rettifiche ai relativi Livelli dell'Indice

#### **Eventi di Turbativa della Liquidazione**

Nel caso di Strumenti Finanziari *Physically Settled*, se un Evento di Turbativa della Liquidazione (essenzialmente, un evento al di fuori del controllo dell'Emittente o di altro Agente di Copertura in conseguenza del quale, nell'opinione dell'Agente di Calcolo, la consegna dell'Importo del Bene di Riferimento da parte o per conto dell'Emittente, in conformità alle Condizioni Generali degli Strumenti Finanziari non sia praticabile, o in conseguenza del quale il relativo *Clearing System* non possa trattare il trasferimento dei relativi Beni di Riferimento) si verifichi o esista alla Data di Liquidazione, la liquidazione può essere posticipata sino al giorno successivo in cui la Liquidazione possa ricorrere e nel quale non si verifichino Eventi di Turbativa della Liquidazione. Il relativo Emittente in queste circostanze inoltre può avere il diritto di pagare il Prezzo di Liquidazione in Contanti per Turbativa in contanti al posto di consegnare il Bene di Riferimento

#### **Eventi di Turbativa del Pagamento**

Qualora un "Evento di Turbativa del Pagamento" sia dichiarato applicabile nelle Condizioni Definitive, e l'Agente di Calcolo determini che si sia verificato un Evento di Turbativa del Pagamento (essenzialmente, il verificarsi di un evento al di fuori del controllo dell' Agente di Copertura (e cioè l'Emittente o una controllata che agisce per suo conto) in conseguenza del quale l' Agente di Copertura non sia in grado o non sarebbe in grado di vendere o altrimenti realizzare o ricevere i profitti dalla vendita o altra disposizione di tutto o parte dei Beni di Riferimento o altri prodotti finanziari detenuti dall'Agente di Copertura per coprire le obbligazioni dell'Emittente in relazione agli Strumenti Finanziari) prima di o in qualsiasi data nella quale i pagamenti relativi a tali Strumenti Finanziari saranno esigibili, allora la Data di Rimborso o qualsiasi altra relativa data di pagamento (come applicabile) può essere posticipata e potenzialmente le obbligazioni di pagamento dell'Emittente ai sensi degli Strumenti Finanziari saranno ridotte

#### **Altre Rettifiche**

Altre rettifiche differenti rispetto a quelle sopra descritte possono essere apportate agli Strumenti Finanziari emessi in base al Programma come indicato nelle Condizioni Generali degli Strumenti Finanziari, e come può essere esposto nelle Condizioni Definitive (per esempio, "*Lock-in Event*" in relazione a Strumenti Finanziari *Fund Linked* e eventi di inconvertibilità in relazione ai Strumenti Finanziari *Foreign Exchange Linked*)

#### **Tassazione**

Ferme le usuali eccezioni, come stabilito nelle Condizioni Definitive, l'Emittente pagherà importi aggiuntivi ove trattenute fiscali pagabili in relazione ai pagamenti ad un *United States Alien* (nel caso di tasse relative agli Stati Uniti), a un soggetto che non sia un *Dutch Tax Resident* (nel caso di tasse dei Paesi Bassi), ovvero ad un soggetto che non sia un *Jersey Tax Resident* (nel caso di tasse del Jersey)

I Portatori saranno soggetti alle tasse dovute e pagabili in relazione al trasferimento di ogni Bene di Riferimento

#### **Legge Applicabile**

Gli Strumenti Finanziari sono regolati dal diritto inglese, a meno che nell'Allegato alle Condizioni Generali degli Strumenti Finanziari esista diversa indicazione per i trasferimenti degli Strumenti Finanziari Finlandesi, Strumenti Finanziari Norvegesi e Strumenti Finanziari Svedesi. La Garanzia è regolata dal diritto di New York

#### **Quotazione e Ammissione alla Negoziazione**

Gli Strumenti Finanziari potrebbero essere quotati nel Listino Ufficiale della Borsa Valori di Lussemburgo o ammessi alle negoziazioni sul Mercato Regolamentato della Borsa Valori di Lussemburgo o come diversamente specificato nelle Condizioni Definitive. Gli Strumenti Finanziari potrebbero essere non quotati

#### **Divieto di Proprietà per U.S. Persons**

In nessun momento gli Strumenti Finanziari possono essere posseduti direttamente o indirettamente da *U.S. Persons*. Ogni portatore e ogni proprietario anche attraverso interposta persona di uno Strumento Finanziario, (a) come condizione all'acquisto di tale Strumento Finanziario, sarà tenuto a dichiarare all'acquisto che né lui né alcuna persona a beneficio della quale gli Strumenti Finanziari sono stati acquistati sono (i) residenti negli Stati Uniti, (ii) sono una *U.S. Person* o (iii) sono stati sollecitati all'acquisto degli Strumenti Finanziari mentre si trovavano negli Stati Uniti e (b) saranno considerati come impegnati a non offrire, vendere, consegnare, dare in pegno, o altrimenti trasferire alcun Strumento Finanziario, in qualsiasi momento, direttamente o indirettamente negli Stati Uniti o ad una *U.S. Person*. In occasione dell'esercizio di qualsiasi *Warrants*, sarà richiesto ai Portatori di certificare che i *Warrants* non sono stati esercitati da o per conto di una *U.S. person* o persona all'interno degli Stati Uniti e che i *Warrants* non sono di proprietà indiretta di una *U.S. person* o persona all'interno degli Stati Uniti

#### **Divieto di proprietà relativo a Strumenti di Partecipazione Indiani da parte di Residenti Indiani**

Gli Strumenti Finanziari per i quali un Bene di Riferimento è un titolo azionario quotato alla borsa valori indiana (uno "**Strumento di Partecipazione Indiano**") in nessun momento possono essere posseduti direttamente o indirettamente da persone residenti nella Repubblica d'India nell'accezione di cui all'*Indian Exchange Control Law* (un "**Residente Indiano**"). Qualsiasi pegno, vendita o altro trasferimento degli Strumenti di Partecipazione Indiani da parte di un Residente Indiano nell'accezione di cui all'*Indian Exchange Control Law* dovrà, secondo l'opzione del relativo Emittente, (x) essere annullabile o (y) dare al relativo Emittente il diritto di costringere il cessionario a richiedere il rimborso di ogni strumento finanziario posseduto dal medesimo cessionario

#### **Restrizioni alla vendita**

Restrizioni si applicano all'offerta, vendita o trasferimento di Strumenti Finanziari in varie giurisdizioni. Si veda "Sottoscrizione e Vendita". In tutte le giurisdizioni l'offerta, la vendita o il trasferimento possono essere effettuati solo nei limiti legali vigenti nella relativa giurisdizione

#### **Sintesi dei Fattori di Rischio**

JPMSP, JPMIDL, JPMCB e JPMorgan Chase possono emettere Strumenti Finanziari a capitale, valore nominale, e/o interesse determinati mediante riferimento al credito di uno o più entità non affiliate con JPMSP, JPMIDL, JPMCB o JPMorgan Chase ai prezzi delle valute, ai prezzi delle merci o a singoli titoli, panieri di titoli o indici o altri *assets* o strumenti. Ogni Strumento Finanziario può comportare rischi significativi non associati con un investimento simile in

titoli di debito a tasso fisso o variabile, incluso un ricavo che può essere significativamente inferiore al ricavo derivante da un investimento in titoli di debito a tasso fisso o variabile. **IN CERTI CASI, TALI STRUMENTI FINANZIARI POSSONO ANCHE COMPORTARE IL RISCHIO DI UNA PERDITA TOTALE O PARZIALE DELL'INVESTIMENTO INIZIALE.**

Né la Garanzia né ogni Strumento Finanziario emesso da JPMCB o da JPMorgan Chase sono depositi assicurati o garantiti da una entità governativa.

Il seguente è un sommario di determinati fattori di rischio relativi a qualsiasi acquisto di Strumenti Finanziari:

#### *Rischi relativi agli Strumenti Finanziari in generale*

- agli Strumenti Finanziari possono non essere un investimento adatto per ogni categoria di investitore;
- il valore di mercato degli Strumenti Finanziari può essere volatile, e può essere sfavorevolmente colpito da diversi fattori, e il prezzo al quale un Portatore sarà in grado di vendere agli Strumenti Finanziari prima della scadenza potrebbe essere ad un sostanziale ribasso in relazione al valore di mercato di tali Strumenti Finanziari alla o prima della Data di Emissione;
- potrebbe non svilupparsi un mercato attivo per gli Strumenti Finanziari;
- il Prezzo di Emissione degli Strumenti Finanziari può essere superiore al valore di mercato di tali Strumenti Finanziari alla (o prima della) Data di Emissione, e del prezzo degli Strumenti Finanziari nelle operazioni del mercato secondario;
- agli Strumenti Finanziari possono essere rimborsati prima della scadenza o del proprio rimborso in base alle rispettive condizioni (indicate nelle Condizioni Definitive) e possono essere rimborsati anticipatamente qualora l'adempimento dell'Emittente previsto da tali Strumenti Finanziari sia diventato, per ragioni fiscali o per qualsiasi altra ragione, illegale o impraticabile in tutto o in parte;
- Il Gruppo JPMorgan Chase è soggetto a diversi possibili conflitti di interessi in relazione agli Strumenti Finanziari, anche in relazione alle proprie attività di copertura e di *market-making*, che potrebbero avere un effetto negativo sugli Strumenti Finanziari;
- l'Agente di Calcolo (che probabilmente sarà un membro del Gruppo JPMorgan Chase) gode di ampia discrezionalità nel compiere varie determinazioni e rettifiche in relazione agli Strumenti Finanziari, ognuna delle quali può avere un effetto negativo sul valore e/o sull'importo pagabile in base agli Strumenti Finanziari;
- agli Strumenti Finanziari sono obbligazioni non garantite e il pagamento di qualsiasi somma prevista dagli Strumenti Finanziari è soggetto al rischio di credito del relativo Emittente e, ove applicabile, del Garante;
- qualsiasi conseguente posticipazione di o qualsiasi disposizione alternativa per la valutazione successiva ad un Evento di Turbativa del Mercato può avere un effetto negativo sul valore degli Strumenti Finanziari;
- il verificarsi di un Evento di Turbativa del Pagamento o di un Evento di Turbativa della Liquidazione (a seconda dei casi, ove applicabile) può comportare un ritardo di pagamento o di consegna (ove applicabile) e/o una riduzione di pagamento o di consegna (ove applicabile);
- vi sarà uno iato temporale tra il momento in cui un Portatore dia istruzioni per l'esercizio (se richieste) e il momento in cui sia determinato l'Importo di Liquidazione in Contanti applicabile o il Bene di Riferimento consegnabile relativamente a tale esercizio, e tale iato potrebbe ridurre l'Importo di Liquidazione in Contanti o il valore del Bene di Riferimento consegnabile, a seconda del caso;
- agli Strumenti Finanziari non sono opzioni su indici azionari standardizzati del tipo negoziato in varie borse di opzioni;
- l'esposizione eventuale al valore in crescita di un relativo Bene di Riferimento o Ente di Riferimento può essere limitata;

- può non essere possibile usare agli Strumenti Finanziari quale perfetta copertura contro il rischio di mercato associato all'investimento in un Bene di Riferimento;
- ci possono essere conseguenze regolamentari per il portatore di Strumenti Finanziari legati ad un Bene di Riferimento o Ente di Riferimento;
- il rendimento effettivo ricevuto da un compratore di Strumenti Finanziari può essere ridotto rispetto al rendimento dichiarato dai costi di transazione e può essere decurtato a causa dell'impatto fiscale sul suo investimento negli Strumenti Finanziari.

***Ulteriori Rischi relativi agli Strumenti Finanziari con importo di rimborso correlato ad uno o più categorie di Beni di Riferimento o Ente di Riferimento indicati***

Vi sono determinati rischi ulteriori relativi agli Strumenti Finanziari *Equity Linked*, Strumenti Finanziari *Equity Linked* legati ad un Paniere di Azioni e Strumenti Finanziari *Index Linked* legati ad un Paniere di Indici, Strumenti Finanziari *Credit Linked*, Strumenti Finanziari *Participations*, Strumenti Finanziari *Commodity Linked*, Strumenti Finanziari *Inflation Linked*, Strumenti Finanziari *Fixed Rate*, Strumenti Finanziari *Floating Rate* e/o Strumenti Finanziari legati ad un tasso variabile, Strumenti Finanziari *Zero Coupon*, Strumenti Finanziari *Foreign Exchange Rate Linked* e Strumenti Finanziari *Fund Linked*, come di seguito indicati.

## INTEGRAZIONE ALLA NOTA DI SINTESI RELATIVA AGLI EQUITY INCOME CERTIFICATES ("EICs")

Con riferimento agli Equity Income Certificates ("EICs"), la sezione intitolata "Nota di Sintesi" (pagine da 1 a 19 inclusa) contenuta nel Prospetto di Base è integrata come segue:

Equity Income Certificates ("EICs")

Gli Equity Income Certificates ("EICs") includono le seguenti condizioni:

1. Assumendo che i Certificates non siano precedentemente scaduti, acquistati e/o annullati, l'Emittente potrà pagare un importo in relazione a ciascun Certificato (il "**Coupon**") nella valuta specificata nelle relative Condizioni Definitive in ciascuna Data di Pagamento del Coupon (come definito nelle relative Condizioni Definitive). Il Coupon sarà determinato dall'Agente di Calcolo secondo la seguente metodologia: (i) se il prezzo di chiusura o quello di apertura, a seconda dei casi (o il prezzo di riferimento come definito nei Regolamenti dei mercati organizzati e gestiti da Borsa Italiana S.p.A., nel caso in cui i Certificates sono negoziati su di un mercato organizzato e gestito da Borsa Italiana S.p.A. ed il sottostante sia un'azione quotata su un mercato organizzato e gestito da Borsa Italiana S.p.A.) della relativa Azione o di qualunque Azione del relativo Paniere di Azioni o il Valore del Paniere, a seconda dei casi, del relativo Paniere di Azioni non è inferiore o, a seconda dei casi, è più elevato del Livello Barriera (come specificato nelle relative Condizioni Definitive) su base giornaliera in ciascuna Data di Osservazione nel Periodo di Osservazione (ciascuno come specificato nelle relative Condizioni Definitive) prima della relativa Data di Maturazione del Coupon, il Coupon sarà calcolato dall'Agente di Calcolo come il prodotto dell'Importo di Riferimento, la somma dell'EURIBOR a tre mesi o, a seconda dei casi, dell'EURIBOR a sei mesi (il "**Tasso di Riferimento**") e lo Spread (ciascuno come specificato nelle relative Condizioni Definitive) ("**Coupon Rate**"), e il numero di giorni di calendario dalla Data di Emissione (esclusa) o, a seconda dei casi, dalla Data di Maturazione del Coupon immediatamente precedente, alla Data di Maturazione del Coupon (inclusa), diviso per 365 o, a seconda dei casi, 360; oppure (ii) se il prezzo di chiusura o quello di apertura, a seconda dei casi (o il prezzo di riferimento come definito nei Regolamenti dei mercati organizzati e gestiti da Borsa Italiana S.p.A., nelle circostanze descritte sopra), della relativa Azione o di almeno un'Azione del relativo Paniere di Azioni o il Valore del Paniere, a seconda dei casi, del relativo Paniere di Azioni è pari o inferiore, a seconda dei casi, al Livello Barriera (come specificato nelle relative Condizioni Definitive) su base quotidiana in qualsiasi Data di Osservazione nel Periodo di Osservazione precedente alla Data di Maturazione del Coupon

(ciascuno come specificato nelle relative Condizioni Definitive) (un "Evento Barriera"), il Coupon sarà un importo per Certificate calcolato come il prodotto dell'Importo di Riferimento, del Coupon Rate e di un importo pari al numero di giorni di calendario dalla Data di Emissione (esclusa) o, a seconda dei casi, dall'ultima Data di Maturazione del Coupon in relazione al quale un Coupon è stato pagato, alla data (inclusa) in cui un Evento Barriera si è verificato diviso per 365 o, a seconda dei casi, 360 (la "Frazione Rilevante"). Al verificarsi di un Evento Barriera, il Coupon calcolato in base alla metodologia (ii) sarà l'ultimo Coupon che verrà pagato in relazione ai Certificates.

2. Assumendo che i Certificates non sono precedentemente scaduti, acquistati e/o annullati, l'importo da pagare per i Certificates alla data di liquidazione (the "Importo di Esercizio") sarà un importo nella valuta specificata nelle relative Condizioni Definitive calcolata dall'Agente di Calcolo conformemente alla seguente metodologia: (i) se il prezzo di chiusura o quello di apertura, a seconda dei casi, (o il prezzo di riferimento come definito nei Regolamenti dei mercati organizzati e gestiti da Borsa Italiana S.p.A., nelle circostanze descritte sopra) della relativa Azione o di qualunque Azione del relativo Paniere di Azioni o il Valore del Paniere, a seconda dei casi, del relativo Paniere di Azioni non è inferiore o, a seconda dei casi, è maggiore del Livello Barriera (come specificato nelle relative Condizioni Definitive) su base giornaliera in ciascuna Data di Osservazione del Periodo di Osservazione (come specificato nelle relative Condizioni Definitive), l'Importo di Esercizio sarà un importo pari al prodotto dell'Importo di Riferimento (come specificato nelle relative Condizioni Definitive) e 100%; oppure (ii) se il prezzo di chiusura o quello di apertura delle azioni, a seconda dei casi, (o il prezzo di riferimento come definito nei Regolamenti dei mercati organizzati e gestiti da Borsa Italiana S.p.A., nelle circostanze descritte sopra) della relativa Azione o di almeno un'Azione del relativo Paniere di Azioni o il Valore del Paniere, a seconda dei casi, del relativo Paniere di Azioni è uguale, o inferiore, a seconda dei casi, al Livello Barriera (come specificato nelle relative Condizioni Definitive) su base giornaliera a ciascuna Data di Osservazione nel Periodo di Osservazione (ciascuno come specificato nelle relative Condizioni Definitive), l'Importo di Esercizio sarà un importo (che non può essere inferiore a zero) calcolato dall'Agente di Calcolo come il maggiore tra (x) il prodotto dell'Importo di Riferimento e il Fattore di Protezione (come specificato nelle relative Condizioni Definitive); e (y) il prodotto dell' Importo di Riferimento e del

Fattore di Partecipazione (come specificato nelle relative Condizioni Definitive) e l' "**Andamento del Sottostante**" (come specificato nelle relative Condizioni Definitive).

Ove i Certificates siano collegati ad una sola Azione, l'Andamento del Sottostante della relativa Azione sarà calcolato dividendo il prezzo di chiusura o quello di apertura di tale Azione, a seconda dei casi, (o il prezzo di riferimento come definito nei Regolamenti dei mercati organizzati e gestiti da Borsa Italiana S.p.A., nelle circostanze descritte sopra) nella Data di Valutazione (il "**Prezzo Finale dell'Azione**") per il prezzo di chiusura o quello di apertura dell'azione, a seconda dei casi, di tale Azione nella Data di Valutazione Iniziale (l' "**Prezzo Iniziale dell'Azione**").

Ove i Certificates siano collegati ad un Paniere di Azioni, l'Andamento del Sottostante del relativo Paniere di Azioni sarà calcolato dividendo il Valore del Paniere del relativo Paniere di Azioni nella Data di Valutazione (il "**Valore Finale del Paniere**") per il Valore del Paniere del relativo Paniere di Azioni nella Data di Valutazione Iniziale (il "**Valore Iniziale del Paniere**"), dove "**Valore del Paniere**" nella Data di Valutazione o in qualunque Data di Osservazione indica un importo determinato dall'Agente di Calcolo pari alla somma dei prodotti del Prezzo dell'Azione nella relativa Data di Valutazione o Data di Osservazione rispetto a ciascuna Azione del Paniere di Azioni moltiplicato per la relativa Ponderazione di ciascuna di tali Azioni.

3. Ove i Certificates siano negoziati sui mercati regolamentati organizzati e gestiti da Borsa Italiana S.p.A., tali Certificates avranno diritti di esercizio che, salvo quanto esposto di seguito, saranno automaticamente esercitati nella Data di Esercizio, senza necessità di preavviso da parte del Portatore.

Ogni Importo di Esercizio, che consisterà in un importo liquidato in contante, sarà accreditato, nella Data di Liquidazione, tramite l'Agente di Pagamento, sul conto del relativo intermediario nel Clearing System rilevante.

L'Agente di Pagamento e l'Emittente non applicheranno alcun onere per l'esercizio automatico dei Certificates. Ogni altra tassa, imposta e/o spesa, incluso ogni altro onere di deposito, onere per l'operazione effettuata o esercizio, marca da bollo, imposta di bollo, emissione, registrazione, trasferimento di titoli e/o altre tasse o imposte che possono sorgere in connessione all'esercizio automatico dei Certificates sono a carico del Portatore.



Ciascun Portatore ha il diritto di rinunciare (anche retroattivamente, ove applicabile) all'esercizio dei relativi Certificates dallo stesso detenuti (salvo quanto esposto di seguito). In tal caso, un avviso di rinuncia debitamente compilato (un "Avviso di Rinuncia") deve essere comunicato via fax all'Agente di Pagamento prima delle ore 10.00 (ora di Milano) del Giorno Lavorativo successivo alla Data di Esercizio (o della Data di Esercizio se i Certificates sono negoziati su di un mercato organizzato e gestito da Borsa Italiana S.p.A. ed il Bene di Riferimento e' un'Azione negoziata su di un mercato organizzato e gestito da Borsa Italiana S.p.A.) ai numeri di fax menzionati nel modello di Avviso di Rinuncia allegato alle relative Condizioni Definitive.

Il Portatore deve inviare l'Avviso di Rinuncia completo all'Agente di Pagamento con una copia all'Emittente e al suo intermediario finanziario che sarà responsabile di inviarlo via fax al relativo Clearing System.

L'Agente di Pagamento e l'Emittente non applicheranno alcun onere per la rinuncia all'esercizio dei Certificates. Ogni altra tassa, imposta e/o spesa, incluso qualsiasi onere applicabile al deposito, per l'operazione eseguita o per l'esercizio, marca da bollo, imposta di bollo, emissione, registrazione, trasferimento di titoli e/o altre tasse o addebiti che possono derivare in connessione alla rinuncia di ogni Certificates sono a carico del Portatore.

Nel caso in cui il Portatore non invii, ove applicabile, un Avviso di Rinuncia debitamente compilato secondo le disposizioni del presente documento, i Certificates saranno esercitati automaticamente e saranno pagati come qui descritto, e l'Emittente sarà liberato dalle sue obbligazioni rispetto a tali Certificates e non sarà ritenuto responsabile di alcun ulteriore obbligo in relazione agli stessi.

Il numero di Certificates specificato nell'Avviso di Rinuncia deve essere un multiplo dell'Importo Minimo Trasferibile, altrimenti tale numero di Certificates così specificato sarà arrotondato per difetto al precedente multiplo di Importo Minimo Trasferibile (come specificato nelle relative Condizioni Definitive) e l'Avviso di Rinuncia non sarà valido in relazione ai Certificates che eccedono tale numero arrotondato di Certificates.

Il numero minimo di Certificates specificato nell'Avviso di Rinuncia deve essere uguale all'Importo Minimo Trasferibile, altrimenti l'Avviso di Rinuncia non sarà valido.

L'agente di Pagamento, a sua assoluta

discrezione, determina se le condizioni di cui sopra sono soddisfatte e la sua decisione sarà definitiva, conclusiva e vincolante per l'Emittente e per il Portatore.

L'Avviso di Rinuncia è irrevocabile.

Le altre condizioni di tali Certificates sono esposte nelle Condizioni Definitive.