

AVVISO n.3197	09 Marzo 2010	SeDeX – INV. CERTIFICATES
----------------------	----------------------	--------------------------------------

Mittente del comunicato : Borsa Italiana
Societa' oggetto dell'Avviso : J.P. Morgan Structured Products B.V.
Oggetto : Inizio negoziazione 'Investment Certificates – Classe B' 'J.P. Morgan Structured Products B.V.'

Testo del comunicato

Si veda allegato.

Disposizioni della Borsa

Strumenti finanziari:	Best Entry Certificates on the DJ Eurostoxx 50 Index
Emittente:	J.P. Morgan Structured Products B.V.
Garante:	JPMorgan Chase Bank N.A.
Oggetto:	INIZIO NEGOZIAZIONI IN BORSA
Data di inizio negoziazioni:	10/03/2010
Mercato di quotazione:	Borsa - Comparto SEDEX "Investment Certificates - Classe B"
Orari e modalità di negoziazione:	Negoziazione continua e l'orario stabilito dall'art. IA.5.1.5 delle Istruzioni
Operatore incaricato ad assolvere l'impegno di quotazione:	J.P. Morgan Securities Ltd. Member ID Specialist: MM1772

CARATTERISTICHE SALIENTI DEI TITOLI OGGETTO DI QUOTAZIONE

Best Entry Certificates on the DJ Eurostoxx 50 Index

Tipo di liquidazione:	monetaria
Modalità di esercizio:	europeo

DISPOSIZIONI DELLA BORSA ITALIANA

Dal giorno 10/03/2010, gli strumenti finanziari "Best Entry Certificates on the DJ Eurostoxx 50 Index" (vedasi scheda riepilogativa delle caratteristiche dei securitised derivatives) verranno inseriti nel Listino Ufficiale, sezione Securitised Derivatives.

Allegati:

- Scheda riepilogativa delle caratteristiche dei securitised derivatives;
- Estratto del prospetto di quotazione dei Securitised Derivatives

Num. Serie	Codice Isin	Local Market TIDM	TIDM	Short Name	Long Name	Sottostante	Strike	Data Scadenza	Valore Nominale	Quantità	Lotto Negoziazione	EMS	Partecipazione Up %	Cap %
1	NL0009297183	JPS183	X52X	JPS183EUS50XP	JPSEUS50CCPXP2797,25P200%CE241110	Dow Jones Eurostoxx 50	2797,25	24/11/10	1000	2176	1	3	200	114

J.P.Morgan

NOTICE TO THE HOLDERS

Up to 20,000 Certificates on the Dow Jones EURO STOXX 50® Index, due November 2010 (the Certificates)

ISIN Code: NL0009297183

This Notice is dated 18 January 2010 and should be read in conjunction with the Drawdown Prospectus dated 2 November 2009 in respect of the Certificates, as integrated and supplemented, and the Final Terms dated 18 January 2010 in respect of the Further Certificates (as defined below). Any information not updated or amended herein should be regarded as unchanged.

Further to the public offer, on 18 January 2010, J.P. Morgan Structured Products B.V. (the **Issuer**) issued "1 year Best-Entry Sprint Certificates on DJ.EuroStoxx 50 EUR – Fungible Tranche I" ISIN: NL0009344910 (the **Further Certificates**), guaranteed by JPMorgan Chase Bank, N.A. (the **Guarantor**), to be consolidated and form a single series with the Certificates issued on 30 November 2009 and guaranteed by the Guarantor. Following the issue of the Further Certificates, the total amount of the Certificates has been increased from 1876 to 2176.

The Holders are informed that the amount of the Cap and the Strike Level mentioned in Paragraph 2 (*Definitions*) of Part C – Other Applicable Terms of the Drawdown Prospectus has been determined as follows:

- the **Cap** is 0,07 (being 7 per cent. when expressed as a percentage); and
- the **Strike Level** of the Index is 2797.25.

2 November 2009

DRAWDOWN PROSPECTUS

J.P.Morgan

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

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

Up to 20,000 Certificates on the Dow Jones EURO STOXX 50[®] Index, due November 2010 (the "Securities" or the "Certificates")

(ISIN: NL0009297183)

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

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

Application has been made to list the Securities on the Official List and for admission to trading on the Regulated Market of the Luxembourg Stock Exchange, which is a regulated market for the purposes of Directive 2004/39/EC, with effect from, at the earliest, the Issue Date. The *Commission de Surveillance du Secteur Financier* ("**CSSF**") has been requested to provide the competent authority in the Republic of Italy ("**Italy**"), the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**"), with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive and the Prospectus regulation and the relevant implementing measures in Luxembourg for the purposes of offering the Securities in the Republic of Italy. Application has also been made for the Securities to be admitted to and traded on SeDeX, the Regulated Market for Securitised Derivatives organised and managed by Borsa Italiana S.p.A.

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

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

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

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

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

Dealer

J.P. Morgan Securities Limited.

TABLE OF CONTENTS

	Page
IMPORTANT NOTICES.....	4
SUMMARY	7
RISK FACTORS	12
CONFLICTS OF INTEREST	19
DOCUMENTS INCORPORATED BY REFERENCE	20
CONTRACTUAL TERMS.....	23
ANNEX A.....	35
ANNEX B.....	44
GENERAL INFORMATION.....	45

IMPORTANT NOTICES

Each of JPMSP and JPMorgan Chase Bank, N.A. (together, the "Responsible Persons") accepts responsibility for the information given in this Prospectus and confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

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

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

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

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

This Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Securities in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Securities. Accordingly any person making or intending to make an offer in that Relevant Member State of Securities may only do so (i) in circumstances in which no obligation arises for the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the

Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive. Neither the Issuer nor the Dealer has authorised, nor do they authorise, the making of any offer of Securities in circumstances in which an obligation arises for the Issuer or the Dealer to publish or supplement a prospectus for such offer. See also "Subscription and Sale" in the Base Prospectus incorporated by reference into this Prospectus.

The CSSF has been requested to provide CONSOB with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive and the Prospectus regulation and the relevant implementing measures in Luxembourg for the purposes of offering the Securities in Italy.

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

In particular, none of JPMorgan Chase & Co. or any of its consolidated subsidiaries (each a "J.P. Morgan affiliate") accepts responsibility in respect of the accuracy or completeness of the information set forth in the Contractual Terms concerning the Reference Asset or that there has not occurred any event which would affect the accuracy or completeness of such information. Further, the Contractual Terms may include tables showing the high and low levels or prices (as applicable) of the Reference Asset for the periods indicated. While such tables provide some historical data regarding the risks of investing directly or indirectly in the Reference Asset, past results are not a reliable indicator of future performance. Actual results will be different and such differences may be material. Potential purchasers of the Securities are advised to consult their own legal, tax, accountancy and other professional advisers to assist them in determining the suitability of Securities for them as an investment. Each potential purchaser of Securities should be fully aware of and understand the complexity and risks inherent in Securities before it makes its investment decision in accordance with the objectives of its business.

JPMorgan Chase Bank, N.A. does not have authorisation from De Nederlandsche Bank NV for the pursuit of the business of a bank in The Netherlands and is not licensed pursuant to section 2:11(1) of the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*). However, it is permitted to issue the Securities in The Netherlands under the Netherlands Financial Supervision Act.

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

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

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

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

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

- (i) "U.S.\$ ", "\$" and "U.S. Dollars" are to United States dollars;
- (ii) "EUR" or "Euro" are to the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended;
- (iii) "JPMorgan Chase" are to JPMorgan Chase & Co. and its consolidated subsidiaries; and
- (iv) "JPMorgan Chase Bank" are to JPMorgan Chase Bank, N.A. and its consolidated subsidiaries.

SUMMARY

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

Key Investor Information

This section "Key Investor Information" forms part of the Summary and provides you with key investor information about this product. You are advised to read it before deciding whether to invest.

1. Title of Securities

J.P. Morgan Structured Products B.V. up to 20,000 Certificates on the Dow Jones EURO STOXX 50[®] Index, due November 2010.

2. Name of Issuer of the Securities

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

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

3. Name of any Guarantor of the Securities

The Guarantor is JPMorgan Chase Bank, N.A.

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

4. Status of Securities and of any guarantee

- (i) The Securities are unsecured and unsubordinated obligations of the Issuer. There is no cross default or negative pledge provisions in respect of the Securities.
- (ii) The guarantee of JPMorgan Chase Bank, N.A. is an unsecured and unsubordinated general obligation of JPMorgan Chase Bank, N.A. and not of any of its affiliates. The guarantee: (a) is not a savings account or a deposit of JPMorgan Chase Bank, N.A. or any bank or non-bank subsidiary of JPMorgan Chase Bank, N.A.; and (b) will rank *pari passu* with all other unsecured and unsubordinated indebtedness of JPMorgan Chase Bank, N.A. except obligations, including U.S. domestic deposits of JPMorgan Chase Bank, N.A., that are subject to any priorities or preferences by law.
- (iii) Holders of Securities will be exposed to the credit risk of the Issuer and the Guarantor.

5. Issue Price and form of the Securities

- (i) The issue price shall be EUR 1,000 per Security. The issue price may be more than (a) the market value of the Securities as at the trade date (being 26 November 2009) or the issue date or any

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

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

6. Issue date, redemption date and potential for early redemption

- (i) The issue date is 30 November 2009.
- (ii) The redemption date is 30 November 2010 (subject to any adjustment in accordance with the modified following business day convention).
- (iii) The Securities may be redeemed at the option of the Issuer prior to the redemption date for taxation reasons or for reasons of illegality under the Conditions of the Securities. See General Conditions 17 and 18 of the "General Conditions" in the Base Prospectus incorporated by reference in this Prospectus. In such case, the amount payable on early redemption shall be an amount determined by the Calculation Agent as the fair market value of the Security taking into account all relevant factors (but ignoring the event which resulted in such redemption) less all costs incurred by the Issuer or any affiliate in connection with such early redemption or settlement determined by the Calculation Agent in good faith and in a commercially reasonable manner.

7. Interest on the Securities

No interest shall be payable on the Securities.

8. Redemption amount of the Securities

- (i) The redemption amount payable on the Securities is linked to the performance of the Dow Jones EURO STOXX 50[®] Index (the "**Reference Asset**" or the "**Index**").

Holders of the Securities shall have no rights in relation to the Reference Asset

- (ii) Unless the Securities have previously been redeemed or cancelled and purchased prior to the redemption date under the Conditions of the Securities, the Securities will be redeemed on the redemption date, and the redemption amount for each Security payable on such date will be an amount in EUR determined in accordance with paragraphs (a) or (b) below (as applicable).
 - (a) if the final level of the Index is greater than or equal to the strike level, then the redemption amount for each Security will be an amount in EUR equal to the sum of (I) EUR 1,000; and (II) the product of (A) EUR 1,000; (B) two; and (C) the lower of (1) the cap; and (2) the greater of (aa)(x) the final level of the Index divided by the strike level; minus (y) one, and (bb) zero; and
 - (b) if the final level of the Index is less than the strike level, then the redemption amount for each Security will be an amount in EUR equal to the product of (I) EUR 1,000; and (II) the final level of the Index divided by the strike level.

The final level of the Index is the official closing level of the Index on the valuation date (which is scheduled to fall on 24 November 2010, subject to adjustment in accordance with the Conditions).

The strike level of the Index is the lowest official closing level of the Index observed across all scheduled trading days which are not disrupted days falling in the period starting on (and including) 26 November 2009 and ending on (and including) 7 January 2010. The cap is an amount to be determined by the Calculation Agent on 26 November 2009 (and such shall be notified to investors by publication on the website of the Luxembourg Stock Exchange

(www.bourse.lu) and the Italian Stock Exchange (www.borsaitaliana.it), provided that no supplement shall be published in relation thereto), but which shall be an amount between 0.06 (being 6 per cent. when expressed as a percentage) and 0.08 (being 8 per cent. when expressed as a percentage).

(iii) **Performance analysis:**

The figures presented below are for illustrative purposes only. The final redemption amount in respect of the Securities will be calculated in accordance with the terms and conditions of the Securities as set out in this Prospectus.

The issue price per Security is EUR 1,000 and the cap is between 0.06 and 0.08.

- (a) **Scenario 1 – adverse market conditions:** *The final level of the Index is less than its strike level.*

In this scenario, the redemption amount payable per Security on the redemption date will be less than the Issue Price.

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

- (b) **Scenario 2 - flat market conditions:** *The final level of the Index is equal to its strike level.*

In this scenario, the redemption amount payable per Security on the redemption date will be EUR 1,000.

- (c) **Scenario 3 - favourable market conditions:** *The final level of the Index is greater than its strike level.*

In this Scenario, the redemption amount payable per Security on the redemption date will be greater than EUR 1,000, subject to a cap of between EUR 1,120 and EUR 1,160 (both inclusive).

This is the highest return that an investor can realise under the Securities.

(iv) **Representative Symbols:**

<i>Horizon</i>	<i>Market Outlook</i>	<i>Invested Amount Protected? **</i>	<i>Investment Objective</i>
			

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

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

9. Key Risks

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

- (i) **General suitability/appropriateness risk:** The Securities are structured products which include embedded derivatives, and potential purchasers must understand their terms including the potential risk of loss of investment and the relation to the performance of the Reference Asset

before investing. No person should invest in the Securities unless that person understands the terms and conditions of the Securities and, in particular, the extent of the exposure to potential loss, together with the characteristics and risks inherent in the Reference Asset and the Issuer and Guarantor. Potential purchasers should reach an investment decision only after careful consideration, with their own tax, accounting, legal and other professional advisers, of the suitability of the Securities in the light of their particular financial circumstances and investment objectives and risk profile, and the information set forth in this Prospectus. **You should not invest in the Securities unless you can withstand a total loss of your invested amount.**

(ii) **Credit risk:** Payment of amounts owing under the Securities is subject to the credit risk of the Issuer and Guarantor. Certain factors may affect the ability of the Issuer and the Guarantor to fulfil their respective payment or other obligations under the Securities, such as the following:

- JPMorgan Chase's results of operations have been, and may continue to be, adversely affected by U.S. and international financial market and economic conditions.
- If JPMorgan Chase does not effectively manage its liquidity, its business could be negatively affected.
- The soundness of JPMorgan Chase's customers, clients and counterparties, including other financial institutions, could adversely affect JPMorgan Chase.
- Concentration of credit and market risk could increase the potential for significant losses.
- JPMorgan Chase's framework for managing risks may not be effective in mitigating risk and loss to it.
- JPMorgan Chase's operations are subject to risk of loss from unfavourable economic, monetary, political, legal and other developments in the United States and around the world.
- JPMorgan Chase's power generation and commodities activities are subject to extensive regulation, potential catastrophic events and environmental risks and regulation that may expose it to significant cost and liability.
- JPMorgan Chase relies on its systems, employees and certain counterparties, and certain failures could materially adversely affect JPMorgan Chase's operations.
- JPMorgan Chase operates within a highly regulated industry and its business and results are significantly affected by the laws and regulations to which JPMorgan Chase is subject.
- JPMorgan Chase faces significant legal risks, both from regulatory investigations and proceedings and from private actions brought against it.
- There is increasing competition in the financial services industry which may adversely affect JPMorgan Chase's results of operations.
- JPMorgan Chase's acquisitions and the integration of acquired businesses may not result in all of the benefits anticipated.
- Damage to JPMorgan Chase's reputation could damage its businesses.
- JPMorgan Chase's ability to attract and retain qualified employees is critical to the success of its business and failure to do so may materially adversely affect JPMorgan Chase's performance.
- JPMorgan Chase's financial statements are based in part on assumptions and estimates which, if wrong, could cause unexpected losses in the future.
- JPMorgan Chase Bank, N.A. is affected by risks affecting its parent company.

(iii) **Market risk:** Purchasers of the Securities are exposed to the performance of the Reference Asset:

The past performance of the Reference Asset is not indicative of future performance. The market value of the Securities may be highly volatile and may be adversely affected by a number of factors, such as (a) the credit rating of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. (which credit ratings may move independently of each other), (b) the performance of the Reference Asset and (c) various other factors.

- (iv) **Liquidity risk:** An active trading market for the Securities is not likely to develop. The Securities may have no liquidity or the market for the Securities may be limited and this may adversely impact their value or the ability of the purchaser of the Securities to dispose of them.
- (v) **Conflicts of Interest:** J.P. Morgan affiliates are subject to certain conflicts of interest between their own interests and those of Holders of the Securities. You should read "Conflicts of Interest" below.

10. Calculation Agent

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

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

- (i) Application has been made for the Securities to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange (which is regulated by Directive 2004/39/EC on Markets in Financial Instruments). Application has also been made for the Securities to be admitted to and traded on SeDeX, the Regulated Market for Securitised Derivatives organised and managed by Borsa Italiana S.p.A.
- (ii) The Securities will be cleared on the issue date through Euroclear, Clearstream, Luxembourg and Monte Titoli S.p.A.
- (iii) The Securities will be offered to the public in Italy during the period commencing on (and including) 4 November 2009 and ending on (and including) 12:00 noon, London time, on 26 November 2009, provided the relevant regulatory approvals have been granted. Such subscription period is subject to adjustment by or on behalf of the Issuer in accordance with the applicable regulations, and any adjustment to such period will be set out in one or more notices to be made available on the website of the Luxembourg Stock Exchange (www.bourse.lu) and through the Distributor (and for the avoidance of doubt, no supplement to this Prospectus will be published in relation thereto). The offer may also be cancelled by the Issuer at any time in its sole and absolute discretion. The offer is further subject to the Securities being issued.
- (iv) The Securities will not be rated.

12. Practical Information

- (i) Further information on the Issuer and the Guarantor may be found in this Prospectus (including the information incorporated by reference).
- (ii) Further information on the Reference Asset may be found at www.stoxx.com (the information appearing on such web-site does not form part of this Prospectus).

13. Date of Publication

This Summary (including this Key Investor Information) is published on 2 November 2009.

14. Identification by Securities Code

- (i) ISIN Code: NL0009297183.
- (ii) Common Code: 046295234.

RISK FACTORS

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

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

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

- (i) the Issuer and the Guarantor of the Securities are subject to insolvency proceedings or some other event impairing their ability to meet their obligations under the Securities;
- (ii) the terms of the Securities do not provide for full repayment of the initial purchase price upon final maturity and/or mandatory early redemption of such Securities and the Reference Asset performs in such a manner that the final redemption amount and/or mandatory early redemption amount is less than the initial purchase price;
- (iii) the purchaser seeks to sell the Securities prior to their scheduled maturity, and the sale price of the Securities in the secondary market is less than the purchaser's initial invested amount; and
- (iv) the Securities are subject to certain adjustments in accordance with the terms and conditions of such Securities that may result in the scheduled amount to be paid being reduced to or being valued at an amount less than a purchaser's initial invested amount.

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

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

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

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

The Securities are complex financial instruments and may include embedded derivatives. A potential purchaser should not invest in Securities unless it has the expertise (either alone or with a financial adviser) to evaluate how such Securities will perform under changing conditions, the resulting effects on the value of those Securities and the impact that such Securities will have on the potential purchaser's overall investment portfolio.

None of the Issuer, Guarantor, Dealer or any J.P. Morgan affiliate has given, and none of them will give, to any potential purchaser of Securities (either directly or indirectly) any assurance or guarantee as to the merits, performance or suitability of such Securities to any potential purchaser, and the purchaser should be aware that the Issuer is acting as an arm's-length contractual counterparty and not as an advisor or fiduciary.

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

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

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

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

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

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

POTENTIAL PURCHASERS MUST REVIEW THIS PROSPECTUS TO ASCERTAIN HOW THE PERFORMANCE OF THE REFERENCE ASSET WILL AFFECT THE

AMOUNT PAYABLE ON THE SECURITIES.

- (ii) ***The market value of the Securities is expected to be affected, in part, by the credit rating of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co.:*** The value of the Securities is expected to be affected, in part, by investors' general appraisal of the creditworthiness of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. Such perceptions may be influenced by the ratings accorded to outstanding securities of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. by well-recognized rating agencies, such as Moody's Investors Service Inc. and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. A reduction in the rating, if any, accorded to outstanding securities of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., by one of these rating agencies could result in a reduction in the trading value of the Securities.
- (iii) ***The credit rating of JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. may move independently of each other:*** JPMorgan Chase & Co. is the holding company of JPMorgan Chase. As such, JPMorgan Chase & Co. and its subsidiaries (other than JPMorgan Chase Bank, N.A.) are generally permitted to undertake a wider range of activities than JPMorgan Chase Bank, N.A. and its subsidiaries. As a result, while the credit rating of JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A. are closely related, those credit ratings are usually different and, in the event of any change in those credit ratings, those ratings may move independently of each other. JPMorgan Chase Bank, N.A. is likely to be rated more highly than JPMorgan Chase & Co. but potential purchasers should check the relevant rating at the time of considering any purchase of Securities.

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

- (iv) ***The market value of the Securities at any time is dependent on other matters in addition to the credit risk of the Issuer and the Guarantor and the performance of the Reference Asset:*** The market value of the Securities at any time will be affected by a number of factors independent of the creditworthiness of the Issuer, the Guarantor and the performance of the Reference Asset, including:
- (a) market interest and yield rates;
 - (b) the time remaining to the Redemption Date; and
 - (c) numerous other economic, political and other factors.

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

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

- (v) ***The market value of Securities may be highly volatile:*** Holders of the Securities are exposed to the performance of the Reference Asset. The price, performance or investment return of the Reference Asset may be subject to sudden and large unpredictable changes over time and this degree of change is known as "volatility". The volatility of the Reference Asset may be affected by national and international financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the value of the Securities.
- (vi) ***The amount payable and/or deliverable on redemption of the Securities may be less than the purchase price:*** The pay-out formula of the Securities does not provide for full "principal protection". Investors in the Securities may risk losing virtually their entire investment if the value of the Reference Asset does not move in the anticipated direction and may still be subject to loss

of some or all of their investment in the circumstances described in risk factor 1.1 (*Purchasers of Securities may receive back less than the original invested amount*) above and may not receive any value for the time for which their money is invested.

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

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

- 2.4 **There may be price discrepancies with respect to the Securities as between various dealers or other purchasers in the secondary market:** If at any time a third party dealer quotes a price to purchase Securities or otherwise values Securities, that price may be significantly different (higher or lower) from any price quoted by any J.P. Morgan affiliate. Furthermore, if any Holder sells their Securities, the Holder will likely be charged a commission for secondary market transactions, or the price may reflect a dealer discount.
- 2.5 **The Securities may be redeemed prior to their scheduled final maturity:** In certain circumstances, the Early Payment Amount payable on the redemption of a Security prior to its scheduled maturity may be less than its original purchase price and could be as low as zero.

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

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

- (i) the occurrence of certain events or other circumstances in relation to a Reference Asset at the discretion of the Calculation Agent (see the Specific Product Provisions);
- (ii) the Issuer determines that its performance under any Security has become unlawful in whole or in part for any reason (see General Condition 17);
- (iii) the occurrence of certain taxation events (see General Condition 5.7); or
- (iv) following an Event of Default (see General Condition 16).

With regard to early redemption due to any of the above events, including due to illegality or tax, the Early Payment Amount in respect of each Security shall (unless otherwise specified in this Prospectus) be an amount determined by the Calculation Agent as representing the fair market value of such Securities immediately prior (and ignoring the circumstances leading) to such early redemption, adjusted to account fully for any reasonable expenses. A purchaser of Securities should be aware that this Early Payment Amount may be less than the purchaser's initial investment, and in such case see risk factor 1.1 (*Purchasers of Securities may receive back less than the original invested amount*).

- 2.6 **JPMorgan Chase is subject to various potential conflicts of interest in respect of the Securities, which could have an adverse effect on the Securities:** See "Conflicts of Interest" below.
- 2.7 **Any consequential postponement of, or any alternative provisions for, valuation following a Market Disruption Event may have an adverse effect on the value of the Securities:** If on the Valuation Date, the Calculation Agent determines that a Market Disruption Event has occurred or exists

on such date, any consequential postponement of, or any alternative provisions for, valuation provided in such Security may have an adverse effect on its value.

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

In addition, other changes may be made to the terms and conditions with the consent of the Holders. In order to make such changes, the Issuer requires the consent of up to 75 per cent. of Holders. Any dissenting Holders will be bound by such changes. Therefore the Issuer may be able to make a change which certain Holders have voted against if up to 75 per cent. of the Holders of the entire series of Securities have approved the change.

- 2.11 **The Issuer or the Guarantor of Securities may be substituted without the consent of the Holders:** The Issuer or the Guarantor of Securities may be substituted (subject to the Issuer or the Guarantor having become obliged (due to a change in law) to pay Additional Amounts in accordance with General Condition 18 (*Taxation*)) as obligor under such Securities in favour of any company from JPMorgan Chase & Co. and its consolidated subsidiaries. Whilst the new issuer will provide an indemnity in favour of the Holders of such Securities in relation to any additional tax or duties that become payable solely as a result of such substitution, Holders will not have the right to object to such substitution. A notice of any substitution in accordance with General Condition 27 (*Substitution*) will be published in accordance with General Condition 26 (*Notices*).

3. Risk factors that are generic to Securities that are linked to a Reference Asset

- 3.1 **No rights of ownership in the Reference Asset:** Purchasers of Securities should be aware that the Reference Asset will not be held by the Issuer for the benefit of the purchasers of such Securities, and as such, purchasers will not obtain any rights of ownership, including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights with respect to the Reference Asset referenced by such Securities. For the avoidance of doubt, no J.P. Morgan affiliate is under any obligation whatsoever to acquire and hold the Reference Asset.

- 3.2 **The Performance of the Securities is linked to the performance of the Reference Asset:** Where the Securities reference a Reference Asset, the purchasers of such Securities are exposed to the performance of such Reference Asset.
- 3.3 **The past performance of the Reference Asset is not indicative of future performance:** Any information about the past performance of the Reference Asset at the time of the issuance of the Security should not be regarded as indicative of the range of, or trends in, fluctuations in the Reference Asset that may occur in the future.
- 3.4 **Postponement or alternative provisions for the valuation of the Reference Asset may have an adverse effect on the value of the Securities:** If the Calculation Agent determines that the scheduled valuation date (i) falls on a day which is not a Scheduled Trading Day or any other day which is subject to adjustment in accordance with the terms and conditions of the Securities and/or (ii) any form of disruption event in relation to the Reference Asset has occurred which affects the valuation of the Reference Asset, the Calculation Agent has broad discretion to make any consequential postponement of, or any alternative provisions for, valuation of the Reference Asset provided in the terms and conditions of the Securities, including a determination of the value of the Reference Asset by the Calculation Agent in its discretion, each of which may have an adverse effect on the value of the Securities.
- 3.5 **The Calculation Agent has broad discretion to make certain determinations and adjustments, to replace the original Reference Asset with another and/or to cause early redemption of the Securities, any of which may be adverse to Holders:** The Calculation Agent may in certain circumstances adjust the terms and conditions of the Securities (without the consent of the Holders) or may procure the early redemption of such Securities prior to their scheduled redemption date where particular adjustment events specified to be applicable to such Securities occur, in each case, in accordance with such terms and conditions. In the event of such early termination the Issuer will repay such Securities at the Early Payment Amount, which will be determined on the basis of an amount determined by the Calculation Agent equal to the fair market value of such Securities immediately prior (and ignoring the circumstances leading to) such early redemption. Potential purchasers of Securities should be aware that it is likely that such Early Payment Amount will be less than the purchaser's initial invested amount, and in such case see risk factor 1.1 (*Purchasers of Securities may receive back less than the original invested amount*) above. Following any such early redemption of Securities, the purchasers of such Securities will generally not be able to reinvest the redemption proceeds at an effective interest rate as high as the expected yield on the Securities being redeemed and may only be able to do so at a significantly lower rate. Purchasers of Securities should consider such reinvestment risk in light of other investments available at that time.
4. **Risk factors associated with the Reference Asset**
- 4.1 **Risks associated with Indices as Reference Assets:** An investment in Index Linked Securities such as the Securities entails significant risks in addition to those associated with investments in a conventional debt security.
- (i) ***Factors affecting the performance of the Index may adversely affect the value of the Securities:*** The Index is comprised of a synthetic portfolio of shares or other assets, and as such, the performance of the Index is dependent upon the macroeconomic factors relating to the shares or other components that comprise the Index, which may include interest and price levels on the capital markets, currency developments, political factors and (in the case of shares) company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.
- (ii) ***Exposure to the risk that returns on the Securities do not reflect direct investment in underlying shares or other assets comprising the Index:*** The return payable on Securities that reference the Index may not reflect the return a purchaser would realise if he or she actually owned the relevant assets comprising the components of the Index. For example, if the components of the Index are shares, Holders will not receive any dividends paid on those shares and will not participate in the return on those dividends unless the relevant Index takes such dividends into account for purposes of calculating the relevant level. Similarly, Holders will not have any voting rights in the underlying shares or any other assets which may comprise the components of the Index. Accordingly, purchasers in Securities that reference the Index may receive a lower payment upon

redemption of such Securities than such purchaser would have received if he or she had invested in the components of the Index directly.

- (iii) ***A change in the composition or discontinuance of the Index could adversely affect the market value of the Securities:*** The sponsor of the Index can add, delete or substitute the components of the Index or make other methodological changes that could change the level of one or more components. The changing of components of the Index may affect the level of the Index as a newly added component may perform significantly worse or better than the company it replaces, which in turn may affect the payments made by the Issuer to the purchasers of the Securities. The sponsor of the Index may also alter, discontinue or suspend calculation or dissemination of the Index. The sponsor of the Index will have no involvement in the offer and sale of the Securities and will have no obligation to any purchaser of such Securities. The sponsor of the Index may take any actions in respect of the Index without regard to the interests of the purchasers of the Securities, and any of these actions could adversely affect the market value of the Securities.
 - (iv) ***Exposure to Index Modification, Index Cancellation, Index Disruption and Correction of Index Levels:*** The Calculation Agent has broad discretion to make certain determinations and adjustments, to replace the original Reference Asset with another and/or to cause early redemption of the Securities, any of which may be adverse to Holders in connection with Index Modification, Index Cancellation, and Index Disruption. The Calculation Agent may determine that the consequence of any such event is to make adjustments to the Securities, or to replace the Index with another or to cause early redemption of the Securities. The Calculation Agent may (subject to the terms and conditions of the relevant Securities) also amend the relevant Index level due to corrections in the level reported by the Index Sponsor.
5. **Risk factors that may affect the Issuer's and Guarantor's ability to fulfil their respective obligations under the Securities:** Potential purchasers are advised to review the information contained in the Base Prospectus Risk Factor 6, "Risk Factors that may affect the Issuer's and Guarantor's ability to fulfil their respective obligations under the Securities" that has been incorporated by reference into this Prospectus, together with the information in relation to the Issuer and the Guarantor incorporated by reference below.

CONFLICTS OF INTEREST

J.P. Morgan is subject to various potential conflicts of interest in respect of the Securities, which could have an adverse effect on the Securities

J.P. Morgan affiliates may take positions in or deal with the Reference Asset

The Issuer, the Guarantor and/or other J.P. Morgan affiliates may:

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

The Calculation Agent of the Securities, which is a J.P. Morgan affiliate, has broad discretionary powers which may not take into account the interests of the Holders

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

J.P. Morgan affiliates may have confidential information relating to the Reference Asset and the Securities

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

DOCUMENTS INCORPORATED BY REFERENCE

This document should be read and construed in conjunction with the documents incorporated by reference into this Prospectus and each supplement to this Prospectus. The information contained in the following documents is hereby incorporated by reference into this Prospectus and deemed to form a part of this Prospectus:

- (i) the base prospectus dated 14 May 2009 relating to issues of non-equity securities under the Programme by J.P. Morgan Structured Products B.V., JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. (the "**Original Base Prospectus**"), as supplemented by a supplement to the Original Base Prospectus dated 12 June 2009 relating to (i) the unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 31 March 2009 and (ii) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 1 June 2009 filed with the U.S. Securities and Exchange Commission concerning a common stock offering by JPMorgan Chase & Co. (the "**12 June 2009 Supplement**"), a supplement to the Original Base Prospectus dated 23 July 2009 relating to (i) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 17 June 2009 filed with the U.S. Securities and Exchange Commission concerning the redemption by JPMorgan Chase & Co. of \$25 billion of preferred stock issued to the U.S. Treasury under the Capital Purchase Program and (ii) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 16 July 2009 filed with the U.S. Securities and Exchange Commission containing the earnings press release of JPMorgan Chase & Co. for the quarter ended 30 June 2009 (the "**23 July 2009 Supplement**"); a supplement to the Original Base Prospectus dated 28 August 2009 relating to (i) the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 June 2009 filed with the U.S. Securities and Exchange Commission and (ii) the unaudited interim financial statements for the six month period ended 30 June 2009 of JPMSP (the "**28 August 2009 Supplement**"), a supplement to the Original Base Prospectus dated 10 September 2009 relating to the unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 30 June 2009 (the "**10 September 2009 Supplement**"), a supplement to the Original Base Prospectus dated 19 October 2009 relating to the Current Report on Form 8-K of JPMorgan Chase & Co. dated 14 October 2009 filed with the U.S. Securities and Exchange Commission containing the earnings press release of JPMorgan Chase & Co. for the quarter ended 30 September 2009 and amending the Executive Officers of JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A. (the "**19 October 2009 Supplement**") and a supplement to the Original Base Prospectus dated 28 October 2009 in respect of (i) certain changes to the General Conditions, Share Linked Provisions, Index Linked Provisions and FX Linked Provisions, (ii) the replacement of the Commodity Linked Provisions and Form of Final Terms for Securities other than German Securities, (iii) the inclusion of the Low Exercise Price Warrant Provisions and (iv) the inclusion of new ERISA provisions and changes to the current ERISA provisions (the "**28 October 2009 Supplement**") (and the Original Base Prospectus as so supplemented, the "**Base Prospectus**").

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

Information incorporated by reference	Page reference
<i>From the Original Base Prospectus</i>	
Cautionary Note regarding Forward Looking Statements	Pages 6 to 7
Risk Factor 6, "Risk Factors that may affect the relevant Issuer's and Guarantor's (if any) ability to fulfil their respective obligations under the Securities"	Pages 39 to 49
Documents Incorporated by Reference	Pages 51 to 55
General Description of the Programme	Pages 56 to 61
Commonly Asked Questions	Pages 62 to 74
General Conditions	Pages 75 to 157
Annex 2 – Index Linked Provisions	Pages 173 to 186
Use of Proceeds	Page 275
Form of JPMorgan Chase Bank, N.A. Guarantee	Pages 279 to 281
JPMorgan Chase & Co.	Pages 282 to 300
JPMorgan Chase Bank, N.A.	Pages 301 to 305
J.P. Morgan Structured Products B.V.	Pages 306 to 309
Subscription and Sale	Pages 314 to 333

Taxation	Pages 351 to 400
General Information	Pages 401 to 404
Guide to symbols which may appear on Final Terms	Pages 405 to 406

From the 12 June 2009 Supplement

Incorporation of the unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 31 March 2009	Page 3
Incorporation of the Current Report on Form 8-K of JPMorgan Chase & Co. dated 1 June 2009 filed with the U.S. Securities and Exchange Commission concerning a common stock offering by JPMorgan Chase & Co.	Page 3

From the 23 July 2009 Supplement

Incorporation of the Current Report on Form 8-K of JPMorgan Chase & Co. dated 17 June 2009 filed with the U.S. Securities and Exchange Commission concerning the redemption by JPMorgan Chase & Co. of \$25 billion of preferred stock issued to the U.S. Treasury under the Capital Purchase Program	Page 3
Incorporation of the Current Report on Form 8-K of JPMorgan Chase & Co. dated 16 July 2009 filed with the U.S. Securities and Exchange Commission containing the earnings press release of JPMorgan Chase & Co. for the quarter ended 30 June 2009	Page 3

From the 28 August 2009 Supplement

Incorporation of the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 June 2009 filed with the U.S. Securities and Exchange Commission	Page 3
Incorporation of the unaudited interim financial statements for the six month period ended 30 June 2009 of JPMSP	Page 3

From the 10 September 2009 Supplement

Incorporation of the unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 30 June 2009	Page 3
--	--------

From the 19 October 2009 Supplement

Incorporation of the Current Report on Form 8-K of JPMorgan Chase & Co. dated 14 October 2009 filed with the U.S. Securities and Exchange Commission containing the earnings press release of JPMorgan Chase & Co. for the quarter ended 30 September 2009	Page 3
Amendment to the Executive Officers of JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A.	Page 3

From the 28 October 2009 Supplement

Changes to the General Conditions	Pages 5-7
Changes to the Index Linked Provisions	Page 9
Replacement of "Form of Final Terms for Securities other than German Securities"	Page 14
Inclusion of new ERISA provisions and amendment of current ERISA provisions	Pages 15-20
Change of name of Paying Agent, Transfer Agent and Registrar	Page 21
Appendix III: Form of Final Terms for Securities other than German Securities	Pages 43-86
Appendix IV: Certain ERISA Considerations	Pages 87-91

Investors who have not previously reviewed the information contained in the above documents should do so in connection with their evaluation of the Securities. Any statement contained in a document, all or the relevant

portion of which is incorporated by reference into this Prospectus, shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in this Prospectus or in any supplement to this Prospectus filed under Article 16 of the Prospectus Directive, including any documents incorporated therein by reference, modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). The documents incorporated by reference will be available on the Luxembourg Stock Exchange's website (www.bourse.lu).

JPMorgan Chase & Co.'s filings with the SEC are available to the public on the website maintained by the SEC at <http://www.sec.gov>. Such filings can also be inspected and printed or copied, for a fee, at the SEC's Office of Public Reference, 100 F Street N.E., Washington, D.C. 20549, U.S.A., or by contacting that office by phone: +001 202 942 8090, fax: +001 202 628 9001 or e-mail: publicinfo@sec.gov. Investors may call the SEC at +001 800 732 0330 for further information on the public reference rooms. JPMorgan Chase & Co.'s SEC filings can also be viewed on JPMorgan Chase & Co.'s investor relations website at <http://investor.shareholder.com/jpmorganchase/>. Unless specifically incorporated by reference into this Prospectus, JPMorgan Chase & Co.'s filings with the SEC shall not be deemed to be part of this Prospectus.

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

CONTRACTUAL TERMS

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

PART A

- | | | |
|----|--|--|
| 1. | (i) Issuer: | J.P. Morgan Structured Products B.V. |
| | (ii) Guarantor: | JPMorgan Chase Bank, N.A. |
| 2. | (i) Series Number: | Not Applicable |
| | (ii) Tranche Number: | Not Applicable |
| 3. | Specified Currency or Currencies: | Euro ("EUR") |
| 4. | Notes, Warrants or Certificates: | Certificates

The Certificates are Italian Certificates and General Conditions 10.2 and 27.2 shall apply |
| 5. | Number of Certificates | Up to 20,000 |
| 6. | Issue Price: | EUR 1,000 per Certificate

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

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

Potential purchasers in these Securities intending to purchase Securities through an intermediary (including by way of introducing broker) should request details of any such commission or fee payment from such intermediary before making any purchase hereof |
| | (i) Specified Notional Amount per Certificate: | Not Applicable |
| | (ii) Trading in Units (<i>Notes</i>): | Not Applicable |

- (iii) Minimum trading size: The Securities may be traded in a minimum initial amount of one Security and, thereafter, in multiples of one Security
7. **Issue Date:** 30 November 2009
8. **Redemption Date:** 30 November 2010, subject to adjustment in accordance with the Modified Following Business Day Convention

PROVISIONS APPLICABLE TO NOTES

Paragraphs 9-22 are intentionally deleted

PROVISIONS APPLICABLE TO WARRANTS

Paragraphs 23-34 are intentionally deleted

PROVISIONS APPLICABLE TO CERTIFICATES

35. **Cash Settlement/Physical Settlement:** Cash Settlement is applicable
36. **Non-U.S. Certification:** Applicable
37. **Eligible Investor Certification:** Not Applicable
38. **Redemption Amount:** See Part C

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

- (i) Reference Asset(s): The Index (as defined below in paragraph 43 below)
- (ii) Provisions for determining Redemption Amount where calculated by reference to Share and/or Index and/or Commodity and/or FX Rate and/or other variable: As specified in Part C
- (iii) Provisions for determining Redemption Amount where calculation by reference to Share and/or Index and/or Commodity and/or FX Rate and/or other variable is impossible or impracticable or otherwise disrupted: See paragraph 43 and Part C below
39. **Exercise applicable to Certificates: (General Condition 10)** General Condition 10.2 is applicable
40. **Minimum Transferable Amount:** Not Applicable
- #### CERTIFICATE COUPON PROVISIONS
41. **Certificate Coupon Provisions (General Condition 8):** Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE SECURITIES**SHARE LINKED PROVISIONS**

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

INDEX LINKED PROVISIONS

43. **Index Linked Provisions:** Applicable

(i) Single Index or basket of Indices: Single Index

(ii) Index/Indices: Dow Jones EURO STOXX 50[®] Index (*Bloomberg Code: SX5E <Index>*) (the "**Index**")

(iii) Type of Index: Multi-Exchange Index

(iv) Exchange(s): As specified in Index Linked Provision 7 (*Definitions*) in respect of a Multi-Exchange Index

(v) Related Exchange(s): Eurex

(vi) Index Sponsor: STOXX Limited

(vii) Initial Valuation Date(s): Not Applicable

(viii) Interest Valuation Date(s): Not Applicable

(ix) Valuation Date(s): 24 November 2010

(x) Initial Averaging Date(s): Not Applicable

(xi) Averaging Date(s): Not Applicable

(xii) Valuation Time: As specified in Index Linked Provision 7 (*Definitions*)

(xiii) Maximum Days of Disruption: In respect of the Index and the Valuation Date, two Scheduled Trading Days

(xiv) Averaging Reference Dates (Disrupted Day consequences): Not Applicable

(xv) Fallback Valuation Date: Applicable: in respect of the Valuation Date, the second Business Day prior to the Redemption Date, as specified in Index Linked Provision 7 (*Definitions*)

(xvi) Hedging Disruption: Not Applicable

(xvii) Index Disclaimer: Applicable. See also Annex B (*Index Disclaimer(s)*)

COMMODITY LINKED PROVISIONS

44. **Commodity Linked Provisions:** Not Applicable

FX LINKED PROVISIONS

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

MARKET ACCESS PARTICIPATION PROVISIONS

46. **Market Access Participation Provisions:** Not Applicable

LOW EXERCISE PRICE WARRANT PROVISIONS

47. **Low Exercise Price Warrant Provisions:** Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

48. **New Global Note:** Not Applicable
49. **Form of Securities:** Bearer Securities
- (i) Temporary or Permanent Bearer Global Security / Registered Global Security: Temporary Bearer Global Security exchangeable for a Permanent Bearer Global Security (or, at the request of a Holder, for Bearer Definitive Securities) which is exchangeable for Bearer Definitive Securities (i) automatically in the limited circumstances specified in the Permanent Bearer Global Security, (ii) at any time at the option of the Issuer by giving notice to the Holders and the Relevant Programme Agent of its intention to effect such exchange or (iii) at any time at the request of a Holder, in each case on the terms as set forth in the relevant Bearer Global Security.
- (ii) Are the Notes to be issued in the form of obligations under French law? Not Applicable
- (iii) Name of Registration Agent: Not Applicable
- (iv) Representation of holders of Notes/Masse: Not Applicable
- (v) Applicable TEFRA exemption: TEFRA D Rules
50. Additional Financial Centre(s) (General Condition 13.2) or other special provisions relating to payment dates: For the avoidance of doubt, TARGET2
51. **Payment Disruption Event (General Condition 14):** Not Applicable
52. **Physical Delivery:** Not Applicable
53. **Calculation Agent:** J.P. Morgan Securities Ltd.
54. **Redenomination, renominalisation and reconventioning provisions:** Not Applicable
55. **Gross Up (General Condition 18):** Applicable – as specified in General Condition 18.1
56. **Other final terms or special conditions:** Applicable – see Part C

DISTRIBUTION

57. **If non-syndicated, name and address of Dealer:** J.P. Morgan Securities Ltd. ("JPMSL") of 125 London Wall, London EC2Y 5AJ
- For the avoidance of doubt, the Dealer will not act as distributor
- The settlement and the delivery of the Securities will be executed through the Dealer mentioned above for technical reasons only. However, the Issuer and the

- Guarantor remain liable for the information contained in this Prospectus and the Base Prospectus.
- *Responsabile del Collocamento:* JPMSL is the *Responsabile del Collocamento* (the "**Lead Manager**") in relation to the public offer in Italy since it has organised the placing syndicate by appointing the Distributor. For the avoidance of doubt, the Lead Manager will not act as distributor/placer and will not place the Securities in Italy
58. **Stabilising Manager(s) (if any):** Not Applicable
- (i) If syndicated, names and addresses of Managers and underwriting commitments: Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable
59. **Total commission and concession:** See paragraph 6 above and the paragraph entitled "Offer Price" in Part B below
60. **U.S. selling restrictions:** Regulation S
- TEFRA D Rules – The Securities are for U.S. tax law purposes "bearer obligations" and will be issued in compliance with the TEFRA D Rules.
- ERISA Restrictions for all Securities (including Rule 144A Securities and Securities subject to Regulation S)**
- JPMSL Standard Restrictions apply: The Securities may not be acquired by, on behalf of, or with the assets of any plans subject to ERISA or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, other than certain insurance company general accounts. See "Subscription and Sale – United States", "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations – (m) ERISA Legends – (ii) JPMSL or JPMBD issued Securities– (x) JPMSL/JPMBD Standard Legend" and "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations – (bb) ERISA Restrictions – (ii) JPMSL or JPMBD issued Securities– (x) JPMSL/JPMBD Standard Restrictions" in the Base Prospectus (as supplemented).
61. **Non-exempt Offer:** An offer of the Securities may be made in Italy through UBS (Italia) S.p.A. (located at Via del Vecchio Politecnico n.3, 20101, Milano) (the "**Distributor**") and its network other than pursuant to Article 3(2) of the Prospectus Directive during the period from (and including) 4 November 2009 to (and including) 12:00 noon, London time, on 26 November 2009 (the "**Offer Period**").
- The Offer Period is subject to adjustment by or on behalf of the Issuer in accordance with the applicable regulations and any adjustments to such period will be set out in one or more notices to be made available on the website of the Luxembourg Stock Exchange (www.bourse.lu) and through the Distributor (and for the

avoidance of doubt, no supplement to this Prospectus will be published in relation thereto).

The Securities will be placed into Italy without any underwriting commitment by the Distributor and no undertakings have been made by third parties to guarantee the subscription of the Securities.

See further the paragraph entitled "Terms and Conditions of the Offer" in Part B below.

62. **Additional Selling restrictions:** Not Applicable

GENERAL

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

Signed on behalf of the Issuer:

By: _____

Duly authorised

Signed on behalf of the Guarantor:

By: _____

Duly authorised

PART B – OTHER INFORMATION

LISTING AND ADMISSION TO TRADING

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

Application has also been made for the Securities to be admitted to and traded on SeDeX, the Regulated Market for Securitised Derivatives organised and managed by Borsa Italiana S.p.A. 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).

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

RATINGS Not Applicable

INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in the section of the Base Prospectus entitled "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer

REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

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

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

Details of the past and future performance and the volatility of the Index may be obtained from www.stoxx.com.

The value of the Securities and the Redemption Amount will depend on the performance of the Index on the Valuation Date. See Part A above and Part C below for further details.

For a summary of how the performance of the Index will affect the return on the Securities, see paragraph 8 (iii) "Performance Analysis" in the "Key Investor Information" section.

Capitalised terms used herein shall have the meanings ascribed to them in Part A above or Part C below.

POST-ISSUANCE INFORMATION

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

OPERATIONAL INFORMATION

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

ISIN Code: NL0009297183

Common Code: 046295234

Relevant Clearing System(s) and the relevant Euroclear, Clearstream, Luxembourg and Monte Titoli

identification number(s): S.p.A.

Delivery: Delivery against payment

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

Registrar: Not Applicable

TERMS AND CONDITIONS OF THE OFFER

Offer Period: The Securities will be offered to the public in Italy during a subscription period from (and including) 4 November 2009 to (and including) 12:00 noon, London time, on 26 November 2009 provided that the relevant regulatory approvals have been granted. Such Offer Period is subject to adjustment by or on behalf of the Issuer and any adjustments to the subscription period will be set out in one or more notices to be made available on the website of the Luxembourg Stock Exchange (www.bourse.lu) and through the Distributor (and for the avoidance of doubt, no supplement to this Prospectus will be published in relation thereto)

Offer Price: The Offer Price is EUR 1,000 per Certificate (of which up to 1.50 per cent. is represented by expected average commissions payable to the Distributor).

Conditions to which the offer is subject: The offer of the Securities for sale to the public in Italy is subject to the relevant regulatory approvals having been granted, and to issuance of the Securities by the Issuer.

The Offer Period is subject to adjustment by or on behalf of the Issuer in accordance with the applicable regulations. Any adjustments to such period will be set out in one or more notices to be made available on the website of the Luxembourg Stock Exchange (www.bourse.lu) and through the Distributor (and for the avoidance of doubt, no supplement to this Prospectus will be published in relation thereto).

The offer of the Securities may be withdrawn in whole or in part at any time before the Issue Date at the discretion of the Issuer by giving at least two Business Days' notice, and notification of such withdrawal will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and through the Distributor (and for the avoidance of doubt, no supplement to this Prospectus will be published in relation thereto).

For the avoidance of doubt, if any application has been made by a potential purchaser and the Issuer exercises such a right, each such potential purchaser shall not be entitled to subscribe or otherwise acquire the Securities.

Description of the application process: Investors may apply to subscribe for Securities during the Offer Period. The Offer Period may be discontinued at any time. In such a case, the offeror shall give immediate notice to the public before the

end of the Offer Period by means of a notice published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and through the Distributor (and for the avoidance of doubt, no supplement to this Prospectus will be published in relation thereto).

Any application shall be made in Italy to the Distributor. Investors shall not be required to enter into any contractual arrangements directly with the Issuer related to the subscription for any Securities.

A potential purchaser should contact the Distributor prior to the end of the Offer Period. A purchaser will subscribe for Securities in accordance with the arrangements agreed with the Distributor relating to the subscription of securities generally.

There is no pre-identified allotment criteria. The Distributor will adopt allotment criteria that ensures equal treatment of potential purchasers. All of the Securities requested through the Distributor during the Offer Period will be assigned up to the maximum amount of the offer. A potential purchaser will, on the Issue Date, receive 100 per cent. of the amount of Securities allocated to it during the Offer Period.

Description of possibility to reduce subscription and manner for refunding excess amount paid by applicant:

Potential purchasers may reduce their subscription during the subscription period and in accordance with applicable laws and regulations.

Subject to any applicable laws and regulations, any excess amounts paid by any applicant will be credited back to such applicant's account from which the excess amounts were debited.

Details of the minimum and/or maximum amount of application:

The maximum number of Securities to be issued is 20,000.

The minimum amount of application per investor will be one Security. The maximum amount of application will be subject only to availability at the time of application.

Details of the method and time limits for paying up and delivering the Securities:

Securities will be available on a delivery versus payment basis.

The Issuer estimates that the Securities will be delivered to the purchaser's respective book-entry securities accounts on or around the Issue Date.

The settlement and the delivery of the Securities will be executed through the Dealer for technical reasons only. However, the Issuer and the Guarantor remain liable for the information contained in this Prospectus and the Base Prospectus.

Manner and date in which results of the offer are to be made public:

The total number of Securities to be issued will be determined based on market demand for the Securities during the Offer Period and will be made available on the website of the Luxembourg Stock Exchange (www.bourse.lu) and through the Distributor on or prior to the Issue Date (and for the avoidance of doubt,

no supplement to this Prospectus will be published in relation thereto).

Procedure for exercising right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:

Not Applicable.

Categories of potential purchasers to which the Securities are offered and whether tranche(s) have been reserved for certain countries:

The Securities will be offered to potential purchasers in Italy. In EEA jurisdictions other than Italy, offers may only be made pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus.

The offer may be made through the Distributor in Italy to any person, in compliance with the relevant selling restrictions, as described in the Base Prospectus.

Qualified investors may be assigned only those Securities remaining after the allocation of all the Securities requested by the public in Italy during the Offer Period.

Offers (if any) in any other EEA country will only be made pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus.

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:

Applicants will be notified directly by the Distributor of the success of their application. Dealing in the Securities may commence on the Issue Date.

Amount of any expenses and taxes specifically charged to the subscriber or purchaser:

Apart from the Offer Price, which includes the initial commissions payable to the Distributor (as specified in paragraph 59 of Part A above and in the paragraph entitled "Offer Price" above), the Issuer is not aware of any expenses and taxes specifically charged to the subscriber or purchaser.

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:

As at the date of this Prospectus, UBS (Italia) S.p.A. of Via del Vecchio Politecnico n.3, 20101, Milano.

The name and address(es) of any other distributors known to the Issuer, if any, will be set out in one or more notices to be made available on the website of the Luxembourg Stock Exchange (www.bourse.lu) and through the Distributor (and for the avoidance of doubt, no supplement to this Prospectus will be published in relation thereto).

PART C - OTHER APPLICABLE TERMS**1. Redemption**

Unless the Securities have previously been redeemed, or purchased and cancelled in accordance with the Conditions, each Security shall be redeemed on the Redemption Date by payment of the Redemption Amount, which shall be an amount in the Specified Currency determined by the Calculation Agent in accordance with paragraph (i) or (ii) below (as applicable):

- (i) if the Final Index Level of the Index is greater than or equal to its Strike Level (as determined by the Calculation Agent), then the Redemption Amount in respect of each Security shall be an amount in the Specified Currency determined by the Calculation Agent in accordance with the following formula:

$$\text{EUR } 1,000 + \left\{ \text{EUR } 1,000 \times 2 \times \text{Min} \left[\text{Cap}; \text{Max} \left(\left(\frac{\text{Final Index Level}}{\text{Strike Level}} - 1 \right); 0 \right) \right] \right\}$$

- (ii) if the Final Index Level of the Index is less than its Strike Level (as determined by the Calculation Agent), then the Redemption Amount in respect of each Security shall be an amount in the Specified Currency determined by the Calculation Agent in accordance with the following formula:

$$\text{EUR } 1,000 \times \frac{\text{Final Index Level}}{\text{Strike Level}}$$

2. Definitions

"**Cap**" means an amount (expressed as an amount in decimal) to be determined by the Calculation Agent on the Trade Date (and such shall be notified to investors by publication on the website of the Luxembourg Stock Exchange (www.bourse.lu) and the Italian Stock Exchange (www.borsaitaliana.it), provided that no supplement shall be published in relation thereto), but which shall be an amount between 0.06 (being 6 per cent. when expressed as a percentage) and 0.08 (being 8 per cent. when expressed as a percentage).

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

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

"**Min**" followed by a series of amounts inside brackets means whichever is the lesser of the amounts separated by a semi-colon inside those brackets.

"**Strike Fixing Date**" means, in respect of the Index, each Scheduled Trading Day which is not a Disrupted Day for such Index falling in the Strike Fixing Period, as determined by the Calculation Agent.

"**Strike Fixing Period**" means, in respect of the Index, the period commencing on, and including, 26 November 2009 and ending on, and including, 7 January 2010.

"**Strike Level**" means the lowest Closing Index Level of the Index observed across all the Strike Fixing Dates falling in the Strike Fixing Period, as determined by the Calculation Agent.

"**Trade Date**" means 26 November 2009.

3. Amendments to the General Conditions

- (i) **Amendment to the definition of "Early Payment Amount"**

The definition of "Early Payment Amount" in General Condition 31.1 shall be deleted and be replaced with the following:

"Early Payment Amount" means an amount determined by the Calculation Agent on the second Business Day immediately preceding the due date for the early redemption or settlement of the Securities, representing the fair market value of such Securities taking into account all factors which the Calculation Agent determines relevant (including, if applicable, any accrued interest) (but ignoring the event which resulted in such redemption)."

(ii) **Amendment to General Condition 26 (Notices)**

A new General Condition 26.11 shall be inserted as follows:

"26.11 Notices in respect of Securities listed on Borsa Italiana S.p.A.

If the Certificates are traded on the regulated markets organised and managed by Borsa Italiana S.p.A. and for 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."

ANNEX A

INFORMATION RELATING TO THE DOW JONES EURO STOXX® 50 INDEX

The information included herein with respect to the Underlying consists only of extracts from, or summaries of, publicly available information. The Issuer accepts responsibility that such information has been correctly extracted or summarised. No further or other responsibility in respect of such information is accepted by the Issuer and the Guarantor and no responsibility whatsoever is accepted by J.P. Morgan Securities Ltd. ("JPMSL"). In particular, none of the Issuer, the Guarantor and JPMSL accepts responsibility in respect of the accuracy or completeness of the information set forth herein concerning the Underlying or that there has not occurred any event which would affect the accuracy or completeness of such information.

The levels of the Underlying shown in the tables below show the high and low levels of the Underlying for the periods indicated. While the tables below provide some historical data regarding the risks of investing in the Underlying, past results are not necessarily indicative of future performance. Prospective purchasers of the Relevant Securities are advised to consult their own legal, tax, accountancy and other professional advisers to assist them in determining the suitability of the Relevant Securities for them as an investment. Each prospective purchaser of the relevant securities should be fully aware of and understand the complexity and risks inherent in the Relevant Securities before it makes its investment decision in accordance with the objectives of its business.

For the purposes of this Annex A:

"Underlying" means the Index (as defined in Part A above).

"Relevant Securities" means the Securities (as defined in Part A above).

ANNEX A

INFORMATION RELATING TO THE DOW JONES EURO STOXX[®] 50 INDEX**The Index**

The Index is a free-float market capitalisation-weighted index of 50 European blue-chip stocks from those countries participating in the EMU. Each component's weight is capped at ten per cent. of the Index's total free-float market capitalisation. The Index was developed with a base value of 1000 as of 31 December 1991.

Source:

Bloomberg[®]

<http://www.bloomberg.com/apps/quote?ticker=SX5E%3AIND> (accessed 30 October 2009)

General Description of the Index

The Index is a free-float market capitalization-weighted index sponsored and published by STOXX Limited, a joint venture between Deutsche Börse AG, Dow Jones & Company and SIX Swiss Exchange. The objective of the Index is to provide a blue-chip representation of the Supersector leaders in the Eurozone.

The Index universe is defined as all components of the 19 Dow Jones EURO STOXX 600 Supersector indices. The Dow Jones EURO STOXX[®] Supersector indices represent the Eurozone portion of the Dow Jones EURO STOXX[®] 600 Supersector indices. The Dow Jones STOXX[®] 600 Supersector indices contain the 600 largest stocks traded on the major exchanges of 18 European countries.

Within each of the 19 Dow Jones EURO STOXX 600 Supersector indices, the component stocks are ranked by free-float market capitalisation (as described below). The largest stocks are added to the selection list until the coverage is close to, but still less than, 60 per cent. of the free-float market capitalisation of the corresponding Dow Jones EURO TMI Supersector index. If the next-ranked stock brings the coverage closer to 60 per cent. in absolute terms, then it is also added to the selection list. Any remaining stocks that are the current components of the index, are added to the selection list. The stocks on the selection list are ranked by free-float market capitalization. In exceptional cases, the STOXX Limited Supervisory Board may make additions and deletions to the selection list.

The 40 largest stocks on the selection list are chosen as components. Any remaining current components of the Index ranked between 41 and 60 are added as Index components. If the component number is still below 50, then the largest stocks on the selection list are added until the Index contains 50 stocks.

The Index composition is reviewed annually in September.

The Index is weighted by free-float market capitalisation. Each component's weight is capped at ten per cent. of the Index's total free-float market capitalisation. The free-float market capitalisation weights are reviewed quarterly.

Sources:

The Dow Jones STOXX[®] Index Guide, Version 13.3 dated October 2009

http://www.stoxx.com/download/indices/indexguides/djstoxx_indexguide.pdf (accessed 30 October 2009)

The Dow Jones EURO STOXX[®] 50 Factsheet, all data as of 30 September 2009

http://www.stoxx.com/download/indices/factsheets/sx5p_fs.pdf (accessed 30 October 2009)

The Dow Jones EURO STOXX[®] 50 Methodology Overview, dated 1 January 2007 - http://www.stoxx.com/download/indices/methodology/sx5p_me.pdf (accessed 30 October 2009)

Calculation Methodology and Frequency of Calculation

The Index is calculated with the Laspeyres formula, which measures price changes against a fixed base quantity weight.

$$\text{Index}_t = \frac{\sum_{i=1}^n (p_{it} \cdot s_{it} \cdot ff_{it} \cdot cf_{it} x_{it})}{D_t} = \frac{M_t}{D_t}$$

Where:

t is the time the index is computed;

n is the number of companies in the index;

p_{it} is the price of company (i) at time (t);

s_{it} is the number of shares of company (i) at time (t);

ff_{it} is the free-float factor of company (i) at time (t);

cf_{it} is the weighing cap factor of company (i) at time (t) (if Index is capped, otherwise equals 1);

x_{it} is the exchange rate from local currency into index currency for company (i) at time (t);

M_t is the free-float market capitalisation of the index at time (t); and

D_t is the divisor of the index at time (t).

The base value was set at 1,000 on 31 December 1991.

The Index is only disseminated on days when at least 50 per cent. of the Dow Jones EURO STOXX[®] TMI's free-float market capitalisation and at least 50 per cent. of its markets are available for trading.

The Index's price is calculated in (EUR/USD) every fifteen seconds during local trading hours, and published at www.stoxx.com. The Index's total return is calculated in (EUR/USD) at the end of the day.

Sources:

The Dow Jones STOXX[®] Index Guide, Version 13.3 dated October 2009
http://www.stoxx.com/download/indices/indexguides/djstoxx_indexguide.pdf (accessed 30 October 2009)

The Dow Jones EURO STOXX[®] 50 Factsheet, all data as of 30 September 2009
http://www.stoxx.com/download/indices/factsheets/sx5p_fs.pdf (accessed 30 October 2009)

The Dow Jones EURO STOXX[®] 50 Methodology Overview, dated 1 January 2007 - http://www.stoxx.com/download/indices/methodology/sx5p_me.pdf (accessed 30 October 2009)

Index Maintenance and Adjustment

The Index has a unique divisor that is adjusted to maintain the continuity of the Index's values across changes due to corporate actions.

The Index divisors are calculated as follows:

$$D_{t+1} = D_t \cdot \frac{\sum_{i=1}^n (p_{it} \cdot s_{it} \cdot ff_{it} \cdot cf_{it} \cdot x_{it}) \pm \Delta MC_{t+1}}{\sum_{i=1}^n (p_{it} \cdot s_{it} \cdot ff_{it} \cdot cf_{it} \cdot x_{it})}$$

Where:

D_{t+1} is the divisor at time (t+1);

D_t is the divisor at time (t);

n is the number of companies in the index;

p_{it} is the price of company (i) at time (t);

S_{it} is the number of shares of company (i) at time (t);

ff_{it} is the free-float factor of company (i) at time (t);

cf_{it} is the Weighting cap factor of company (i) at time (t) (only applicable if index is capped);

x_{it} is the exchange rate from local currency into index currency for company (i) at time (t)

ΔMC_{t+1} is the difference between the closing market capitalisation of the index and the adjusted closing market capitalisation of the index:

For companies with corporate actions effective at time (t + 1), the free-float market capitalisation calculated with adjusted closing prices, the new number of shares at time (t + 1) and the free-float factor at time (t + 1) minus the free-float market capitalisation calculated with closing prices, number of shares at time (t) and free-float factor at time (t).

Below is a list of corporate actions that indicates how the adjusted prices are calculated. The impact on the divisor is indicated as well.

For the corporate actions listed below, the following assumptions apply:

- Shareholders will receive 'B' new shares for every 'A' share held (where applicable).
- If the new shares have a dividend disadvantage – i.e. the new shares have a different dividend from that paid on the old shares – the price for these new shares will be adjusted according to the net dividend amount.

1. Cash dividend (applied to total return indices only) Divisor ↓

Adjusted price = closing price – dividend announced by the company • (1 – withholding tax)

2. Special cash dividend (applied to price and total return indices) Divisor ↓

Adjusted price = closing price – dividend announced by the company • (1 – withholding tax)

- 3. Split and reverse split** **Divisor ↔**
- Adjusted price = closing price • A/B
- New number of shares = old number of shares • B/A
- [For Price Weighted Indices with weighting factors: New weighting factor = old weighting factor • B/A]*
- 4. Rights offering** **Divisor ↑**
- a) free-float market capitalisation weighted indices
- Adjusted price = (closing price • A + subscription price • B) / (A + B)
- New number of shares = old number of shares • (A + B) / A
- b) Price Weighted Indices with weighting factors **Divisor ↔**
- Adjusted price = (closing price • A + subscription price • B) / (A + B)
- New weighting factor = old weighting factor • closing price / adjusted price
- 5. Stock dividend (withholding taxes are not applied to stock dividends)** **Divisor ↔**
- Adjusted price = closing price • A / (A + B)
- New number of shares = old number of shares • (A + B) / A
- [For Price Weighted Indices with weighting factors: New weighting factor = old weighting factor • (A + B) / A]*
- 6. Stock dividend of another company (withholding taxes are not applied to stock dividends)** **Divisor ↓**
- Adjusted price = (closing price • A – price of the other company • B) / A
- 7. Return of capital and share consolidation** **Divisor ↓**
- Adjusted price =
- [closing price – capital return announced by company • (1 – withholding tax)] • A / B
- New number of shares = old number of shares • B / A
- [For Price Weighted Indices with weighting factors: New weighting factor = old weighting factor • B / A]*
- 8. Repurchase of shares/self tender** **Divisor ↓**
- a) free-float market capitalisation weighted indices
- Adjusted price =

$$\frac{[(\text{price before tender} \cdot \text{old number of shares}) - (\text{tender price} \cdot \text{number of tendered shares})]}{(\text{old number of shares} - \text{number of tendered shares})}$$

New number of shares = old number of shares – number of tendered shares

b) Price Weighted Indices with weighting factors

Divisor ↔

Adjusted price =

$$\frac{[(\text{price before tender} \cdot \text{old number of shares}) - (\text{tender price} \cdot \text{number of tendered shares})]}{(\text{old number of shares} - \text{number of tendered shares})}$$

(old number of shares – number of tendered shares)

New weighting factor = old weighting factor • closing price/ adjusted price

9. Spin-off

Divisor ↓

a) Free float market capitalisation indices

Adjusted price = (closing price • A – price of spun-off shares • B) / A

b) Price weighted indices with weighting factors

Divisor ↓

Adjusted price = (closing price • A – price of spun-off shares • B) / A

New weighting factor for the spin off = weighting factor of the parent company

10. Combination stock distribution (dividend or split) and rights offering

For the above corporate action the following additional assumptions apply:

- Shareholders receive B new shares from the distribution and C new shares from the rights offering for every A share held.
- If A is not equal to one, all the following "new number of shares" formulae need to be divided by A:

a1) if rights are applicable after stock distribution (one action applicable to another)

Divisor ↑

$$\text{Adjusted price} = \frac{[\text{closing price} \cdot A + \text{subscription price} \cdot C \cdot (1 + B/A)]}{[(A+B) \cdot (1+C/A)]}$$

New number of shares = old number of shares • [(A + B) • (1 + C / A)] / A

a2) if stock distribution is applicable after rights (one action applicable to another)

Divisor ↑

$$\text{Adjusted price} = \frac{[\text{closing price} \cdot A + \text{subscription price} \cdot C]}{[(A + C) \cdot (1 + B / A)]}$$

New number of shares = old number of shares • [(A + C) • (1 + B / A)]

a3) stock distribution and rights (neither action is applicable to the other)

Divisor ↑

$$\text{Adjusted price} = \frac{[\text{closing price} \cdot A + \text{subscription price} \cdot C]}{[A + B + C]}$$

New number of shares = old number of shares • [A + B + C] / A

b) For Price Weighted Indices with weighting factors:

Divisor ↔

Adjusted prices = see above

New weighting factor = old weighting factor • closing price/ adjusted price

Source:

The Dow Jones STOXX® Index Guide, Version 13.3 dated October 2009

http://www.stoxx.com/download/indices/indexguides/djstoxx_indexguide.pdf (accessed 30 October 2009)

Block Membership, Restricted Stock and Free-Float Market Capitalisation

The Index is weighted according to free-float market capitalisation in order to reflect the proportion of a company's stock that is available for trading. This is achieved by adjusting the total number of stocks by the stock held in strategic long-term holdings, i.e. block ownership.

This block ownership adjustment is applied if blocks of at least five per cent. of a company's total stock are held in:

- Cross-ownership: stock owned either by the company itself, in the form of treasury shares, or owned by other companies;
- Government ownership: stock owned by either governments or their agencies; or
- Private ownership: stock owned by either individuals or families.

This block ownership adjustment is not applied if:

- The blocks comprise less than five per cent. of the total stock; or
- The blocks are held by – but not limited to – custodian nominees, trustee companies, mutual funds and pension fund holdings, investment companies with short-term investment strategies and pension funds.

In addition, the total number of stocks is also adjusted by the restricted stocks, i.e. either those that cannot be traded during a certain period or those that have a foreign ownership restriction. Either the block ownership adjustment or the restricted stocks adjustment is applied, whichever produces the higher result.

Free-float market capitalisation is the portion of a stock's total market capitalisation that is available for trading:

- free-float market capitalisation = free-float factor x full market capitalisation

The free-float factor is the percentage of stock remaining after block ownership and restricted stock adjustments have been applied to the total number of stock. The free-float factor which determines the free-float market capitalisation for each company is determined in accordance with the following formula:

- free-float factor (%) = 100% - [Maximum (block ownership (%); restricted shares adjustment (%))]

Source:

The Dow Jones STOXX® Index Guide, Version 13.3 dated October 2009

http://www.stoxx.com/download/indices/indexguides/djstoxx_indexguide.pdf (accessed 30 October 2009)

Free-Float Factors and Share Charges

The Index is updated with changes to the number of shares and/or to the free-float factor due to corporate actions – the timing depends on the magnitude of the change:

- Changes to the number of shares due to stock dividends, splits, rights issues etc:
Implemented immediately and effective the next trading day.
- Changes of more than \pm ten per cent. to the number of shares from one trading day to the next:
Announced immediately, implemented two trading days later and effective the next trading day after implementation.
- Free-float factor changes of more than \pm five per cent. from one trading day to the next:
Announced immediately, implemented two trading days later and effective the next trading day after implementation.
- Changes to the combined free-float adjusted number of shares of more than \pm ten per cent. from one trading day to the next:
Announced immediately, implemented two trading days later and effective the next trading day after implementation.
- All other changes:
Announced on the next quarterly underlying data announcement date, implemented on the quarterly implementation date and effective the next trading day after implementation.

Source:

The Dow Jones STOXX[®] Index Guide, Version 13.3 dated October 2009

http://www.stoxx.com/download/indices/indexguides/djstoxx_indexguide.pdf (accessed 30 October 2009)

Historical Performance

The following table sets out the high and low levels for the Index for the periods indicated. The historical performance of the Index should not be taken as an indication of future performance.

Year ended 31 December	High	Low
2006	4,140.66	3,408.02
2007	4,557.57	3,906.15
2008	4,339.23	3,408.02
12 months ended September 2009	High	Low
October 2008	3,113.82	2,293.05
November 2008	2,755.12	2,165.91
December 2008	2,495.58	2,252.09
January 2009	2,578.43	2,147.87
February 2009	2,348.95	1,965.26
March 2009	2,156.97	1,809.98
April 2009	2,375.34	2,097.57
May 2009	2,487.17	2,353.53
June 2009	2,537.35	2,353.48
July 2009	2,654.74	2,281.47

August 2009	2,803.65	2,603.79
September 2009	2,899.12	2,699.22

Source:

Bloomberg® (accessed 30 October 2009)

The official closing level of the Index on 29 October 2009 was 2824.78

Source:

Bloomberg® (accessed 30 October 2009)

ANNEX B

INDEX DISCLAIMER(S)

Dow Jones EURO STOXX 50[®] Index

STOXX Limited ("STOXX") and Dow Jones have no relationship to the Issuer, other than the licensing of the Dow Jones EURO STOXX 50[®] Index (the "Index") and the related trademarks for use in connection with the Certificates.

STOXX and Dow Jones do not:

- sponsor, endorse, sell or promote the Certificates.
- recommend that any person invest in the Certificates or any other securities.
- have any responsibility or liability for or make any decisions about the timing, amount or pricing of the Certificates.
- have any responsibility or liability for the administration, management or marketing of the Certificates.
- consider the needs of the owners of the Certificates or any other securities in determining, composing or calculating the Index or have any obligation to do so.

STOXX and Dow Jones will not have any liability in connection with the Certificates. Specifically, STOXX and Dow Jones do not make any warranty, express or implied and disclaim any and all warranty about:

- **the results to be obtained by the Certificates, the owner of the Certificates or any other person in connection with the use of the Index and the data included in the Index;**
- **the accuracy or completeness of the Index and its data;**
- **the merchantability and the fitness for a particular purpose or use of the Index and its data;**
- **STOXX and Dow Jones will have no liability for any errors, omissions or interruptions in the Index or its data;**
- **under no circumstances will STOXX or Dow Jones be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or Dow Jones knows that they might occur.**

The licensing agreement between the Issuer and STOXX is solely for their benefit and not for the benefit of the owners of the Certificates or any other third parties.

GENERAL INFORMATION

1. Save as disclosed in this Prospectus and in the information incorporated by reference herein, there has been no material adverse change in the prospects of the Issuer or of the Guarantor since 31 December 2008.
2. Save as disclosed in this Prospectus and in the information incorporated by reference herein, there has been no significant change in the financial or trading position of the Issuer or of the Guarantor since 30 June 2009.
3. The Issuer and the Guarantor are not and have not been involved in any governmental, legal, or arbitration proceedings relating to claims or amounts that are material during the 12 month period ending on the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer or the Guarantor, as the case may be, nor, so far as the Issuer or the Guarantor, as the case may be, is aware, are any such governmental, legal or arbitration proceedings pending or threatened.
4. The following documents, or copies thereof, will be available, during normal business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Principal Programme Agent and at the office of the Paying Agent in Luxembourg, or at the office of each Relevant Programme Agent, as the case may be:
 - (i) the JPMorgan Chase & Co. 2008 Form 10-K Annual Report, the JPMorgan Chase & Co. 2007 Form 10-K Annual Report, the JPMorgan Chase Bank, N.A. Audited Financial Statements 2008, the JPMorgan Chase Bank, N.A. Audited Financial Statements 2007, the JPMSP Audited Financial Statements 2008, the JPMSP Audited Financial Statements 2007;
 - (ii) the Articles of Association of the Issuer;
 - (iii) the Articles of Association of JPMorgan Chase Bank, N.A.;
 - (iv) the Restated Certificate of Incorporation of JPMorgan Chase & Co.;
 - (v) a copy of the Base Prospectus, including any documents incorporated therein or any supplement to the Base Prospectus;
 - (vi) the JPMorgan Chase Bank, N.A. Guarantee; and
 - (vii) any supplement or amendment to any of the foregoing.

Registered Office of JPMS

J.P. Morgan Structured Products B.V.

Strawinskylaan 3105
Atrium 7th Floor 1077 ZX
Amsterdam
The Netherlands

**Registered Office of JPMorgan Chase
Bank, N.A.**

JPMorgan Chase Bank, N.A.

1111 Polaris Parkway
Columbus, Ohio 43240
United States of America

Dealer and Arranger

J.P. Morgan Securities Ltd.

125 London Wall
London, EC2Y 5AJ
United Kingdom

Principal Programme Agent, Paying Agent and Transfer Agent

The Bank of New York Mellon

One Canada Square
London, E14 5AL
United Kingdom

Paying Agent and Transfer Agent

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

Aerogolf Center
1A Hoehenhof
L-1736, Senningerberg
Luxembourg

Calculation Agent and Delivery Agent

J.P. Morgan Securities Ltd.

125 London Wall
London, EC2Y 5AJ
United Kingdom

Luxembourg Listing Agent

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

Aerogolf Center
1A Hoehenhof
L-1736 Senningerberg
Luxembourg

Auditors

To JPMSP

PriceWaterhouseCoopers Accountants

N.V.
Thomas R. Malthusstraat 5
PO Box 90357
1006 BJ Amsterdam
The Netherlands

**To JPMorgan Chase Bank, N.A. and
JPMorgan Chase & Co.**

PriceWaterhouseCoopers LLP

300 Madison Avenue
New York, NY 10017
United States of America

Legal Advisers to the Issuers under the Programme

in respect of U.S. tax law

Ashurst LLP
Times Square Tower
7 Times Square
New York, NY 10036
United States of America

in respect of Dutch law

Clifford Chance LLP
Droogbak 1A
1013 GE Amsterdam
PO Box 251
1000 AG Amsterdam
The Netherlands

in respect of U.S. law

Ashurst LLP
Times Square Tower
7 Times Square
New York, NY 10036
United States of America

in respect of Irish law

Matheson Ormsby Prentice
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Legal Advisers to the Dealer under the Programme

in respect of English law

Ashurst LLP
Broadwalk House
5 Appold Street
London EC2A 2HA
United Kingdom

GENERAL CONDITIONS**Contents of General Conditions**

- A. INTRODUCTION**
- B. FORM, DENOMINATION, TITLE, TRANSFER AND GUARANTEE OF THE SECURITIES**
 - 1. Form, Denomination and Title**
 - 2. Transfers of Registered Securities**
 - 3. Guarantee and Status of the Securities**
- C. PROVISIONS APPLICABLE TO NOTES ONLY**
 - 4. Interest and other Calculations under the Notes**
 - 5. Redemption of Notes**
 - 6. Payments, Receipts, Talons and Coupons**
 - 7. Replacement of Notes, Receipts, Coupons and Talons**
- D. PROVISIONS APPLICABLE TO CERTIFICATES ONLY**
 - 8. Certificate Coupon**
 - 9. Redemption Rights in respect of Certificates**
 - 10. Exercise Rights in respect of Certificates**
- E. PROVISIONS APPLICABLE TO WARRANTS ONLY**
 - 11. Exercise of Warrants**
- F. PROVISIONS APPLICABLE TO WARRANTS AND CERTIFICATES**
 - 12. Early Termination of Warrants and Certificates for Tax Reasons**
- G. PROVISIONS APPLICABLE TO NOTES, WARRANTS AND CERTIFICATES**
 - 13. Business Day**
 - 14. Payment Disruption**
 - 15. Physical Delivery**
 - 16. Events of Default**
 - 17. Termination Events**
 - 18. Taxation**
 - 19. Agents**
 - 20. Calculation Agent, Determination, Disclaimer of Liability and other terms**
 - 21. European Monetary Union**
 - 22. Rounding**
 - 23. Meeting of Holders and Modifications**
 - 24. Purchase and Cancellation**
 - 25. Further Issues**
 - 26. Notices**
 - 27. Substitution**
 - 28. Prescription**
 - 29. Governing Law and Jurisdiction**
 - 30. Contracts (Rights of Third Parties) Act 1999**
 - 31. Definitions and Interpretation**

*The following is the text of the terms and conditions of the Securities other than German Securities (these "**General Conditions**") that, subject to completion and amendment in accordance with the provisions of the relevant Final Terms shall be incorporated by reference into the Global Security representing each Tranche of Securities other than German Securities. Either (i) the full text of these General Conditions together with the relevant provisions of the Final Terms and/or the relevant Drawdown Prospectus, as applicable, or (ii) these General Conditions as so completed and amended (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on any Bearer Securities in definitive form, or on the registered certificates relating to any Registered Securities, as applicable.*

All capitalised terms that are not defined in these General Conditions will have the meanings given to them in the relevant Final Terms and/or the relevant Drawdown Prospectus, as applicable. References in these General Conditions to "Notes" or "Warrants" or "Certificates" are to the Notes, Warrants or Certificates of one Series only, not to all Securities that may be issued under the Programme. Any reference in these General Conditions to "the relevant Final Terms" shall be construed as a reference to "the relevant Final Terms and/or Drawdown Prospectus, as applicable".

With respect to German Securities, the terms and conditions will be the Consolidated Conditions. The Consolidated Conditions for each Series of German Securities shall consist of (a) the General Conditions as set out in the Base Prospectus, and any applicable Specific Product Provisions, in each case as amended by the deletion of non-applicable provisions and (b) the Special Conditions. Matters which are expressed in this Base Prospectus to be specified in the relevant Final Terms or which deviate from the General Conditions will be specified in such Special Conditions of the relevant Series. The Consolidated Conditions will be attached to the Global Security representing the German Securities and will be endorsed on any German Securities in definitive form.

The Specific Product Provisions contained in Annex 1 in respect of Share Linked Securities, in Annex 2 in respect of Index Linked Securities, in Annex 3 in respect of Commodity Linked Securities, in Annex 4 in respect of FX Linked Securities and in Annex 5 in respect of Market Access Participation Notes will, if specified to be applicable in the relevant Final Terms, complete and amend these General Conditions.

A. INTRODUCTION

J.P. Morgan Structured Products B.V. ("**JPMSP**"), J.P. Morgan Bank Dublin plc ("**JPMBD**"), JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. (each an "**Issuer**" and together, the "**Issuers**") have established a structured products programme (the "**Programme**") for the issuance of notes ("**Notes**"), warrants ("**Warrants**") and certificates ("**Certificates**", and together with Notes and Warrants, "**Securities**"). The Securities are issued pursuant to an agency agreement (as amended and/or supplemented and/or restated as at the Issue Date, the "**Agency Agreement**") dated 14 May 2009 between J.P. Morgan Structured Products, B.V., J.P. Morgan Bank Dublin plc, JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co., the Relevant Programme Agents and the other agents named therein.

JPMorgan Chase Bank, N.A. has absolutely and unconditionally guaranteed the due and punctual settlement of all obligations of JPMSP in respect of the Securities issued by JPMSP in a guarantee dated 14 May 2009 (as amended and/or supplemented and/or restated as at the Issue Date, the "**JPMorgan Chase Bank, N.A. Guarantee**").

JPMorgan Chase & Co. has absolutely and unconditionally guaranteed the due and punctual settlement of all obligations of JPMBD in respect of the Securities issued by JPMBD in a guarantee dated 14 May 2009 (as amended and/or supplemented and/or restated as at the Issue Date, the "**JPMorgan Chase & Co. Guarantee**").

JPMorgan Chase Bank, N.A. in its capacity as guarantor of Securities issued by JPMSP, and JPMorgan Chase & Co. in its capacity as guarantor of Securities issued by JPMBD are together referred to as the "**Guarantors**" and each is a "**Guarantor**".

The Securities, to the extent they are governed by English law, have the benefit of a deed of covenant dated 14 May 2009 (as amended and/or supplemented and/or restated as at the Issue Date, the "**Deed of Covenant**") given by the Issuers in relation to Securities cleared through Euroclear Bank S.A./N.V., Clearstream Banking, société anonyme, Clearstream Banking AG, Frankfurt, Euroclear Sweden AB,

Euroclear Finland Oy, the Finnish Central Securities Depository, the Norwegian Central Securities Depository, VP Securities A/S or SIX SIS AG, as the case may be.

Copies of the Agency Agreement, the Deed of Covenant, the JPMorgan Chase Bank, N.A. Guarantee, the JPMorgan Chase & Co. Guarantee, the forms of Global Security and the Securities in definitive form (if applicable) are available for inspection at the specified office of the Relevant Programme Agent.

Save in respect of German Securities, Couponholders and Receiptholders are deemed to have notice of all of the provisions of the Agency Agreement applicable to them, and if applicable, are bound by and deemed to have notice of all the provisions of the relevant Global Security (if any).

The provisions contained in Annex 1 in respect of Share Linked Securities (the "**Share Linked Provisions**"), in Annex 2 in respect of Index Linked Securities (the "**Index Linked Provisions**"), in Annex 3 in respect of Commodity Linked Securities (the "**Commodity Linked Provisions**"), in Annex 4 in respect of FX Linked Securities (the "**FX Linked Provisions**") and in Annex 5 in respect of Market Access Participation Notes (the "**Market Access Participation Provisions**" and, together with the Share Linked Provisions, the Index Linked Provisions, the Commodity Linked Provisions and the FX Linked Provisions the "**Specific Product Provisions**") will, if specified to be applicable in the relevant Final Terms, complete and amend these General Conditions.

These General Conditions, as completed and/or amended by any applicable Specific Product Provisions, in each case subject to completion and/or amendment in the relevant Final Terms, shall be the conditions of the Securities (the "**Conditions**"). To the extent that there is any inconsistency between the Specific Product Provisions and these General Conditions, the Specific Product Provisions shall prevail. To the extent that there is any inconsistency between the relevant Final Terms and the Specific Product Provisions and/or these General Conditions, the relevant Final Terms shall prevail.

Securities issued under the Programme are issued in series (each, a "**Series**"), and each Series may comprise one or more tranches ("**Tranches**" and each, a "**Tranche**") of Securities. One or more Tranches of Securities will be the subject of a final terms (each, a "**Final Terms**"), a copy of which may be obtained by Holders free of charge from the specified office of the Relevant Programme Agent.

Capitalised terms used in these General Conditions have the meanings given in General Condition 31 (*Definitions and Interpretation*).

B. FORM, DENOMINATION, TITLE, TRANSFER AND GUARANTEE OF THE SECURITIES

1. Form, Denomination and Title

1.1 Form and Denomination

(a) Bearer Securities

- (i) *Bearer Securities other than French Bearer Securities:* Bearer Notes are in the Specified Denomination(s) and may (if the Securities are in definitive form) be issued with Coupons and shall (if the Securities are in definitive form) be serially numbered, if applicable, with Talons attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these General Conditions are not applicable. Instalment Notes in definitive form are issued with one or more Receipts attached. Bearer Securities (other than French Bearer Securities) are initially represented by a temporary global security (the "**Temporary Bearer Global Security**") without coupons.

Bearer Notes may be issued in New Global Note ("**NGN**") form. Bearer Notes represented by Temporary Global Securities or Permanent Global Securities will be delivered to a common safekeeper (the "**Common Safekeeper**") for Euroclear and/or Clearstream, Luxembourg, if in NGN form.

- (ii) *French Bearer Securities:* Securities which are issued by JPMSP or JPMBD in bearer dematerialised form (*au porteur*) and inscribed in the books of Euroclear France (acting

as central depository) which shall credit the accounts of Euroclear France Account Holders are "**French Bearer Securities**".

(b) **Registered Securities**

- (i) *Registered Securities other than French Registered Securities, Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities and Swiss Securities*: Registered Securities (other than French Registered Securities, Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities and Swiss Securities) are (in the case of Registered Notes) in the Specified Denomination(s) and (if the Registered Securities are in definitive form) represented by registered certificates and, in respect of Notes, save as provided in General Condition 5.3 (*Exercise of Options or Partial Redemption in Respect of Registered Notes in definitive form*), each registered certificate shall represent the entire holding of Registered Securities by the same Holder. Registered Securities (other than French Registered Securities, Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities and Swiss Securities) are initially represented by a temporary global security (the "**Temporary Registered Global Security**").
- (ii) *French Registered Securities*: Securities which are issued by JPMSP or JPMBD in registered dematerialised form (*au nominatif*) and, at the option of the relevant Holder in either administered registered form (*au nominatif administré*) inscribed in the books of a Euroclear France Account Holder or in fully registered form (*au nominatif pur*) inscribed in an account in the books of Euroclear France maintained by the Issuer or the registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the "**French Registration Agent**") are "**French Registered Securities**", and together with French Bearer Securities, are "**French Securities**". French Securities shall not be issued in or exchangeable into Securities in definitive form.
- (iii) *Danish Notes*: Notes which are issued in uncertificated and dematerialised book-entry form in accordance with the Danish Securities Trading Act (Consolidated Act No 848 of 19 August 2008, as subsequently amended) including executive order no. 4 of 4 January 2008 on registration (book-entry) of dematerialised securities in a centralised securities depository, as subsequently amended, are "**Danish Notes**". Danish Notes shall be regarded as Registered Securities for the purposes of these General Conditions save to the extent the General Conditions are inconsistent with the VP Rules. Danish Notes shall not be issued in or exchangeable into Notes in definitive form.
- (iv) *Finnish Securities*: Securities which are issued in uncertificated and dematerialised book-entry form in accordance with the Finnish Act on the Book-Entry System (*laki arvo-osuusjärjestelmästä* (826/1991)), with Euroclear Finland which is designated as the registrar in respect of the Finnish Securities (the "**Finnish Registrar**") are "**Finnish Securities**". Finnish Securities shall be regarded as Registered Securities for the purposes of these General Conditions save to the extent not otherwise provided herein or to the extent that the General Conditions are inconsistent with Euroclear Finland Rules.
- (v) *Norwegian Securities*: Securities which are issued in uncertificated and dematerialised book-entry form in accordance with the Norwegian Securities Register Act (*lov om registrering av finansielle instrumenter av 2002 5. juli nr. 64*) are "**Norwegian Securities**". Norwegian Securities shall be regarded as Registered Securities for the purposes of these General Conditions save to the extent the General Conditions are inconsistent with the VPS Rules. Norwegian Securities shall not be issued in or exchangeable into Securities in definitive form.
- (vi) *Swedish Securities*: Securities which are issued in uncertificated and dematerialised book-entry form in accordance with the Swedish Financial Instruments Accounts Act (*lag (1998:1479) om kontoföring av finansiella instrument*) are "**Swedish Securities**". Swedish Securities shall be regarded as Registered Securities for the purposes of these General Conditions save to the extent the General Conditions are inconsistent with the Swedish CSD Rules.

- (vii) *Swiss Securities*: Securities which are initially represented by a single Global Security in registered form (a "**Swiss Global Security**"), which is deposited with SIS acting as central depository are "**Swiss Securities**".
- (viii) *Rule 144A Securities*: Securities which may be sold to certain qualified investors in the United States in reliance on Rule 144A of the United States Securities Act of 1933, as amended, are "**Rule 144A Securities**". The Registered Global Security in respect of each Series of Rule 144A Securities will be deposited on or about the Issue Date with the DTC Custodian on behalf of DTC. Rule 144A Securities will only be issued in registered form, without interest coupons attached, and will not be issued in bearer form. In addition, Rule 144A Securities may be cleared through another Relevant Clearing System in addition to, or in place of, DTC. In such event the Global Security may be deposited with such Relevant Clearing System or a depository therefor. Upon registration of Rule 144A Securities in the name of any nominee for DTC and delivery of the relative Global Security to the DTC Custodian, DTC will credit each clearing system participant with, (a) in respect of Rule 144A Securities (other than Rule 144A Notes), a number of Rule 144A Securities equal to the number thereof for which it has subscribed and paid and (b) in respect of Rule 144A Notes, the aggregate principal amount of Rule 144A Notes for which it has subscribed and paid. Rule 144A Securities that are initially deposited with DTC or any other Relevant Clearing System may similarly be credited to the accounts of subscribers with other Relevant Clearing Systems.

(c) **Exchange of Securities**

(i) *Exchange of Rule 144A Securities*:

Rule 144A Securities represented by a Global Security will not be exchanged for Securities in definitive form except:

- (A) in the case of a Global Security held on behalf of DTC, if DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to such Global Security, or ceases to be a "clearing agency" registered under the Exchange Act, or if at any time it is no longer eligible to act as such, and the Issuer is unable to locate a qualified successor within 90 days of receiving notice or becoming aware of such ineligibility on the part of DTC;
- (B) in the case of a Global Security held by a Relevant Clearing System other than DTC, if the Relevant Clearing System is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so;
- (C) following the occurrence of an Event of Default as provided in these General Conditions; or
- (D) if the Issuer so decides,

provided that, in the case of the first transfer of part of a holding pursuant to (A), (B) and (C) above, the registered Holder has given the Registrar not less than 30 days' notice at its specified office of the registered Holder's intention to effect such transfer and, in the case of a transfer pursuant to (C) above, each person having an interest in the Rule 144A Securities represented by such Global Security has provided the Registrar with a fully completed, signed certification substantially to the effect that such person is not transferring its interest at the time of such exchange. Upon the occurrence of any of the events specified in (A) to (D) (inclusive) above and satisfaction of any applicable condition in the proviso to the preceding sentence, the Holder of a Global Security may, on or after any due date for exchange, surrender such Global Security or, in the case of a partial exchange, present it for endorsement to or to the order of the Relevant Programme Agent. In exchange for any Global Security, or the part thereof to be exchanged, the relevant Issuer will in the case of a Global

Security exchangeable for Securities in definitive form, deliver, or procure the delivery of, an equal aggregate number of duly executed and authenticated Securities in definitive form. Where the holding of Rule 144A Securities represented by a Global Security is only transferable in its entirety, only a Global Security shall be issued to the transferee upon transfer of such holding. Where transfers are permitted in part, a Global Security shall only be issued to transferees if the transferee so requests and certifies to the Registrar that it is, or is acting as a nominee for DTC and/or a Relevant Clearing System.

Each new Rule 144A Security in definitive form to be issued pursuant to this General Condition 1.1(c)(i) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Put Option Exercise Notice (in respect of a partial exercise of the Securities represented by the original Rule 144A Security in definitive form) and surrender of the relevant Rule 144A Security in definitive form for exchange. Delivery of the new Securities in definitive form shall be made at the specified office of the Relevant Programme Agent to whom delivery or surrender of such request for exchange, form of transfer, or Put Option Exercise Notice for the Rule 144A Security in definitive form shall have been made. At the option of the Holder making such delivery or surrender as aforesaid and if it is so specified in the relevant request for exchange, form of transfer, Put Option Exercise Notice or otherwise in writing, the new Rule 144A Security in definitive form shall be mailed by uninsured post at the risk of the Holder entitled to the new Rule 144A Security in definitive form to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the Relevant Programme Agent the costs of such other method of delivery and/or such insurance as it may specify. In this General Condition 1.1, "**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 Programme Agent.

(ii) *Exchange of Bearer Securities other than French Bearer Securities:*

(A) Temporary Bearer Global Securities

Each Temporary Bearer Global Security will be exchangeable, free of charge to the Holder, on or after its Exchange Date, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement (i) for interests in a Permanent Bearer Global Security or (ii) if requested by the Holder on behalf of the beneficial owner of interest in the Temporary Bearer Global Security, for Bearer Securities in definitive form (in which event such Holder's interests in the Temporary Bearer Global Security will be exchanged for Bearer Securities in definitive form and such Holder's Bearer Securities in definitive form will be removed, upon issuance, from the Relevant Clearing System and may not be readmitted into the Relevant Clearing System), provided that any exchange for Bearer Securities in definitive form issued by JPMSP or JPMBD made pursuant to or as a result of the request of a Holder on behalf of a beneficial owner will be, in all circumstances, at such beneficial owner's expense. No Bearer Security in definitive form will be delivered to any address within the United States.

(B) Permanent Bearer Global Securities

Each Permanent Bearer Global Security ("**Permanent Bearer Global Security**") will be exchangeable, free of charge (save as provided in paragraph (3) below) to the Holder, on or after its Exchange Date in whole but not in part for Bearer Securities in definitive form:

- (1) in respect of Bearer Securities other than German Securities, by the relevant Issuer giving notice to the Holders and the Relevant Programme Agent of its intention to effect such exchange;
- (2) otherwise (1) if the Permanent Bearer Global Security is held on behalf of a Relevant Clearing System and any such clearing system is closed for

business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), or has announced an intention permanently to cease business or in fact closes or (2) if principal in respect of any Note represented by such Bearer Global Security is not paid when due by the Holder giving notice to the Relevant Programme Agent of its election for such exchange; or

- (3) otherwise, in the case of an exchange for Bearer Securities in definitive form, if requested by the Holder on behalf of the beneficial owner of interest in the Permanent Bearer Global Security (such request, a "**Holder's Request**") (in which event such Holder's interests in the Permanent Bearer Global Security will be exchanged for Bearer Securities in definitive form and such Holder's Bearer Securities in definitive form will be removed, upon issuance, from the Relevant Clearing System and may not be readmitted into the Relevant Clearing System), provided that any exchange for Bearer Securities in definitive form issued by JPMSP or JPMBD made pursuant to or as a result of the Holder's Request will be, in all circumstances, at such requesting beneficial owner's expense. No Bearer Security in definitive form will be delivered to any address within the United States.

(C) Holder's Request

Any Holder's Request must include the name, address and telephone number of the requesting beneficial owner, as well as an undertaking from such beneficial owner to bear the costs of exchange as set out above.

- (iii) *Exchange of Registered Securities (other than French Registered Securities, Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities, Swiss Securities and Rule 144A Securities):*

(A) Temporary Registered Global Securities

Each Temporary Registered Global Security will be exchangeable, free of charge to the Holder, on or after its Exchange Date, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Registered Global Security.

(B) Permanent Registered Global Securities

Each Permanent Registered Global Security will be exchangeable, free of charge to the Holder, on or after its Exchange Date in whole but not in part for Registered Securities in definitive form:

- (1) by the relevant Issuer giving notice to the Holders and the Registrar of its intention to effect such exchange; or
- (2) otherwise (1) if the Permanent Registered Global Security is held on behalf of Euroclear or Clearstream, Luxembourg or any other Relevant Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), or has announced an intention permanently to cease business or in fact closes or (2) if principal in respect of any Note or Redemption Amounts or Settlement Amounts in respect of any Warrant or Certificate represented by such Registered Global Security is not paid when due by the holder giving notice to the Registrar of its election for such exchange.

- (iv) *Exchange of Swiss Securities:* Swiss Securities will be exchangeable for Registered Securities in definitive form in certain limited circumstances or at the option of the Swiss Programme Agent but not at the option of the Holder.

The Swiss Global Security will not be exchangeable for Securities in definitive form at the option of the Holder or under any circumstances, except (i) if SIS becomes permanently unable to perform its functions in relation to the relevant Swiss Securities as a result of its insolvency, *force majeure* or for regulatory reasons, and if no substitute clearing system has assumed the functions of SIS (including the function as depository of the Swiss Global Security) within 90 calendar days thereafter, or (ii) at the option of the Swiss Programme Agent.

The Issuer has irrevocably authorised the Swiss Programme Agent to arrange for the printing of Registered Securities in definitive form, in whole or in part, in the form agreed in the Agency Agreement or, in case of Swiss Securities listed on the SIX Swiss Exchange, as then required by the rules and regulations of the SIX Swiss Exchange in the event that the Swiss Programme Agent determines that such printing is necessary or useful or if the presentation of Registered Securities in definitive form is required by Swiss or applicable foreign laws or regulations in connection with the enforcement of rights.

If Registered Securities in definitive form are printed, the Swiss Programme Agent will fully or partly exchange the Swiss Global Security deposited with SIS for Registered Securities in definitive form. If Registered Securities in definitive form are issued, the Swiss Programme Agent will maintain a register of the Holders for which Registered Securities in definitive form have been issued ("**Swiss Register**") in accordance with U.S. Treasury Regulation 5F.103-1(c)(1). Prior to and as a condition to depositing a Global Security with a Relevant Clearing System (or issuing it to any person) other than SIS, the Issuer shall obtain an opinion of United States tax counsel competent in such matters to the effect that, having regard to the applicable governing local law (for which purpose tax counsel may rely on an opinion of competent local counsel), the related Swiss Securities will be described in section 871(h)(2)(B) or 881(c)(2)(B) of the Code.

- (v) *Exchange of Finnish Securities and Swedish Securities*: No physical notes or certificates or physical global or definitive warrants or certificates, as applicable, will be issued in respect of Finnish Securities, or Swedish Securities provided that:
 - (A) if, in respect of any Swedish Notes, any Holder gives notice (as used in this paragraph (A) and paragraph (B), a "**Definitive Notes Request Notice**") to the Issuer that it requires its Notes to be in definitive bearer form, then all the Notes held by such Holder (as used in this paragraph (A) and paragraph (B), the "**Exchanged Notes**") shall, with effect from such date (not later than 90 days thereafter) as the Issuer shall notify the relevant Holder (as used in this paragraph (A) and paragraph (B), the "**Definitive Notes Exchange Date**"), be in definitive bearer form and the Exchanged Notes shall be Bearer Notes;
 - (B) in respect of any Exchanged Notes, the Issuer shall on the Definitive Notes Exchange Date provide the Swedish Programme Agent with the relevant Bearer Notes in definitive form and the Swedish Programme Agent shall hold such Exchanged Notes available at its specified office for collection by the respective Holder or, as the case may be, any other person entitled to receive the Exchanged Notes in definitive bearer form, in each case pursuant to registrations made in the records of the Swedish CSD as of the fifteenth day before the Definitive Notes Exchange Date. No Bearer Security in definitive form will be delivered to any address within the United States. No transfers of Exchanged Notes within the Swedish CSD shall be permitted on or after such fifteenth day. With effect from the Definitive Notes Exchange Date, the Exchanged Notes shall become Bearer Notes and the Swedish CSD shall cease to be the Registrar in respect of such Exchanged Notes. The relevant Holder shall bear the cost of printing and delivery of any Exchanged Notes issued by JPMSP or JPMBD. The Definitive Notes Request Notice shall specify the contact details of the relevant Holder for the recovery of such costs. Exchanged Notes will be allocated a new International Securities Identification Number (ISIN). Promptly after receipt of any Definitive Notes Request Notice, the Issuer

shall notify the Swedish CSD and the Relevant Programme Agent. Any Definitive Notes Request Notice to the Issuer pursuant to this paragraph shall be given by the relevant Holders by notice in writing in English to the Issuer at its registered office, marked for the attention of the General Counsel Europe, Legal and Compliance Department and shall take effect upon receipt;

- (C) if, in respect of Finnish Notes, Holders of at least 20 per cent. in aggregate principal amount of the relevant series of Finnish Notes (the "**Definitive Notes Threshold**") provide a notice (as used in this paragraph (C) and paragraph (D), a "**Definitive Notes Request Notice**") to the Issuer, all the Notes of such Series (as used in this paragraph (C) and paragraph (D), the "**Exchanged Notes**") shall, subject to applicable law and Euroclear Finland Rules, with effect from such date (not less than 90 days thereafter) as the Issuer shall notify to Holders (as used in this paragraph (C) and paragraph (D), the "**Definitive Notes Exchange Date**"), be in definitive bearer form and the Exchanged Notes shall be Bearer Notes; or
- (D) in respect of any such Finnish Notes, the Issuer shall on the Definitive Notes Exchange Date provide the Finnish Programme Agent with the relevant Bearer Notes in definitive form and the Finnish Programme Agent shall hold such Notes available at its specified office for collection by the respective Holder or, as the case may be, any other person entitled to receive the Bearer Notes in definitive form, in each case pursuant to registrations made in the records of Euroclear Finland as of the fifteenth day before the Definitive Notes Exchange Date. No Bearer Security in definitive form will be delivered to any address within the United States. No transfers of Exchanged Notes within Euroclear Finland shall be permitted on or after such fifteenth day. For these purposes, the Issuer shall have the right to request Euroclear Finland to provide a list of the registrations made in its records with respect to the Finnish Notes. With effect from the Definitive Notes Exchange Date, the Exchanged Notes shall become Bearer Notes and Euroclear Finland shall cease to be the Registrar. The Finnish Programme Agent shall continue to act as Relevant Programme Agent and Paying Agent in respect of any Finnish Notes which have become Bearer Notes as set out above. On the date of receipt of the Definitive Notes Request Notice, the Issuer shall determine whether the Definitive Notes Threshold has been reached on the basis of the aggregate principal amount of Notes held on that date by those Holders who have on or prior to that date given a Definitive Notes Request Notice. Promptly after receipt of any Definitive Notes Request Notice, the Issuer shall notify Euroclear Finland and the Relevant Programme Agent. Any Definitive Notes Request Notice to the Issuer pursuant to this paragraph shall be given by the relevant Holders by notice in writing in English to the Issuer at its registered office, marked for the attention of the General Counsel Europe, Legal and Compliance Department and shall take effect upon receipt.

All Finnish Notes and Swedish Notes with an original maturity of more than 183 days will be subject to, and all Exchanged Notes (as defined in paragraphs (A) and (C) above) (and any Receipts, Coupons or Talons relating to such Exchanged Notes) will contain, the following legend:

THIS OBLIGATION MAY NOT BE OWNED BY A UNITED STATES PERSON. ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF THE UNITED STATES.

Finnish Notes and Swedish Notes issued by JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. with an original maturity of 183 days or less will be subject to, and all Exchanged Notes (as defined in paragraphs (A) and (C)) (and any Receipts, Coupons or Talons relating to such Exchanged Notes) will contain, the following legend:

BY ACCEPTING THIS OBLIGATION, THE HOLDER REPRESENTS AND WARRANTS THAT IT IS NOT A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(B)(4) OF THE INTERNAL REVENUE CODE OF THE UNITED STATES AND THE REGULATIONS THEREUNDER) AND THAT IT IS NOT ACTING FOR OR ON BEHALF OF A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(B)(4) OF THE INTERNAL REVENUE CODE AND THE REGULATIONS THEREUNDER).

- (vi) *Securities in definitive form*: Subject as otherwise provided in this General Condition 1.1(c), Securities in definitive form may be exchanged or transferred in whole or in part for one or more Securities in definitive form in respect of the same number of Securities. Securities in definitive form will be security printed, serially numbered and printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Agency Agreement.

1.2 Title

(a) *Title to Bearer Securities (other than French Bearer Securities and German Securities)*

Subject as provided below, title to the Bearer Securities (other than French Bearer Securities and German Securities) and any Receipts, Coupons and Talons shall pass by delivery. In the case of Bearer Securities in definitive form, "**Holder**" means, unless otherwise specified, the bearer of any Bearer Security relating to it.

(b) *Title to Registered Securities (other than Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities, French Registered Securities and Swiss Securities)*

Subject as provided below, title to the Registered Securities shall pass by registration in the register (the "**Register**"). The Registrar will maintain the Register in accordance with the provisions of the Agency Agreement. In the case of Registered Securities in definitive form, "**Holder**" means, unless otherwise specified, the person in whose name a Registered Security is registered (as the case may be) or relating to it.

(c) *Title to Securities (other than German Securities) represented by a Global Security*

For so long as any of the Notes (other than Notes which are German Securities) are represented by a Global Note, or Warrants or Certificates (other than Warrants or Certificates which are German Securities) are represented by a Global Warrant or Global Certificate, as applicable (for the purposes of this paragraph each a "**Global Security**" and together the "**Global Securities**") held on behalf of Euroclear, Clearstream, Luxembourg or DTC, each person (other than Euroclear, Clearstream, Luxembourg or DTC) who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the Holder of a principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of such Securities (in which regard any certificate or document issued by Euroclear, Clearstream, Luxembourg or DTC as to the principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of such Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error or proven error) shall be treated by the relevant Issuer and the Agents as the Holder of such principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of such Securities for all purposes other than with respect to the payment of principal or interest (if any) on such principal amount of Notes or the coupon amount, redemption amount or settlement amount of Warrants or Certificates, for which purpose the bearer, or the common depositary or, as the case may be, its nominee in respect of the relevant Registered Security shall be treated by the relevant Issuer and any Agent as the Holder of such principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of such Securities in accordance with and subject to the terms of the Global Security.

(d) *Title to Danish Notes*

Title to Danish Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Danish Registrar in accordance with the provisions of the Agency Agreement

and the VP Rules (the "**VP Register**"). In respect of Danish Notes, "**Holder**" means the person in whose name the Danish Notes are registered and shall include any person duly authorised to act as a nominee for the Notes.

(e) ***Title to Finnish Securities***

Title to Finnish Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Finnish Registrar in accordance with the provisions of the Agency Agreement and Euroclear Finland Rules (the "**Finnish Register**"). Title to Finnish Securities shall pass by transfer from a Holder's book-entry securities account to another book-entry securities account within the Finnish Register (except where the Finnish Securities are nominee-registered and are transferred from one sub-account to another with the same nominee). In respect of Finnish Securities, "**Holder**" means the person on whose book-entry securities account the Finnish Securities are held including a nominee account holder, as the case may be.

Each of the Issuer and the Finnish Programme Agent shall be entitled to obtain information on the Holders from the Finnish Register in accordance with the Euroclear Finland Rules.

(f) ***Title to Norwegian Securities***

Title to Norwegian Securities shall pass by registration in the register that the Issuer shall procure to be kept with the Norwegian Registrar in accordance with the provisions of the Agency Agreement and the VPS Rules (the "**VPS Register**"). The Issuer shall be entitled to obtain information from VPS in accordance with the VPS Rules. In respect of Norwegian Securities, "**Holder**" means the person in whose name a Security is registered and shall include any person duly authorised to act as nominee (*forvalter*) and registered for the Securities.

By purchasing Norwegian Notes, each Holder is deemed to consent that the VPS may provide the Norwegian Programme Agent and/or the Issuer, upon request, information registered with the VPS relating to the Securities and the Holders. Such information shall include, but not be limited to, the identity of the registered Holder of the Securities, the residency of the registered Holder of the Securities, the number of Securities registered with the relevant Holder, the address of the relevant Holder, the account operator in respect of the relevant VPS account (Kontofører utsteder) and whether or not the Securities are registered in the name of a nominee and the identity of any such nominee. The Norwegian Programme Agent and/or the Issuer will only make use of and store such information to the extent this is required or deemed appropriate to fulfil their obligations in relation to the Securities.

(g) ***Title to Swedish Securities***

Title to Swedish Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Swedish Registrar in accordance with the provisions of the Agency Agreement and the Swedish CSD Rules (the "**Swedish Register**"). In respect of Swedish Securities, "**Holder**" means the person in whose name a Security is registered and shall include any person duly authorised to act as a nominee (*förvaltare*) and registered for the Securities.

The Issuer shall be entitled to obtain information from the Swedish Register in accordance with the Swedish CSD Rules.

(h) ***Title to French Securities***

Title to French Securities will be evidenced in accordance with Article L. 211-4 of the *French Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R. 211-7 of the *French Code monétaire et financier*) will be issued in respect of French Securities.

Title to French Bearer Securities and French Registered Securities in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such French Securities may only be effected through, registration of the transfer in the accounts of the Euroclear France

Account Holders. Title to French Registered Securities in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such French Registered Securities may only be effected through, registration of the transfer in the accounts of the Issuer or the French Registration Agent.

In respect of French Securities, "**Holder**" means the person whose name appears in the account of the relevant Euroclear France Account Holder or the Issuer or the French Registration Agent (as the case may be) as being entitled to such French Securities.

(i) ***Title to German Securities***

In respect of German Securities, "**Holder**" means:

- (i) with respect to German Securities represented by a Bearer Global Security, any holder of a proportionate co-ownership interest or right in the Global Security; and
- (ii) with respect to Bearer Securities in definitive form, the bearer of such German Security.

German Securities (including any Receipts, Coupons and Talons relating thereto) shall be transferable in accordance with applicable law and, in case of German Securities represented by a Bearer Global Security, the terms and regulations of the Relevant Clearing System.

(j) ***Title to Swiss Securities***

For so long as the Swiss Securities are represented by a Registered Global Security, each person who is for the time being shown in the records of SIS as the Holder of a principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of such Securities (in which regard any certificate or document issued by SIS as to the principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of such Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error or proven error) shall be treated by the relevant Issuer and the Agents as the holder of such principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of such Securities for all purposes.

In respect of any Swiss Securities in definitive form, title to the Swiss Securities shall pass by registration in the Swiss Register.

(k) ***Title to Rule 144A Securities***

Beneficial interests in the Global Securities for any Series of Rule 144A Securities will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its respective participants (including, in the case of Rule 144A Securities listed on the Luxembourg Stock Exchange, Euroclear and Clearstream, Luxembourg) or such other Relevant Clearing System or its nominee as may be the registered holder thereof. Rule 144A Securities which are represented by a Global Security will only be transferable in accordance with the rules and procedures of DTC or other Relevant Clearing System, as the case may be. Unless and until it is exchanged for Securities in definitive form in the circumstances described above, a Global Security may not be transferred except as a whole by and among DTC or other Relevant Clearing System, as the case may be, its nominees and any successor of DTC or other Relevant Clearing System, as the case may be, or those nominees.

Each of the persons shown in the records of DTC or any other Relevant Clearing System as the Holder of a Security represented by a Global Security must look solely to DTC or such Relevant Clearing System (as the case may be) for his share of each payment made by the relevant Issuer to the holder of the underlying securities and in relation to all other rights arising under the Global Securities, subject to and in accordance with the respective rules and procedures of DTC or such Relevant Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Securities for so long as the Securities are represented by such Global Security and such obligations of the relevant Issuer will be discharged by payment to the holder of the underlying securities in respect of each amount so paid. The relevant Issuer shall not be liable to any such persons or

any other beneficial holder of an interest represented by a Global Security to the extent the relevant Issuer shall have made payment in respect of the Securities represented thereby to DTC or the Relevant Clearing System, as the case may be.

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Rule 144A Security in definitive form may be transferred in whole or in part by the Holder surrendering such Rule 144A Security in definitive form for registration of the transfer of the Rule 144A Security in definitive form (or the relevant part of the Rule 144A Security) at the specified office of the Relevant Programme Agent, with the form of transfer thereon duly executed by the Holder thereof or its attorney duly authorised in writing and upon the Relevant Programme Agent, after due and careful enquiry, being satisfied with the documents of title and the identity of the person making the request and subject to such reasonable regulations as the relevant Issuer and the Relevant Programme Agent may prescribe.

(1) ***Ownership***

Except as ordered by a court of competent jurisdiction, or as required by law, the Holder of any Securities, Receipt, Coupon or Talon 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 (or on the registered certificate) or its theft or loss (or that of the related registered note certificate) and no person shall be liable for so treating the Holder.

2. **Transfers**

2.1 **Registered Securities held in a Relevant Clearing System**

(a) ***Transfers of Registered Securities***

Transfers of Registered Securities (other than Danish Notes, Finnish Securities, Norwegian Securities and Swedish Securities) which are held in a Relevant Clearing System may be effected only through the Relevant Clearing System(s) in which the Securities to be transferred are held.

(b) ***Transfer of Danish Notes***

Transfers of Danish Notes are effected on entry in the VP Register of an account transfer from a Holder's book-entry securities account to another securities book-entry account within the VP (except where the Danish Notes are nominee-registered and are transferred from one account to another account with the same nominee) in accordance with the VP Rules.

(c) ***Transfer of Finnish Securities***

Transfers of Finnish Securities are effected upon entry in the Finnish Register of an account transfer from a Holder's book-entry securities account to another securities book-entry account (except where the Finnish Securities are nominee-registered and are transferred from one account to another account with the same nominee) in accordance with Euroclear Finland Rules.

(d) ***Transfer of Norwegian Securities***

Transfers of Norwegian Securities are effected upon entry into the VPS Register of an account transfer from a Holder's book-entry securities account to another securities book-entry account within the VPS (except where the Norwegian Securities are nominee-registered and are transferred from one account to another account with the same nominee) in accordance with the VPS Rules.

(e) ***Transfer of Swedish Securities***

Transfers of Swedish Securities are effected upon entry in the Swedish Register of an account transfer from a Holder's book-entry securities account to another securities book-entry account (except where the Swedish Securities are nominee-registered and are transferred from one

account to another account with the same nominee) in accordance with the Swedish CSD Rules.

(f) ***Closed Periods in respect of Danish Notes, Norwegian Notes and Swedish Notes***

No Holder may require the transfer of a Registered Note to be registered:

- (i) in respect of Danish Notes, Norwegian Notes and Swedish Notes during a closed period pursuant to the VP Rules, the VPS Rules or Swedish CSD Rules (as applicable); or
- (ii) in respect of Finnish Notes, during a period not permitted by the then applicable Euroclear Finland Rules or when the relevant Finnish Notes are held in a blocked book-entry securities account pursuant to General Condition 5.2 (*Redemption at the Option of Holders*).

2.2 **Registered Securities in definitive form**

(a) ***Transfer of Registered Securities in definitive form***

Transfers of Registered Securities in definitive form are effected upon (i) the surrender (at the specified office of the Registrar or any Transfer Agent) or, in the case of Registered Notes, the registered note certificate representing such Registered Notes in definitive form to be transferred or, in the case of Registered Warrants in definitive form and Registered Certificates in definitive form, the registered certificate, representing such Registered Warrants in definitive form and Registered Certificates in definitive form to be transferred (hereinafter, in respect of Registered Notes, Registered Warrants and Registered Certificates in definitive form, the "**registered certificate**"), as applicable, together with the form of transfer (which shall be available at the specified office of the Registrar or Transfer Agent) endorsed on such registered 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 certificate to the transferee.

(b) ***Part Transfer of Registered Securities in definitive form***

In the case of a transfer of part only of a holding of Registered Securities in definitive form represented by one registered certificate, a new registered certificate shall be issued to the transferee in respect of the part transferred and a further new registered certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(c) ***Delivery of New Registered Securities in definitive form***

Each new registered certificate to be issued pursuant to this General Condition 2 (*Transfers*) shall be available for delivery within three business days of receipt of the form of transfer or Put Option Exercise Notice and surrender of the registered certificate for exchange. Delivery of the new registered certificate(s) 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, Put Option Exercise Notice or registered 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, Put Option Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the Holder entitled to the new registered certificate (as applicable) to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the Relevant Programme Agent the costs of such other method of delivery and/or such insurance as it may specify.

(d) ***Closed Periods in respect of Registered Notes in definitive form***

No Holder may require the transfer of a Registered Note in definitive form to be registered:

- (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note;
 - (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to General Condition 5.1 (*Redemption at the Option of the Issuer*);
 - (iii) after any such Note has been called for redemption; or
 - (iv) during the period of seven days ending on (and including) any Record Date.
- (e) ***Exchange Free of Charge***

Exchange and transfer of Securities on registration, transfer, partial redemption, settlement or exercise of an option (as applicable) 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).

2.3 Voidable Transfers

- (a) ***U.S. Persons***
- (i) *Securities other than Rule 144A Securities*: Securities (other than Rule 144A Securities) may not be legally or beneficially owned by any U.S. Person at any time nor offered, sold, delivered, pledged or otherwise transferred or exercised or redeemed at any time, directly or indirectly, in the United States or to any U.S. Person. The Issuer has the right, at its option, under the Agency Agreement and these General Conditions, to compel any legal or beneficial owner of the Securities (other than Rule 144A Securities) that is a U.S. Person to void the transfer of the Securities (other than Rule 144A Securities) to such legal or beneficial owner or to redeem any Securities (other than Rule 144A Securities) held by such legal or beneficial owner or the Issuer may void the transfer of the Securities (other than Rule 144A 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 (other than Rule 144A Securities) on behalf of such legal or beneficial owner, in each case at the lower of the Issue Price and the Early Payment Amount of such Securities.
 - (ii) *Rule 144A Securities*: Transfers of Rule 144A Securities or interests in the Securities effected otherwise than to persons (I) who are (i) a QIB, (ii) in relation to Securities issued by JPMSP or JPMBD, a QP, (iii) an ECP and (iv) in relation to Securities issued by JPMSP or JPMBD either a Qualified Offshore Client or MUSIV and (II) (a) in the case of Rule 144A Securities which are Notes held in definitive form, Warrants or Certificates, who have entered into, and have remained in compliance with, the relevant Investor Letter of Representations at the time of such transfer or (b) in the case of Rule 144A Notes represented by a Global Security, who remained in compliance with the representations such beneficial holders are deemed to have made, will be voidable and will not operate to transfer any rights to the transferee. Such transfers may be voided, or such Rule 144A Securities redeemed, at the option of the relevant Issuer. Such transfers may be voided by the relevant Issuer by compelling a sale by the Holder or by the relevant Issuer selling such Rule 144A Securities on behalf of the Holder to another purchaser acceptable to such Issuer.
- (b) ***Indian Residents***
- Securities for which the 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, (i) be voidable or (ii) give the Issuer the right to compel the legal or beneficial owner to redeem any such relevant Indian Participation Securities held by such legal or beneficial

owner or (iii) give the Issuer the right to sell such Indian Participation Securities on behalf of such legal or beneficial owner to another purchaser acceptable to the Issuer.

3. **Guarantee and Status of the Securities**

3.1 **Guarantee**

(a) ***JPMorgan Chase Bank, N.A. Guarantee***

In accordance with, and subject to the terms of, the JPMorgan Chase Bank, N.A. Guarantee, JPMorgan Chase Bank, N.A. has absolutely and unconditionally guaranteed the due and punctual settlement in full of all obligations of JPMSP under the Securities, Receipts and Coupons issued by JPMSP 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, against any person to whom obligations are from time to time being owed, when and as due (whether at maturity, by acceleration or otherwise).

(b) ***JPMorgan Chase & Co. Guarantee***

In accordance with, and subject to the terms of, the JPMorgan Chase & Co. Guarantee, JPMorgan Chase & Co. has absolutely and unconditionally guaranteed the due and punctual settlement in full of all obligations of JPMBD under the Securities, Receipts and Coupons issued by JPMBD under the Agency Agreement, after taking account of any set-off, combination of accounts, netting or similar arrangement from time to time exercisable by JPMBD, 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) ***Status of Guarantees***

Neither the JPMorgan Chase Bank, N.A. Guarantee nor the JPMorgan Chase & Co. Guarantee is a deposit insured or guaranteed by the United States Federal Deposit Insurance Corporation ("FDIC") or any other government authority.

The JPMorgan Chase Bank, N.A. Guarantee is an unsecured and unsubordinated obligation of JPMorgan Chase Bank, N.A., and not of JPMorgan Chase & Co. or of any of its affiliates (each a "**J.P. Morgan affiliate**"), and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of JPMorgan Chase Bank, N.A., subject to a preference in favour of certain deposit liabilities or any other obligations that are subject to any priorities or preferences.

The JPMorgan Chase & Co. Guarantee is an unsecured and unsubordinated obligation of JPMorgan Chase & Co., and not of JPMorgan Chase Bank, N.A. or of any J.P. Morgan affiliate and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of JPMorgan Chase & Co., subject to a preference in favour of any obligations that are subject to any priorities or preferences.

3.2 **Status of the Securities**

The Securities constitute general contractual obligations of the Issuers and are not secured by any property of the Issuers, nor are they deposits insured or guaranteed by the FDIC or any other government authority. The Securities, Receipts and Coupons are unsecured and unsubordinated obligations of the relevant Issuer, and not of any other Issuer or its affiliates, and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of the relevant Issuer, subject to such exceptions as may be provided by any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative or judicial authority or power (including, in the case of JPMorgan Chase Bank, N.A., a preference in favour of certain deposit liabilities), and any subordinated obligations (subject to priorities or preferences, as applicable).

C. PROVISIONS APPLICABLE TO NOTES ONLY

4. Interest and other Calculations under the Notes

4.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date(s) and the amount of interest payable on each Interest Payment Date shall be the Fixed Coupon Amount or, if applicable, the Broken Amount.

If interest is required to be calculated for a Fixed Rate Note for a period other than an Interest Period, such interest shall be calculated by multiplying the Rate of Interest by the Specified Denomination and multiplying the product by the Day Count Fraction, and rounding the resultant figure in accordance with General Condition 22 (*Rounding*). In all other circumstances the Day Count Fraction shall not be applicable to Fixed Rate Notes.

4.2 Interest on Floating Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date.

(b) Rate of Interest for Floating Rate Notes

The Rate of Interest in respect of Floating Rate Notes for each Interest Period shall be determined in the manner specified in the relevant Final Terms and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Final Terms.

(i) *ISDA Determination for Floating Rate Notes*: where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (i), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent (as defined in the ISDA Definitions) under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions, and under which:

- (A) the Floating Rate Option is as specified in the relevant Final Terms;
- (B) the Designated Maturity is a period as specified in the relevant Final Terms; and
- (C) the relevant Reset Date is the first day of that Interest Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (i), "**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

(ii) *Screen Rate Determination for Floating Rate Notes*: where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Period in accordance with the following:

- (A) if the Primary Source for the Rate of Interest is a Page, subject as provided below, the Rate of Interest shall be:

- (1) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or
- (2) the arithmetic mean of the Relevant Rates of the entities whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date;

- (B) if the Primary Source for the Rate of Interest is Reference Banks or if sub-paragraph (A)(1) above applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (A)(2) above applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent; and
- (C) if paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of the five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is euro, in the Euro-zone as selected by the Calculation Agent (the "**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (i) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (ii) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin or Maximum Rate of Interest or Minimum Rate of Interest applicable to the preceding Interest Period and to the relevant Interest Period).

4.3 **Interest on Share Linked Interest Notes, Index Linked Interest Notes, Commodity Linked Interest Notes, FX Linked Interest Notes and Other Variable Linked Interest Notes**

Each Share Linked Interest Note, Index Linked Interest Note, Commodity Linked Interest Note, FX Linked Interest Note and Other Variable Linked Interest Note bears interest from the Interest Commencement Date, such interest to be payable on each Interest Payment Date.

The Rate of Interest or the Interest Amount (as applicable) relating to the Notes will be calculated as set out in the relevant Final Terms (and in accordance with General Condition 4.8 (*Interest Calculations (Notes other than Fixed Rate Notes)*)).

4.4 **Zero Coupon Notes**

Where a Zero Coupon Note is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Payment Amount (as described in General Condition 5.5 (*Early Redemption of Zero Coupon Notes*)) of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield.

4.5 **Dual Currency Notes**

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating a Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.

4.6 **Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of the Notes and otherwise as specified in the relevant Final Terms.

4.7 **Accrual of Interest**

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgement) at the Rate of Interest in the manner provided in this General Condition 4 to the Relevant Date.

4.8 **Interest Calculations (Notes other than Fixed Rate Notes)**

The amount of interest that shall accrue in respect of any Note other than a Fixed Rate Note for any period shall be calculated by applying the Rate of Interest for such period to the Specified Denomination, multiplying the product by the Day Count Fraction and rounding the result in accordance with General Condition 22 (*Rounding*), unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula).

If any Margin is specified in the relevant Final Terms (either (i) generally or (ii) in relation to one or more Interest Periods), an adjustment shall be made to all Rates of Interest, in the case of (i), or the Rates of Interest for the specified Interest Periods, in the case of (ii), calculated in accordance with General Condition 4.2(b) (*Rate of Interest for Floating Rate Notes*) or the relevant Final Terms (in the case of Index Linked Interest Notes, Share Linked Interest Notes, Commodity Linked Interest Notes, FX Linked Interest Notes or Other Variable Linked Interest Notes) by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then any Rate of Interest shall be subject to such maximum or minimum, as the case may be.

4.9 **Determination and publication of Rates of Interest**

As soon as practicable after any relevant time (which, in respect of an Interest Determination Date shall be the applicable Relevant Time) on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation or adjustment to the terms of the Notes with respect to the calculation of the Interest Amount or the Rate of Interest, as applicable, it shall determine such rate or amount and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Period, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and/or the Interest Amounts for each Interest Period and the relevant Interest Payment Date or any other amount specified in the relevant Final Terms to be notified to the Relevant Programme Agent, the Issuer, each of the Paying Agents, any other Calculation Agent or Delivery Agent appointed in respect of the Notes that is to make a further calculation or delivery upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and

Interest Amount, or (ii) in all other cases, as soon as reasonably practicable after such determination.

Where any Interest Payment Date or Interest Period is subject to adjustment in accordance with the applicable Business Day Convention, the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under General Condition 16 (*Events of Default*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this General Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made.

5. **Redemption of Notes**

5.1 **Redemption at the Option of the Issuer**

If Call Option is specified to be applicable in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 calendar days' irrevocable notice to the Holders (or such other notice period as may be specified in the relevant Final Terms) redeem, all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount. All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this General Condition 5.1.

(a) ***Partial Redemption of Notes in definitive form***

In the case of a partial redemption or a partial exercise of an Issuer's option with respect to any Notes in definitive form, the notice to Holders shall also contain the serial numbers or certificate numbers of the Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements. So long as the Notes are admitted to the Official List and traded on the Regulated Market of the Luxembourg Stock Exchange and the rules of that Stock Exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper of general circulation in Luxembourg a notice specifying the aggregate nominal amount of Notes outstanding and a list of the Notes drawn for redemption but not surrendered.

(b) ***Partial Redemption of Notes represented by a Global Security held on behalf of Euroclear and Clearstream, Luxembourg***

In the case of a partial redemption or partial exercise of an Issuer's option, the Notes represented by a Global Security held on behalf of Euroclear and Clearstream, Luxembourg to be redeemed will be selected in accordance with the rules of Euroclear and Clearstream, Luxembourg, to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount at the discretion of Euroclear and Clearstream, Luxembourg.

(c) ***Partial Redemption of French Notes***

In the case of a partial redemption or a partial exercise of the Issuer's option, the redemption will be effected by reducing the nominal amount of all the French Notes of such Series in a proportion to the aggregate nominal amount redeemed.

(d) ***Partial Redemption of Finnish Notes***

Any partial redemption of Finnish Notes shall be in accordance with Euroclear Finland Rules, and the notice to Holders shall also contain the quantity of Finnish Notes to be redeemed in respect of which such option has been exercised and shall specify the Closed Periods for the purposes of General Condition 2.1(f) (*Closed Periods*).

(e) ***Partial Redemption of Norwegian Notes***

Any partial redemption of Norwegian Notes shall be in accordance with the VPS Rules, and the Norwegian Notes to be redeemed shall be selected individually by lot in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements, including the VPS Rules. The notice to Holders shall specify the Norwegian Notes or the amount of Norwegian Notes to be redeemed or in respect of which such option has been exercised, and the procedures for partial redemptions laid down in the VPS Rules shall be observed. In respect of redemption of Norwegian Notes, the notice shall also specify the Closed Periods for the purposes of General Condition 2.1(f) (*Closed Periods*).

(f) ***Partial Redemption of Swedish Notes***

The notice to Holders in respect of a partial redemption of Swedish Notes shall specify the Notes or amounts of the Notes to be redeemed or in respect of which such option has been so exercised, and the procedures for partial redemptions laid down in the Swedish CSD Rules will be observed. The Notice shall also specify the Closed Periods for the purposes of General Condition 2.1(f) (*Closed Periods*) and the Swedish Record Date for the purposes of General Condition 6 (*Payments, Receipts, Talons and Coupons*).

5.2 **Redemption at the Option of Holders**

If Put Option is specified to be applicable in the relevant Final Terms, the Issuer shall, at the option of the Holder of any such Note, upon the Holder of such Note giving not less than 15 nor more than 30 calendar days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount. In respect of Notes which are German Securities, any such notice shall be given in accordance with General Condition 26.10 (*Notices by Holders of German Securities*).

(a) ***Global Notes***

In respect of Global Notes, to exercise such option or any other Holders' option that may be set out in the relevant Final Terms in respect of Notes other than German Securities, the Holder must give notice to any Paying Agent or the Registrar, respectively, substantially in the form of the Put Option Exercise Notice, except that the Put Option Exercise Notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the Permanent Bearer Global Security to the Relevant Programme Agent or the Permanent Registered Global Security to the Registrar, as the case may be, for notation.

(b) ***Notes in definitive form***

To exercise such option or any other Holders' option that may be set out in the relevant Final Terms, the holder must deposit (in the case of Bearer Notes in definitive form) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes in definitive form) the registered note certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed Put Option Exercise Notice within the notice period. No Note or registered note certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(c) ***Finnish Notes***

In respect of Finnish Notes, the Holder must deposit a Put Option Exercise Notice with the Finnish Programme Agent and transfer the relevant Finnish Notes to the book-entry securities account designated by the Finnish Programme Agent and blocked for further transfer by the Finnish Programme Agent (such date will be the first date of a closed period for the purposes of General Condition 2.1(f) (*Closed Periods*)).

(d) **Norwegian Notes**

In respect of Norwegian Notes, the Holder must register in the relevant VPS account a transfer restriction in favour of the Norwegian Programme Agent and deliver to the Norwegian Programme Agent a duly completed Put Option Exercise Notice within the notice period. A Put Option Exercise Notice in respect of Norwegian Notes will not take effect against the Issuer before the date on which the relevant Norwegian Notes have been transferred to the account designated by the Norwegian Programme Agent or blocked for further transfer by the Norwegian Programme Agent (such date will be the first date of a closed period for the purposes of General Condition 2.1(f) (*Closed Periods*)). No Norwegian Note so transferred or blocked and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(e) **Swedish Notes**

A Put Option Exercise Notice in respect of Swedish Notes will not take effect against the Issuer before the date on which the relevant Swedish Notes have been transferred to the account designated by the Swedish Programme Agent and blocked for further transfer by the Swedish Programme Agent (such date will be the first date of a closed period for the purposes of General Condition 2.1(f) (*Closed Periods*)). No Swedish Note so transferred or blocked and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

5.3 **Exercise of Options or Partial Redemption in respect of Registered Notes in definitive form**

In the case of an exercise of an Issuer's or Holders' option in respect of, or a partial redemption of, a holding of Registered Notes in definitive form represented by a single registered note certificate, a new registered note certificate shall be issued to the Holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes in definitive form of the same holding having different terms, separate registered note certificates shall be issued in respect of those Notes of that holding that have the same terms. New registered note certificates shall only be issued against surrender of the existing registered note certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes in definitive form to a person who is already a Holder of Registered Notes in definitive form, a new registered note certificate representing the enlarged holding shall only be issued against surrender of the registered note certificate representing the existing holding.

5.4 **Exercise of Options or Partial Redemption in respect of Norwegian Notes**

Where the exercise of an option results in Norwegian Notes of the same holding having different terms, separate Notes registered with the VPS Register shall be issued in respect of those Norwegian Notes of that holding having the same terms. Such Notes shall only be issued against surrender of the existing Norwegian Notes in accordance with the VPS Rules.

5.5 **Early Redemption of Zero Coupon Notes**

In respect of any Zero Coupon Notes which are redeemed early in accordance with the General Conditions, the Early Payment Amount shall be the Amortised Face Amount. The Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is specified in the relevant Final Terms, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually. If the Early Payment Amount payable is not paid when due in respect of any such Note upon its redemption pursuant to General Condition 5.7 (*Redemption for Taxation Reasons*) or upon it becoming due and payable as provided in General Condition 16 (*Events of Default*), the Early Payment Amount due and payable shall be the Amortised Face Amount of such Note, except that the date on which the Note becomes due and payable shall be the Relevant Date. The calculation of the Amortised Face Amount shall continue to be made (as well after as before

judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with General Condition 4.4 (*Zero Coupon Notes*).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.

5.6 **Redemption**

(a) ***Redemption by Instalments***

Unless previously redeemed or purchased and cancelled, as provided in General Condition 24 (*Purchase and Cancellation*), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amounts of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(b) ***Final Redemption***

Unless previously redeemed or purchased and cancelled in accordance with General Condition 24 (*Purchase and Cancellation*), each Note (other than a Note to which General Condition 15.1 (*Physical Delivery in respect of Securities*) applies) shall be redeemed on the Maturity Date at its Final Redemption Amount or, in the case of a Note falling within (a) above, its final Instalment Amount. Where the Final Redemption Amount is linked to the performance of an underlying at the Maturity Date, the Final Redemption Amount shall be calculated by the Calculation Agent at the relevant date as specified in the Final Terms (unless otherwise previously redeemed).

(c) ***Partly Paid Notes***

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this General Condition and the provisions specified in the relevant Final Terms.

(d) ***Credit Linked Notes***

Provisions relating to the redemption of Credit Linked Notes will be set out in the relevant Final Terms.

5.7 **Redemption for Taxation Reasons**

(a) ***Redemption at option of the Issuer for taxation reasons***

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time or, if so specified in the relevant Final Terms, only on an Interest Payment Date on giving not less than 30 nor more than 60 calendar days' notice to the Holders (which notice shall be irrevocable), at their Early Payment Amount, if:

- (i) the Issuer (or the Guarantor, as the case may be) has or will (or there is a substantial likelihood that it will) become obliged to pay Additional Amounts as provided or referred to in General Condition 18 (*Taxation*) as a result of any action taken by a Relevant Jurisdiction 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 a Relevant Jurisdiction 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

- (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 calendar days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Notes then due.

(b) ***Certificate of the Issuer stating that the Issuer is entitled to effect redemption***

Before the publication of any notice of redemption pursuant to General Condition 5.7(a) (*Redemption at the option of the Issuer for taxation reasons*), the Issuer shall deliver to the Relevant Programme Agent a certificate duly signed by the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will (or there is a substantial likelihood that it will) become obliged to pay such Additional Amounts as a result of such change or amendment.

6. **Payments, Receipts, Talons and Coupons**

6.1 **Payments in respect of Bearer Notes**

(a) ***Payments of principal and interest in respect of Bearer Notes in definitive form***

Payments of principal and interest in respect of Bearer Notes in definitive form shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in this General Condition) or Coupons (in the case of interest, save as specified in General Condition 6.1(d) (*Unmatured Coupons Void*)), as the case may be, at the specified office of any Relevant Programme Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the Holder, by transfer to an account denominated in such currency with a Bank, subject to the provisions in General Condition 14 (*Payment Disruption*).

(b) ***Payments of principal and interest in respect of Global Bearer Notes***

Payments of principal and interest in respect of Notes represented by a Global Bearer Note shall (subject as provided below) be made in the manner specified in the relevant Global Note and in the case of German Securities to the Relevant Clearing System for credit to the accounts of the relevant account holders of the Relevant Clearing System against presentation or surrender, as the case may be, of such Global Note at the specified office of the Relevant Programme Agent outside the United States, subject to the provisions in General Condition 14 (*Payment Disruption*). The Relevant Programme Agent shall make a record of each payment made against presentation or surrender of any Global Bearer Note, distinguishing between any payment of principal and any payment of interest on the Global Bearer Note by the Paying Agent to which it was presented, and such record shall be *prima facie* evidence that the payment in question has been made.

(c) ***Payments in New York City***

In respect of any Bearer Notes in definitive form, denominated in U.S. dollars, payments may be made at the specified office of the Relevant Programme Agent in New York City in the same manner as aforesaid if (i) the relevant Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such

amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer or, for Notes issued by JPMSB and JPMBD, the relevant Guarantor. No payment of principal, premium (if any) or interest on any Bearer Note in definitive form may be made at any other office of the Relevant Programme Agent or any other Paying Agent maintained by the Issuer or the relevant Guarantor in the United States, nor may payment be made to any other address in the United States or by transfer to an account maintained in the United States.

(d) ***Unmatured Coupons Void***

Upon the due date for redemption of any Bearer Note in definitive form, all unmatured Coupons relating to such Note (whether or not still attached) shall become void and no payment shall be made in respect of them.

(e) ***Receipts***

Upon the due date for redemption of any Bearer Note in definitive form that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(f) ***Accrued Interest***

If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note in definitive form. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note.

(g) ***Exchange of Talons***

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note in definitive form, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Relevant Programme Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to General Condition 28 (*Prescription*)). Upon the due date for redemption of any Bearer Note in definitive form, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupons shall be delivered in respect of such Talon.

(h) ***Indemnity for missing Coupon or unexchanged Talon***

Where any Bearer Note in definitive form which provides that the relevant unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note in definitive form is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

6.2 **Payments in respect of Registered Notes**

(a) ***Payments of principal and interest in respect of Registered Global Notes***

In respect of any Registered Notes represented by a Global Note, payments of principal and interest shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment, and if no further payment falls to be made, on surrender of the Global Note to or to the order of the Registrar, subject to the provisions of General Condition 14 (*Payment Disruption*). The Relevant Programme Agent shall make a record of each payment made against presentation or surrender of any Registered Global Note, distinguishing between any payment of principal and any payment of interest on the Registered Global Note by the Paying Agent to which it was presented, and such record shall be *prima facie* evidence that the payment in question has been made.

(b) ***Payments of principal and interest in respect of Registered Notes in definitive form***

In respect of any Registered Notes in definitive form, payments of principal and interest (which for the purposes of this General Condition shall include final Instalment Amounts but not other Instalment Amounts), shall be made against presentation and surrender of the relevant registered note certificates at the specified office of any of the Transfer Agents or of the Registrar, subject to the provisions of General Condition 14 (*Payment Disruption*). Interest payments shall be made in accordance with General Condition 6.2(i) (*Record Date*).

(c) ***Payments in respect of Danish Notes***

Payments of principal and/or interest in respect of Danish Notes shall be made on the due date for such payment to the Holders specified on the Danish Record Date and shall in all cases be made outside the United States.

(d) ***Payments in respect of Finnish Notes***

Payments of principal and/or interest in respect of Finnish Notes shall be made to the Holders in accordance with Euroclear Finland Rules. The Record Date in respect of Finnish Notes shall be the first Euroclear Finland register day before the due date for payment (in respect of Finnish Notes, the "**Finnish Record Date**") and shall in all cases be made outside the United States. In this General Condition 6.2(d), "**Euroclear Finland register day**" means a day on which the Finnish book-entry securities system is open pursuant to Euroclear Finland Rules.

(e) ***Payments in respect of Norwegian Notes***

Payments of principal and/or interest in respect of Norwegian Notes shall be made on the due date for such payment to the Holders registered as such on the tenth business day (as defined in the then applicable VPS Rules prior to the due date), or on such other business day falling closer to the due date as then may be stipulated in the VPS Rules (in respect of Norwegian Notes, the "**Norwegian Record Date**") and shall in all cases be made outside the United States.

(f) ***Payments in respect of Swedish Notes***

Payments of principal and/or interest in respect of Swedish Notes shall be made to the Holders registered as such on the fifth business day (as defined by the then applicable Swedish CSD Rules) before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in the Swedish CSD Rules (in respect of Swedish Notes, the "**Swedish Record Date**") and will be made in accordance with the Swedish CSD Rules and shall in all cases be made outside the United States.

(g) ***Payments in respect of French Notes***

Payments of principal and interest (including, for the avoidance of doubt, any arrears of interest, where applicable) in respect of French Notes shall (in the case of Notes in bearer dematerialised form or administered registered form) be made by transfer to the account denominated in the relevant currency of the relevant Euroclear France Account Holders for the benefit of the Holders and (in the case of Notes in fully registered form) to an account denominated in the relevant currency with a Bank designated by the Holders and shall in all cases be made outside the United States. All payments validly made to such Euroclear France Account Holders or Bank will be an effective discharge of the Issuer in respect of such payments.

(h) ***Payments in respect of Swiss Notes***

Payments of principal and/or interest in respect of Swiss Notes shall be made to the Holders on the due date for such payment, and in the case of Swiss Notes issued by JPMBD or JPMSP shall in all cases be made outside the United States.

(i) **Record Date**

Each payment in respect of a Registered Note in definitive form will be paid to the person shown as the Holder in the Register at the close of business on the fifteenth day before the due date for the payment thereof (in respect of Registered Notes in definitive form, the "**Record Date**"). Where payment in respect of a Registered Note in definitive form is to be made by cheque, the cheque will be mailed to the address of the Holder appearing in the Register (or to the first-named of joint holders).

6.3 **Payments subject to laws**

All payments are subject in all cases to any applicable laws, regulations and directives in the place of payment, but without prejudice to the provisions of General Condition 18 (*Taxation*). No commission or expenses shall be charged to the Holders or Couponholders in respect of such payments.

7. **Replacement of Notes, Receipts, Coupons and Talons**

If a Note (including any registered note certificate representing such Note), Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Relevant Programme Agent or such other agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Holders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued. Upon the issuance of any replacement Note, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental or issuance charge that may be imposed in connection with such replacement and any other expense (including the fees and expenses of the Relevant Programme Agent) connected therewith.

D. PROVISIONS APPLICABLE TO CERTIFICATES ONLY8. **Certificate Coupon**8.1 **Coupon Payment Dates**

Each Certificate in respect of which the "Certificate Coupon Provisions" are expressed to be applicable in the relevant Final Terms will pay a 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 Coupon Rate, such coupon being payable in arrear on each Coupon Payment Date. If no Coupon Payment Date(s) is/are shown in the relevant Final Terms, 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 Coupon Period after the preceding Coupon Payment Date or, in the case of the first Coupon Payment Date, after the Issue Date. In all cases, payments on Certificates which are in bearer form for U.S. federal income tax purposes will be made outside the United States.

8.2 **Coupon Rate and/or Coupon Amount**

The Coupon Rate in respect of each Coupon Period shall be determined in the manner specified in the relevant Final Terms, unless a Coupon Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount payable in respect of such Certificate for such period shall equal such Coupon Amount (or be calculated in accordance with such formula). Any amounts so calculated will be rounded in accordance with General Condition 22 (*Rounding*).

If the coupon is to be calculated by reference to a Coupon Rate, the coupon amount in respect of each Coupon Period shall be calculated by multiplying the Notional Amount by the Coupon Rate for such period, further multiplying the product by the Day Count Fraction, and rounding the result in accordance with General Condition 22 (*Rounding*).

9. **Redemption Rights in respect of Certificates**

9.1 **Redemption on the Redemption Date**

Unless previously redeemed, purchased and/or cancelled, 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 in definitive form, with a copy to the Relevant Programme Agent and the Issuer by no later than 10.00 a.m. (Local Time) on the earlier of (a) one Clearing System Business Day after the Redemption Date and (b) the Settlement Date. If the relevant Final Terms confer on the Issuer an option of either Cash Settlement or Physical Settlement, its choice shall be notified to the Holders in accordance with General Condition 26 (*Notices*). In all cases, payments (including the Reference Asset Amount) will be made outside the United States.

9.2 **Redemption Procedure**

(a) **Cash Settlement**

(i) *Transfer of Redemption Amount:* 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 Redemption 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:

- (A) in respect of Certificates other than Certificates which are German Securities, to the Relevant Clearing System(s) for the credit of the account of the relevant Holder outside the United States, or
- (B) in respect of Certificates which are German Securities, to the Relevant Clearing System for the credit of the account of the relevant account holder in the Relevant Clearing System,

subject in each case to the provisions of General Condition 14 (*Payment Disruption*).

(ii) *Finnish Certificates, Norwegian Certificates and Swedish Certificates:* In respect of Finnish Certificates registered as Notes with Euroclear Finland, Norwegian Certificates and Swedish Certificates, Cash Settlement will occur in accordance with Euroclear Finland Rules, the VPS Rules or the Swedish CSD Rules respectively, and payments will be effected to the Holder recorded as such on the Relevant Record Date.

(b) **Physical Settlement**

(i) *Transfer of Reference Asset Amount:* The Issuer shall, for each Certificate being redeemed and which is to be settled by Physical Settlement, transfer or procure the transfer of the Reference Asset Amount in accordance with General Condition 15 (*Physical Delivery*).

(ii) *Finnish Certificates, Norwegian Certificates and Swedish Certificates:* In addition, in respect of Finnish Certificates registered as Notes with Euroclear Finland, Norwegian Certificates and Swedish Certificates, Physical Settlement will occur in accordance with Euroclear Finland Rules, the VPS Rules or the Swedish CSD Rules respectively, and transfers will be effected to the Holder recorded as such on the Relevant Record Date.

(c) ***Expenses***

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

10. **Exercise Rights in respect of Certificates**10.1 **Exercise Rights of Certificates**

If the relevant Final Terms specify "Exercise applicable to Certificates" to be applicable, then General Condition 11 (*Exercise of Warrants*) shall apply to the Certificates instead of General Condition 9 (*Redemption Rights in respect of Certificates*) to such Certificates and the relevant Final Terms may make such other consequential changes to these General Conditions in order to effect such exercise as may be requisite or desirable in the sole and absolute discretion of the Issuer.

10.2 **Exercise Rights in respect of Italian Certificates**(a) ***Italian Certificates***

In respect of Italian Certificates, save as specified in the relevant Final Terms, if the Certificates are traded on the regulated markets organised and managed by Borsa Italiana S.p.A., the following provisions shall apply and any other General Condition providing otherwise with respect thereto shall not apply.

(b) ***Automatic Exercise***

The exercise of each Series of Italian 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.

(c) ***Fees and Expenses in connection with Exercise***

Neither the Relevant Programme Agent nor the Issuer shall apply any charges for the automatic exercise of the Italian 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 Italian Certificates are payable by the Holder.

(d) ***Right to Renounce***

Each Holder has the right to renounce the exercise of the relevant Italian 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 Relevant Programme 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.

(e) ***Delivery of Renouncement Notice***

The Holder must deliver the completed Renouncement Notice to the Relevant Programme 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.

(f) ***Fees and Expenses in connection with Renouncement***

Neither the Paying Agent nor the Issuer shall apply any charge for the renouncement to the exercise of the Italian 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 Italian Certificates are payable by the Holder.

(g) ***Failure to complete a Renouncement Notice***

In the event that a Holder does not execute, where applicable, a duly completed Renouncement Notice in accordance with the provisions hereof, the relevant Italian Certificate or Italian Certificates shall be exercised automatically and shall be repaid in the manner set out herein, and the Issuer's obligations in respect of such Italian Certificates shall be discharged and no further liability in respect thereof shall attach to the Issuer.

(h) ***Number of Italian Certificates specified in Renouncement Notice***

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

(i) ***Minimum Transferable Amount***

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.

(j) ***Relevant Programme Agent's discretion***

The Relevant Programme 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.

E. PROVISIONS APPLICABLE TO WARRANTS ONLY

11. Exercise of Warrants

11.1 Exercise Rights

(a) ***Exercise Style and Period***

Warrants designated in the relevant Final Terms as:

- (i) "American Style" Warrants are exercisable on any Scheduled Trading Day (or other such types of days as may be specified in the relevant Final Terms) during the applicable period specified in the relevant Final Terms;
- (ii) "European Style" Warrants are only exercisable on the Expiration Date;
- (iii) "Bermudan Style" Warrants are exercisable on any one of one or more Potential Exercise Dates and on the Expiration Date,

subject to (i) General Condition 11.3(a) (*Exercise Notice*) and (ii) prior termination of the Warrants as provided in General Condition 17 (*Termination Events*).

(b) ***Entitlement***

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

(c) ***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 Relevant Programme Agent or (in the case of Warrants in definitive form and Warrants which are Swiss Securities or German Securities) to the Relevant Programme Agent only, in the manner set out in General Condition 11.3(a) (*Exercise Notice*), 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.

(d) ***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 Relevant Programme Agent or (in the case of Warrants in definitive form and Warrants which are Swiss Securities or German Securities) to the Relevant Programme Agent only, in the manner set out in General Condition 11.3(a) (*Exercise Notice*), 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.

11.2 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 Condition 26 (*Notices*), deliver to the Relevant Clearing System(s) copied to the Relevant Programme Agent (or deliver to the Relevant Programme Agent only in the case of Warrants in definitive form and Warrants which are Swiss Securities or German Securities) a notice (an "**Automatic Exercise Warrant Notice**") (substantially in the form provided by the Relevant Programme Agent to the Relevant Clearing System, which shall include in the case of Warrants to be settled by Physical Settlement, the Non-U.S. Certification, or, in the case of Rule 144A Securities, the Eligible Investor Certification) within 30 days of the Expiration Date providing the information and certification specified in the Exercise Notice. Unless expressly provided otherwise, such Automatic Exercise Warrant Notice shall be deemed to be the Exercise Notice for the purposes of the General Conditions.

Where an Automatic Exercise Warrant Notice is required by the Issuer, then the Settlement Amount of the Warrants, the Exercise Amount of the Warrants or the Reference Asset Amount corresponding to the Warrants will only be paid or delivered, as the case may be, to the Holder if the Relevant Clearing System(s) and/or Relevant Programme 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 Relevant Programme 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 this General Condition 11 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. In all cases, payments on Warrants which are in bearer form for U.S. federal income tax purposes will be made outside the United States.

11.3 **Exercise Procedure**

(a) ***Exercise Notice***

Warrants may be exercised by delivery of a duly completed Exercise Notice to the Relevant Clearing System(s) with a copy to the Relevant Programme Agent or to the Relevant Programme Agent only (in the case of Warrants in definitive form and Warrants which are Swiss Securities or German Securities) prior to the Latest Exercise Time on any Scheduled Trading Day (in the case of "American Style" Warrants) or the Latest Exercise Time on 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.

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

Upon receipt of an Exercise Notice (if any) in respect of Warrants other than Warrants which are German Securities, the Relevant Programme Agent (or such other person designated by the then applicable VPS Rules, the Swedish CSD Rules or Euroclear Finland Rules, as applicable, to be responsible for such actions) 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 Registered Warrants in definitive form, the Registrar will verify that 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. In respect of Warrants other than Warrants which are German Securities, 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 respect of Finnish Warrants, Norwegian Warrants and Swedish Warrants, such verification and debiting of the relevant securities accounts shall be pursuant to the then applicable Euroclear Finland Rules, VPS Rules or Swedish CSD Rules (as applicable) and the Relevant Programme Agent shall request and/or effect the transfer by the Holder of the relevant Finnish Warrants, Norwegian Warrants, or Swedish Warrants (as the case may be) to an account blocked for further transfers until such debiting may occur.

In the case of exercised Warrants in definitive form where Issuer Physical Settlement is applicable, the relevant Reference Assets (if any) shall be delivered outside the United States to the Holder by the Delivery Agent.

(c) ***Cash Settlement - Warrants***

(i) 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 (located outside the United States) as specified in the relevant Exercise Notice for value on the Settlement Date, provided that, if no Exercise Notice is delivered for the exercise of such Warrants and Automatic Exercise is applicable to such Warrants, then the relevant Issuer shall pay the Settlement Amount in respect of such Warrants, less any Expenses to the Relevant Clearing System(s) for the credit of the accounts of the relevant Holders or, in the case of Warrants which are German Securities, for the credit of the account of the relevant account holder with the Relevant Clearing System, subject to, if so required by the Issuer, the provision by such Holder of an Automatic Exercise Warrant Notice.

(ii) *Norwegian Warrants and Swedish Warrants:* In addition, in respect of Norwegian Warrants and Swedish Warrants, Cash Settlement will occur in accordance with the

VPS Rules or the Swedish CSD Rules respectively, and payments will be effected to the Holder recorded as such on the Relevant Record Date.

- (iii) *Finnish Warrants*: In respect of Finnish Warrants, Cash Settlement will occur in accordance with the Euroclear Finland Rules, and payments will be effected to the Holder recorded as such three days prior to the due date of such settlement.

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

- (i) 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) in accordance with the Holder's undertakings given in the Exercise Notice, 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 Condition 11.3(h) (*Expenses*)), deliver or procure delivery of Reference Assets as contemplated by the relevant Final Terms to the account (located outside the United States) or person specified in the relevant Exercise Notice, as applicable. For the purposes hereof, delivery of Reference Assets will be made in accordance with usual market practice for delivery of such Reference Assets.
- (ii) *Norwegian Warrants and Swedish Warrants*: In addition, in respect of Norwegian Warrants and Swedish Warrants, Physical Settlement will occur in accordance with the VPS Rules or the Swedish CSD Rules respectively, and transfers will be effected to the Holder recorded as such on the Relevant Record Date.
- (iii) *Finnish Warrants*: In addition, in respect of Finnish Warrants, Physical Settlement will occur in accordance with the Euroclear Finland Rules, and transfers will be effected to the Holder recorded as such three days prior to the due date of such settlement.

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

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 Assets 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 (located outside the United States) 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 Assets 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 Relevant Programme Agent (as applicable) in its sole and absolute discretion and shall be conclusive and binding on the Issuer, the relevant Guarantor (if any) in respect of Warrants issued by JPMSP and JPMBD, 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 Warrant sent or otherwise copied to the Relevant Programme Agent immediately after being sent to the Relevant Clearing System(s) (in the case of Global Warrants) or to the Relevant Programme Agent (in the case of Warrants in definitive form and Warrants which are Swiss Securities or German Securities), as applicable, shall be void. If such Exercise Notice is subsequently corrected to the satisfaction of the Relevant Programme Agent as applicable, it shall be deemed to be a new Exercise Notice submitted at the time the correction is delivered. The Relevant Programme Agent will endeavour to notify the Holder of an incomplete Exercise Notice as soon as possible after it becomes aware of the improper exercise. An Exercise Notice shall not be considered to be duly completed if it does not contain the Non-U.S. Certification or, as the case may be, the Eligible Investor Certification, in the required form.

(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 or, as the case may be, the Eligible Investor Certification.

(i) *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.

(j) *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 Maximum Exercise Number of Warrants of a Series or Tranche were purportedly 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 such Quota of such Warrants thus exercised to be the originally applicable Valuation Date for Warrants exercised on such Exercise Date, and the Valuation Date for each Quota of Warrants (or part of a Quota thereof, in the case of the last amount) thus exercised to be the respective Valuation Date 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 first Exercise Date by such Holder or group of Holders have been allocated a Valuation Date through this procedure. 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.

F. PROVISIONS APPLICABLE TO WARRANTS AND CERTIFICATES**12. Early Termination of Warrants and Certificates for Tax Reasons**

The Warrants or the Certificates may be terminated at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 nor more than 60 calendar days' notice to the Holders (which notice shall be irrevocable), at their Early Payment Amount, if:

- (a) the Issuer (or the Guarantor, as the case may be) has or will (or there is a substantial likelihood that it will) become obliged to pay Additional Amounts as provided or referred to in General Condition 18 (*Taxation*) as a result of any action taken by a Relevant Jurisdiction 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 a Relevant Jurisdiction 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
- (b) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Warrants or Certificates then due.

Before the publication of any notice of redemption pursuant to this General Condition 12, the Issuer shall deliver to the Relevant Programme Agent a certificate duly signed by the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will (or there is a substantial likelihood that it will) become obliged to pay such Additional Amounts as a result of such change or amendment.

G. PROVISIONS APPLICABLE TO NOTES, WARRANTS AND CERTIFICATES

13. Business Day

13.1 Business Day Convention

If any date referred to in these General Conditions or the relevant Final Terms 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 (i) such date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent such date (if any) 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.

13.2 Payments on Payment Days

If the date for payment of any amount in respect of any Security, Receipt or Coupon is not a Payment Day, the Holder shall not be entitled to payment until the next following Payment Day and shall not be entitled to any interest or other sum in respect of such postponed payment. For these purposes, "**Payment Day**" means any day which is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (i) the relevant place of presentation; and
 - (ii) each Additional Financial Centre specified in the relevant Final Terms; and

- (b) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

14. **Payment Disruption**

14.1 **Occurrence of a Payment Disruption Event**

If the relevant Final Terms specify "Payment Disruption Event" to be applicable, then, in the event that the Calculation Agent, at any time and from time to time, determines in its sole discretion that a Payment 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 Payment Disruption Event in accordance with General Condition 26 (*Notices*).

14.2 **Consequences of a Payment Disruption Event**

Upon the occurrence of a Payment Disruption Event:

(a) ***Extension of relevant dates***

The Interest Payment Date, the Maturity Date, the Exercise Date, the Redemption Date, the 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 Condition 14.2(d) (*Payment Event Cut-off Date*), 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 Condition 26 (*Notices*)) after the date on which the Payment Disruption Event is no longer occurring and notice thereof shall be given to the relevant Holders in accordance with General Condition 26 (*Notices*).

(b) ***Obligation to pay postponed***

The Issuer's obligation to pay the Settlement Amount, Exercise Amount, Coupon Amount, Redemption Amount or any such other amounts in respect of the relevant Securities or deliver any relevant Reference Asset, subject to General Condition 14.2(d) (*Payment Event Cut-off Date*), 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 Condition 26 (*Notices*)) after the date on which the Payment Disruption Event is no longer operating. Notwithstanding the foregoing, the Issuer may, in its sole and absolute discretion, elect to 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 partial deliveries, as the case may be (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 Condition 26 (*Notices*).

(c) ***Payments net of expenses***

Notwithstanding any provisions to the contrary, (a) any payments or deliveries made in accordance with this General Condition 14.2 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)

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 Condition 14.2.

(d) ***Payment Event Cut-off Date***

In the event that a Payment Disruption Event is still occurring on the Payment Event Cut-off Date, the Interest Payment Date, the Maturity Date, the Exercise Date, the Redemption Date, the Settlement Date, the 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. In such circumstances, the Holder will not receive any amounts or Reference Assets. Thereafter, the Issuer shall have no obligations whatsoever under the Securities.

15. **Physical Delivery**

15.1 **Physical Delivery in respect of Securities**

If any provision in respect of the relevant Final Terms specify that "Physical Delivery" is applicable to any Securities, in order to obtain delivery of the Reference Asset Amount(s) in respect of such Security, the relevant Holder must deliver, in writing or by tested telex and not later than the close of business in each place of receipt on the relevant Physical Delivery Cut-Off Date, to (i) if the Securities are represented by a Global Security, the Relevant Clearing System, or (ii) if the Securities are in definitive form or are Swiss Securities, any Paying Agent, with a copy to each of the Issuer, the Relevant Programme Agent and the Delivery Agent, a duly completed Reference Asset Transfer Notice.

The delivery of the Reference Asset Amount(s) shall be made in the manner specified in the relevant Final Terms or in such other commercially reasonable manner as the Issuer shall determine to be appropriate for such delivery and shall notify to the Holders in accordance with General Condition 26 (*Notices*).

No delivery and/or transfer of any Reference Asset Amount(s) shall be made until all Delivery Expenses arising from the delivery and/or transfer of any Reference Asset Amount(s) have been paid to the satisfaction of the relevant Issuer by the relevant Holder.

15.2 **Reference Asset Transfer Notice**

(a) ***Verification of details in a Reference Asset Transfer Notice***

Upon receipt of a Reference Asset Transfer Notice, in the case of (i) Securities represented by a Global Security, the Relevant Clearing System, or (ii) Securities in definitive form or Swiss Securities, the Relevant Programme Agent, shall verify that the person specified therein as the Holder is the holder of the specified principal amount of Notes or, as the case may be, number of Warrants or Certificates according to its books.

(b) ***No Withdrawal of Reference Asset Transfer Notice***

No Reference Asset Transfer Notice may be withdrawn after (i) in respect of Global Securities, receipt thereof by the Relevant Clearing System, or (ii) in respect of Securities in definitive form, receipt thereof by the Relevant Programme Agent. After delivery of a Reference Asset Transfer Notice, the relevant Holder may not transfer the Securities which are the subject of such notice.

(c) ***Failure properly to complete a Reference Asset Transfer Notice***

Failure properly to complete and deliver a Reference Asset Transfer Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided in these General Conditions shall be made (i) in the case of Securities represented by a Global Security, by the Relevant Clearing System, after consultation with the Issuer, and shall be conclusive and binding on the Issuer and the relevant

Holder, and (ii) in the case of Securities in definitive form and Swiss Securities, by the Relevant Programme Agent after consultation with the Issuer, and shall be conclusive and binding on the Issuer and the relevant Holder. The relevant Issuer may determine, in its sole and absolute discretion, whether to waive the requirement to deliver a properly completed Reference Asset Transfer Notice prior to the Physical Delivery Cut-Off Date in order for such Holder to receive the Interest Amount, Redemption Amount or Settlement Amount, as applicable, by obtaining delivery of the Reference Asset Amount in respect of such Securities and shall give notice of such waiver to the Relevant Clearing System (if applicable), and to each of the Paying Agents, the Relevant Programme Agent, the Calculation Agent and the Delivery Agent.

(d) ***Failure to provide a Certification in a Reference Asset Transfer Notice***

If a Non-U.S. Certification or, as the case may be, an Eligible Investor Certification (in each case in the form set out in the Reference Asset Transfer Notice) is not provided by the relevant Physical Delivery Cut-Off Date, the Issuer may, instead of delivering, or having delivered on its behalf, the Reference Asset Amount, satisfy its obligations in respect of the relevant Security by payment to the relevant Holder of a cash amount, calculated by the Calculation Agent in good faith and in a commercially reasonable manner to represent the fair market value of the Reference Assets comprising such Reference Asset Amount on such day as shall be selected by the Issuer in good faith and in a commercially reasonable manner 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 or assets of any type whatsoever which the Issuer and/or any of its affiliates may hold as part of such hedging arrangements).

15.3 **Delivery of Reference Asset Amount**

Subject as provided in this General Condition 15, in relation to each Security which is to be redeemed or satisfied by delivery of a Reference Asset Amount, provided that the Reference Asset Transfer Notice is duly delivered not later than the close of business in each place of receipt on the relevant Physical Delivery Cut-Off Date, the Reference Asset Amount will be delivered at the risk of the relevant Holder in the manner provided above on the Interest Payment Date, Settlement Date or the Maturity Date (or, if any such date is not a business day, on the next following business day), as the case may be (each such date, subject to adjustment in accordance with this General Condition 15, a "**Delivery Date**").

Subject as provided in this General Condition 15, in relation to each Security which is to be redeemed or satisfied by delivery of a Reference Asset Amount, if a Reference Asset Transfer Notice is duly delivered later than the close of business on the relevant Physical Delivery Cut-off Date in each place of receipt, then the Issuer may deliver the Reference Asset Amount as soon as practicable after the relevant Interest Payment Date, Settlement Date or the Maturity Date, as the case may be (in which case, such date of delivery shall be the relevant Delivery Date). In such circumstances, the Holder shall not be entitled to any payment, whether of interest or otherwise, in the event of such relevant Delivery Date falling after the originally designated relevant Delivery Date and no liability in respect thereof shall attach to the Issuer or to the Delivery Agent.

15.4 **Dividends or other distributions**

Where the Reference Asset Amount comprises Shares, any dividend or other distribution in respect of such Reference Asset Amount will be payable to the party that would receive such dividend or other distribution according to market practice for a sale of the Share executed on the Interest Payment Date, Settlement Date or the Maturity Date, as the case may be, and to be delivered in the same manner as the Reference Asset Amount. Any such dividend or other distribution to be paid to a Holder shall be paid to the account specified in the relevant Reference Asset Transfer Notice.

15.5 **Residual Cash Amount**

Where the Reference Asset Amount comprises, in the sole and absolute determination of the Issuer, fractions of Reference Assets, the Holders will receive a Reference Asset Amount comprising of 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 Asset Amounts, unless otherwise specified in the relevant Final Terms), and, if specified in the relevant Final Terms, the Holders will also receive a Residual Cash Amount (if any) in respect of each Security capable of being paid by the Issuer (taking into account that a Holder's entire holding may be aggregated at the Issuer's discretion for the purpose of paying the Residual Cash Amounts, unless otherwise provided in the relevant Final Terms).

15.6 **Settlement Disruption Event**

(a) ***Postponement of Delivery Date***

If a Settlement Disruption Event prevents delivery of a Reference Asset Amount on a Delivery Date, then the Delivery Date will be the first succeeding date on which delivery of the Reference Asset Amount can take place through the Relevant Clearing System unless a Settlement Disruption Event prevents settlement on each of the eight Clearing System Business Days immediately following the original date that, but for the occurrence of the Settlement Disruption Event, would have been the Delivery Date. In that case, (i) if such Reference Asset Amount can be delivered in any other commercially reasonable manner (in the opinion of the Calculation Agent, acting in good faith and in a commercially reasonable manner), then the Delivery Date will be the first date on which settlement of a sale of the Reference Assets comprising the Reference Asset Amount executed on that eighth Clearing 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 Asset Amount), and (ii) if such Reference Asset Amount cannot be delivered in any other commercially reasonable manner (in the opinion of the Calculation Agent, acting in good faith and in a commercially reasonable manner), then the Delivery Date will be postponed until delivery can be effected through the Relevant Clearing System or in any other commercially reasonable manner.

(b) ***Application of Settlement Disruption Event in respect of Securities referencing a basket of Shares***

Where the Securities relate to a basket of Shares, if as a result of a Settlement Disruption Event some but not all of the Shares comprised in the basket of Shares are affected, the Delivery Date for Shares not affected by the Settlement Disruption Event will be the original Delivery Date and the Delivery Date for the Shares that are affected by the Settlement Disruption Event shall be determined as provided above. In the event that a Settlement Disruption Event will result in the delivery on a Delivery Date of some but not all of the Shares comprised in a basket of shares, the Calculation Agent shall determine the appropriate *pro rata* portion of the amount payable to be paid to each Holder in respect of that partial settlement.

(c) ***No liability for delayed settlement***

A Holder shall not be entitled to any payment, whether of interest or otherwise, on the Security in the event of any delay in the delivery of the Reference Asset Amount pursuant to this General Condition 15.6 and no liability in respect thereof shall attach to the Issuer or the Delivery Agent.

(d) ***Disruption Cash Settlement Price***

For so long as delivery of the Reference Asset Amount is not practicable by reason of a Settlement Disruption Event pursuant to the terms of this General Condition 15.6, then notwithstanding that Physical Delivery is specified to be applicable in the relevant 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 Disruption Cash Settlement Price not later than on the third Clearing System Business Day following the date that the notice of such election is given to the Holders in accordance with General Condition 26 (*Notices*). 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 Condition 26 (*Notices*).

(e) ***Intervening Period***

If during the period of time after the Interest Payment Date, Settlement Date or Maturity Date, as the case may be, and the Delivery Date (the "**Intervening Period**"), the Issuer or any subsidiary or affiliate of the Issuer or any other entity acting on behalf of the Issuer is the legal owner of any securities that may comprise a part of any Reference Assets 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 subsidiaries or 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 or procure delivery to the relevant Holder or any subsequent beneficial owner of such Security, 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 or any of its subsidiaries or 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, as the case may be, or any subsequent beneficial owner of such Security in respect of any loss or damage which the relevant Holder, as the case may be, 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.

16. **Events of Default**

16.1 **Occurrence of Event of Default**

"**Event of Default**" means the occurrence of any one or more of the following events:

(a) ***Failure to pay principal on Notes***

The relevant Issuer, or failing whom, the Guarantor (if any) does not pay the principal on any of the Notes when the same is due and payable, and such failure continues for 30 days; or

(b) ***Failure to pay Interest on Notes or Coupon Amount or Redemption Amount on Certificates***

The relevant Issuer, or failing whom, the Guarantor (if any) does not pay interest on any of the Notes, the Coupon Amount or the Redemption Amount on any of the Certificates when the same is due and payable or deliver any Reference Asset Amount in respect of any Securities when the same is deliverable, and such failure continues for 30 days; or

(c) ***Insolvency of JPMSP or repudiation of JPMorgan Chase Bank, N.A. Guarantee***

In respect of Securities issued by JPMSP:

(i) the Issuer applies for suspension of payments (*surséance van betaling*) or has been declared bankrupt (*failliet verklaard*), in both cases within the meaning of the Netherlands Bankruptcy Act (*Faillissementswet*), or has become subject to analogous proceedings under the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*); and, in each case, any such proceedings remain unstayed and in effect for a period of 90 consecutive calendar days; or

(ii) an order is made by any competent court or an effective resolution passed for the winding-up or dissolution of JPMSP or JPMSP ceases or threatens to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution of the Holders

(provided that, where the relevant event also comes within the terms of paragraph (i) above, then the terms of paragraph (i) above shall prevail over the terms of this paragraph (ii)); or

- (iii) the JPMorgan Chase Bank, N.A. Guarantee is not (or is claimed by JPMorgan Chase Bank, N.A. not to be) in full force and effect; or

(d) ***Insolvency of JPMBD or repudiation of JPMorgan Chase & Co. Guarantee***

In respect of Securities issued by JPMBD:

- (i) a court having jurisdiction enters a decree or order for relief in respect of JPMBD in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appoints a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of JPMBD or of all or substantially all of its property, or orders the winding-up or liquidation of its affairs, and such decree or order having remained unstayed and in effect for a period of 90 consecutive days; or
- (ii) an order is made by any competent court or an effective resolution passed for the winding-up or dissolution of JPMBD or JPMBD ceases or threatens to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution of the Holders (provided that, where the relevant event also comes within the terms of paragraph (i) above, then the terms of paragraph (i) above shall prevail over the terms of this paragraph (ii)); or
- (iii) the JPMorgan Chase & Co. Guarantee is not (or is claimed by JPMorgan Chase & Co. not to be) in full force and effect; or

(e) ***Insolvency of JPMorgan Chase & Co.***

In respect of Securities issued by JP Morgan Chase & Co. or JPMBD:

- (i) a court having jurisdiction in the premises enters a decree or order for relief in respect of JPMorgan Chase & Co. in an involuntary case under any applicable United States federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, and such decree or order remains unstayed and in effect for a period of 90 consecutive days; or
- (ii) JPMorgan Chase & Co. commences a voluntary case under any applicable United States federal or state bankruptcy, insolvency or other similar law now or hereafter in effect or consent to the entry of an order for relief in an involuntary case under any such law; or

(f) ***Insolvency of JPMorgan Chase Bank, N.A.***

In respect of Securities issued by JPMorgan Chase Bank, N.A. or JPMSP:

- (i) a decree or order of a court or supervisory authority having jurisdiction in the premises for the appointment of a receiver, liquidator, trustee, assignee, custodian, sequestrator or other similar official of JPMorgan Chase Bank, N.A., or of all or substantially all of the property of JPMorgan Chase Bank, N.A., or for the winding-up or liquidation of the affairs of JPMorgan Chase Bank, N.A., has entered, and such decree or order remains unstayed and in effect for a period of 90 consecutive days; or
- (ii) JPMorgan Chase Bank, N.A. consents to the appointment of, or the taking possession by, a receiver, liquidator, trustee, assignee, custodian, sequestrator, or similar official of JPMorgan Chase Bank, N.A., or of all or substantially all of the property of JPMorgan Chase Bank, N.A..

16.2 Consequences of an Event of Default

If an Event of Default has occurred and is continuing, (i) the Holder of any Note may give written notice to the Issuer and the Relevant Programme Agent at their specified offices declaring such Note to be immediately repayable (or in the case of Norwegian Notes, Swedish Notes and Finnish Notes, on such later date on which the relevant Notes have been transferred to the account designated by the Relevant Programme Agent and blocked for further transfer by said Agent (such date will be the first date of a closed period for the purposes of General Condition 2.1(f) (*Closed Periods*)) and (ii) the Holder of any Warrant or Certificate may by written notice to the Issuer and the Relevant Programme Agent, declare such Warrant or Certificate to be immediately repayable, in each case at the Early Payment Amount, unless the Event of Default shall have been cured by the Issuer or waived by the Holders prior to receipt of such notice by the Issuer and the Relevant Programme Agent.

17. Termination Events

The Issuer may, at its option, redeem or terminate the Securities early (on giving not less than seven nor more than 30 days' irrevocable notice to the Holders (or such other notice period as may be specified in the relevant Final Terms)) in the event that it determines in good faith in its sole and absolute discretion that (i) its performance of its obligations under the terms of the Securities or (ii) (if applicable) the performance by the Guarantor under the Guarantee, has become unlawful in whole or in part as a result of (x) any change in financial, political or economic conditions or currency exchange rates, or (y) compliance in good faith by the Issuer or any relevant subsidiaries or affiliates with any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative or judicial authority or power or in interpretation thereof (such event, a "**Termination Event**").

In the event of an early redemption or termination of the Securities following a Termination Event, the Issuer will cause to be paid to each Holder in respect of each such Security held by it the Early Payment Amount.

18. Taxation

18.1 Obligation to pay Additional Amounts

Subject to the deduction of any Delivery Expenses with respect to physical delivery of Reference Asset Amounts in accordance with these General Conditions, payments of principal and interest on the Securities, Receipts or Coupons 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, unless the relevant Final Terms specify "Gross Up" not to be applicable, 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, Receipts or a Couponholder 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 of principal or interest with respect to the Securities, Receipts or Coupons after deduction or withholding for or on account of any such present or future tax, assessment or other governmental charge on such payment imposed by or within a Relevant Jurisdiction upon such Holder or Couponholder (other than with respect to a Holder or Couponholder that is a resident of such Relevant Jurisdiction), will not be less than the amount provided for in such Securities, Receipts or Coupons to be then due and payable.

18.2 Circumstances in which Additional Amounts will not be paid

Neither the Issuer nor the Guarantor will be required to make any payment of Additional Amounts for or on account of:

- (a) 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 possessor) 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 securities exchangeable into definitive securities in bearer form (including Bearer Securities (other than French Bearer Securities) and Finnish Notes and Swedish Notes), Receipts or Coupons, payments being made in the United States or other than to an account with a bank outside the United States;

- (b) any estate, inheritance, gift, sales, transfer, personal property, or any similar tax, assessment or governmental charge;
- (c) any tax, assessment or other governmental charge which is payable other than by withholding from payments of principal of or interest on such Security, Receipt or Coupon;
- (d) in respect of any Securities issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., 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, commodities or currency or a corporation that accumulates earnings to avoid United States federal income tax;
- (e) in respect of any Rule 144A Security, any U.S. withholding taxes imposed on such Security;
- (f) any tax, assessment or other governmental charge which is required to be withheld by a Paying Agent from payments of principal or of interest on any Security, Receipt or Coupon, if such payment can be made without such withholding by at least one other Paying Agent;
- (g) in respect of any Securities issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., 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;
- (h) in respect of any Securities, any tax, assessment, or other governmental charge payable by a Holder, or by a third party on behalf of a Holder, who is liable for such taxes, assessments or governmental charges in respect of any Security, Receipt or Coupon by reason of the Holder or the third party's having some connection with the Relevant Jurisdiction other than the mere holding of the Security, Receipt or Coupon;
- (i) any tax assessment, or other governmental charge payable by way of withholding or deduction 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 (or the registered certificate representing it), Receipt or Coupon is presented for payment;
- (j) the presentation (where presentation is required) of a Security, Receipt or Coupon 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;

- (k) 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 income 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;
- (l) any Security, Receipt or Coupon presented for payment by or on behalf of a Holder who would be able to avoid such withholding or deduction by presenting the relevant Note, Coupon or Receipt to another Paying Agent in a European Union Member State; or
- (m) any combination of the above (as applicable),

nor shall Additional Amounts be paid with respect to a payment of principal or interest on any Security, Receipt or Coupon to a Holder that is not the beneficial owner of such Security, Receipt or Coupon 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, Receipt or Coupon.

19. Agents

19.1 Status of Agents

The Agents act solely as agents of the Issuer and the Guarantor and do not assume any obligations or duty to, or relationship of agency or trust for or with, any Holder, Couponholder or Receiptholder.

19.2 Variation or termination of appointment of Agents

The Issuer and the Guarantor, if applicable, reserve the right at any time to vary or terminate the appointment of any Agents and to appoint other or additional Agents, provided that at all times the following shall be maintained:

- (a) a Relevant Programme Agent;
- (b) a Registrar in respect of all Registered Securities;
- (c) a Transfer Agent in respect of all Registered Securities (other than French Registered Securities, Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities and Swiss Securities);
- (d) one or more Calculation Agent(s) and Delivery Agent(s) where these General Conditions so require;
- (e) a Paying Agent having its specified office in Luxembourg so long as the Securities are admitted to the Official List and traded on the Regulated Market of the Luxembourg Stock Exchange, and the applicable rules so require;
- (f) a Danish Programme Agent, so long as any Danish Notes are outstanding, a Finnish Programme Agent, so long as any Finnish Securities are outstanding, a Swedish Programme Agent and a Swedish CSD, so long as any Swedish Securities are outstanding and a Norwegian Programme Agent, so long as any Norwegian Securities are outstanding;
- (g) a French Programme Agent so long as French Securities are (A) cleared through Euroclear France or (B) admitted to listing on a Regulated Market of Euronext Paris S.A., and the applicable rules so require;
- (h) a Dutch Paying and Information Agent so long as the Securities are admitted to trading on Euronext Amsterdam, and the applicable rules so require;

- (i) a German Programme Agent so long as any Notes cleared through Clearstream Frankfurt are outstanding;
- (j) a Swiss Programme Agent which is a Swiss bank or a Swiss securities dealer supervised by the Swiss Financial Market Supervisory Authority (FINMA), so long as any Swiss Securities listed on SIX Swiss Exchange are outstanding;
- (k) such other agents as may be required by any relevant authorities or any other stock exchange on which any Securities may be listed, and the applicable rules of such relevant authority or such other stock exchange so require;
- (l) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive 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; and
- (m) a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in General Condition 6.1(c) (*Payments in New York City*), as may be appointed by the Issuers and, in respect of Notes issued by JPMSP or JPMBD, by the relevant Guarantor, as the case may be.

The Agency Agreement contains provisions permitting any entity into which an Agent is merged or converted or with which it is consolidated as to which it transfers all or substantially all of its assets to become the successor agent.

Notice of any such change or any change of any specified office shall promptly be given to the Holders of the affected Securities in accordance with General Condition 26 (*Notices*).

20. **Calculation Agent, Determination, Disclaimer of Liability and other terms**

20.1 **Status of Calculation Agent**

The Calculation Agent acts solely as agent of the Issuer and the Guarantor and does not assume any obligations or duty to, or relationship of agency or trust for or with, any Holder or Couponholder or Receiptholder. In making any determination or exercising any discretion, the Calculation Agent is not obliged to consider the interests of any Holder, Couponholder or Receiptholder.

20.2 **Standard of care**

Any matter that 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), shall be decided upon by the Calculation Agent or such other person as the case may be in good faith and in a commercially reasonable manner (unless otherwise explicitly provided), taking into account any market factors and other factors as the Calculation Agent or such other person deems relevant including, without limitation, the cost of unwinding any hedge or related underlying position of the Issuer or its affiliates in respect of its obligations under the Securities.

20.3 **Disclaimer of liability**

No liability shall attach to the Calculation Agent to any of the Holders, the Couponholders, the Receiptholders, the Issuer, the Guarantor or the other Agents for good faith errors or omissions in the Calculation Agent's calculations and determinations as provided in the Conditions of the Securities, whether caused by negligence or otherwise, and no liability shall attach to any of the Issuer or the Guarantor or any of the other Agents for any calculation or determination made by the Calculation Agent in respect of the Securities.

20.4 **Delegation**

The calculation functions and other discretionary actions (including, but not limited to duties to make determinations) required of the Calculation Agent may be delegated to any such person as the Calculation Agent, in its sole and absolute discretion, may decide.

20.5 **Calculations and determinations all binding**

All calculations and determinations made by the Calculation Agent in respect of the Securities shall be final and binding on the Issuer and Holders, Couponholders and Receiptholders in the absence of manifest error.

20.6 **Two or more Calculation Agents**

Where more than one Calculation Agent is appointed in respect of the Securities, references in these General Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions of the Securities.

20.7 **Replacement of Calculation Agent**

If the Calculation Agent is unable to act as such or if the Calculation Agent fails duly to establish any rate or any amount, whether in cash or in kind, specified in the relevant Final Terms, to make any other required determination or to comply with any of its other obligations, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place provided that if an Event of Default specified in General Condition 16.1(c), (d), (e) or (f) (as applicable) has occurred with respect to the Issuer, the Holders may appoint such a replacement in accordance with General Condition 23.1(b)(i) (*Majority Consent*).

21. **European Monetary Union**

21.1 **Redenomination of Notes**

Where redenomination is specified to be applicable in the relevant Final Terms, the Issuer may, without the consent of the Holders, the Receiptholders and the Couponholders on giving prior notice to the Relevant Programme Agent, any Relevant Clearing System and at least 30 days' prior notice to the Holders in accordance with General Condition 26 (*Notices*), elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

- (a) the Notes, Receipts and Coupons shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each Note and Receipt equal to the nominal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Relevant Programme Agent, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Holders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;
- (b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d), the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant Holder and the amount of such payment shall be rounded down to the nearest euro 0.01;

- (c) if Notes in definitive form are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer (i) in the case of Relevant Notes, in the denomination of euro 50,000 and/or such higher amounts as the Relevant Programme Agent may determine and notify to the Holders and any remaining amounts less than euro 50,000 shall be redeemed by the Issuer and paid to the Holders in euro in accordance with General Condition 6 (*Payments, Receipts, Talons and Coupons*) and (ii) in the case of Notes which are not Relevant Notes, in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Relevant Programme Agent may approve) euro 0.01 and such other denominations as the Relevant Programme Agent shall determine and notify to the Holders;
- (d) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Relevant Programme Agent may specify and as shall be notified to the Holders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (e) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;
- (f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated:
 - (i) in the case of the Notes represented by a Global Note, by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes represented by such Global Note; and
 - (ii) in the case of Notes in definitive form, by applying the Rate of Interest to the Specified Denomination,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

- (g) if the Notes are Notes other than Floating Rate Notes, the relevant Final Terms will specify any relevant changes to the provisions relating to interest; and
- (h) such other changes shall be made to this General Condition 21.1 as the Issuer may decide, after consultation with the Relevant Programme Agent, and as may be specified in the notice, to conform it to conventions applicable to instruments denominated in euro.

21.2 **Adjustments to Warrants or Certificates for European Monetary Union**

The Issuer may, without the consent of the Holders, on giving notice to the Holders in accordance with General Condition 26 (*Notices*):

- (a) elect that, with effect from the Adjustment Date specified in the notice, certain terms of the Warrants or, as the case may be, the Certificates shall be redenominated in euro.

The election will have effect as follows:

- (i) where the Specified Currency of the Warrants or, as the case may be, Certificates is the National Currency Unit of a country which is participating in the third stage of European Economic and Monetary Union, such Specified Currency shall be deemed to be an amount of euro converted from the original Specified Currency into euro at the Established Rate, subject to such provisions (if any) as to rounding as the Calculation Agent may decide and as may be specified in the notice, and after the Adjustment Date, all payments of the Settlement Amount in respect of the Warrants or the Redemption Amount in respect of Certificates, as the case may be, will be made solely in euro as though references in the Warrants or Certificates, as the case may be, to the Specified Currency were to euro; and
 - (ii) such other changes shall be made to these General Conditions as the Issuer may decide, in its sole and absolute discretion to conform them to conventions then applicable to instruments expressed in euro; and/or
- (b) require that the Calculation Agent make such adjustments to the exercise, settlement, payment and/or any other terms of these General Conditions as the Calculation Agent, in its sole discretion, may determine to be appropriate to preserve the economic terms of the Warrants or, as the case may be, Certificates following implementation of the third stage of European Economic and Monetary Union.

Notwithstanding the foregoing, neither the Issuer, any of its affiliates or agents, the Calculation Agent nor any Relevant Programme Agent shall be liable to any Holder or other person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of euro or any currency conversion or rounding effected in connection therewith.

22. Rounding

For the purposes of any calculations required pursuant to these General Conditions (unless otherwise specified in these General Conditions or relevant Final Terms):

- (a) 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);
- (b) (subject to (c) below) all figures shall be rounded to seven significant figures (with halves being rounded up); and
- (c) 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.

23. Meeting of Holders and Modifications

23.1 Modifications and Waivers

(a) *Modification without Holder consent (Securities other than French Securities)*

The Issuer may from time to time (with the agreement of the Relevant Programme Agent in relation to the relevant Securities) modify and amend the Securities (other than French Securities) (including the Conditions) or the Agency Agreement in each case without the consent of the Holders or Couponholders or Receiptholders in accordance with, respectively, this General Condition 23.1(a) or the Agency Agreement, in such manner as the Issuer deems necessary or desirable, if the modification or amendment:

- (i) is of a formal, minor or technical nature; or
- (ii) is made to cure a manifest or proven error; or

- (iii) is made to cure any ambiguity; or is made to correct or supplement any defective provisions of the Securities or the Agency Agreement (as applicable); or
- (iv) is made to correct an error or omission such that, in the absence of such correction, the terms of the Securities would not otherwise represent the intended terms of the Securities on which the Securities were sold and have since traded; or
- (v) will not materially and adversely affect the interests of the Holders of the Securities or (if applicable) any Couponholders or Receiptholders in respect of the Securities.

Any such modification or amendment shall take effect in accordance with its terms (as agreed between the Issuer and the Relevant Programme Agent) and be binding on the Holders and (if applicable), the Couponholders and Receiptholders, and shall be notified to the Holders in accordance with General Condition 26 (*Notices*) as soon as practicable (but failure to give such notice, or non-receipt thereof, shall not affect the validity of such modification or amendment).

(b) ***Modification and Waiver with Holder consent (Securities other than French Securities and German Securities)***

This General Condition 23.1(b) shall not apply to French Securities and German Securities.

- (i) *Majority Consent*: Subject as provided in paragraph (ii) below (and in each case subject to the consent of the Issuer and the Guarantor (if any)), in order to modify and amend the Agency Agreement and the Securities (including the General Conditions), or to waive past Issuer defaults, a resolution in writing signed by the Holders of at least a majority in aggregate principal amount of the Securities at the time outstanding (in the case of Notes) or Holders of a majority in number (in the case of Warrants and Certificates), or of such lesser percentage as may attend and vote at a meeting of Holders of the Securities held in accordance with the Agency Agreement shall be required.
- (ii) *Consent by Extraordinary Resolution*: Any modification which will:
 - (A) extend the stated maturity of the principal of or any instalment of interest on any such Security or extend the date for expiration, settlement or payment of any coupon in relation to such Security;
 - (B) reduce the principal amount, redemption price of, or settlement price of, or interest on (as applicable), any such Security;
 - (C) change the obligation of the Issuer to pay Additional Amounts;
 - (D) change the currency of payment of such Security or interest thereon;
 - (E) impair the right to institute suit for the enforcement of any such payment on or with respect to any such Security;
 - (F) reduce the percentage in aggregate principal amount of Securities outstanding necessary to modify or amend the Agency Agreement, or to waive any past default; or
 - (G) reduce the voting or quorum requirements or the percentage of aggregate principal amount, redemption price or settlement price of Securities outstanding (in the case of Notes) or number held (in the case of Warrants or Certificates) required to take any other action authorised to be taken by the Holders of a specified principal amount (in the case of Notes) or number held (in the case of Warrants or Certificates) of Securities,

may only be made if sanctioned by an Extraordinary Resolution.

(c) **Modification of French Securities**

The Issuer may from time to time amend the Conditions of any French Notes in accordance with General Condition 23.3 and of French Securities other than French Notes in accordance with General Condition 23.4.

(d) **Modification of German Securities**

Subject to General Condition 23.1(a) (*Modification without Holder Consent (Securities other than French Securities)*), German Securities can only be amended with the consent of all of the Holders of the Securities of the relevant Series, in accordance with German law.

23.2 **Meetings of Holders (other than Holders of French Securities and German Securities)**

The Agency Agreement contains provisions for convening meetings of Holders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these General Conditions or any provisions of the Agency Agreement, as applicable. Such a meeting may be convened by the Issuer (either at its own instigation or on the request of Holders holding at least 10 per cent. in aggregate principal amount (in the case of Notes) or number held (in the case of Warrants or Certificates) of Securities outstanding). At a meeting of the Holders of the Securities for the purpose of approving a modification or amendment to, or obtaining a waiver of, any covenant, Condition, Specific Product Provision or the Agency Agreement, the Holders of a clear majority in aggregate principal amount (in the case of Notes) or number held (in the case of Warrants or Certificates) at the time outstanding shall constitute a quorum. In the absence of a quorum at any such meeting, within 30 minutes of the time appointed for such meeting, the meeting may be adjourned for a period of not less than ten days; in the absence of a quorum at any such adjourned meeting, such adjourned meeting may be further adjourned for a period of not less than ten days; at the reconvening of any meeting further adjourned for lack of a quorum, the persons entitled to 25 per cent. in aggregate principal amount (in the case of Notes) or number held (in the case of Warrants or Certificates) of the Securities at the time outstanding shall constitute a quorum for the taking of any action set forth in the notice of the original meeting. At a meeting or an adjourned meeting duly convened and at which a quorum is present as aforesaid, any resolution to modify or amend the Conditions or any provisions of the Agency Agreement (other than those items specified in General Condition 23.1(b)(ii)(A) to 23.1(b)(ii)(G), or to waive compliance with, any of the Conditions shall be effectively passed if passed by the persons entitled to the lesser of (i) a clear majority in aggregate principal amount (in the case of Notes) or number held (in the case of Warrants or Certificates) of the Securities then outstanding or (ii) 75 per cent. in aggregate principal amount (in the case of Notes) or number held (in the case of Warrants or Certificates) of the Securities represented and voting at the meeting.

In addition, a resolution in writing signed by or on behalf of all Holders who are for the time being entitled to receive notice of a meeting of Holders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or in several documents in the same form, each signed by or on behalf of one or more Holders.

23.3 **Meetings of Holders of French Notes (Masse)**

Except as otherwise provided by the relevant Final Terms, Holders of French Notes will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the "**Masse**").

The Masse will be governed by those provisions of the French *Code de commerce* (with the exception of the provisions of Articles L.228-48, L.228-59, R.228-63, R.228-67, and R.228-69 thereof) as summarised and supplemented by the conditions set forth below.

(a) **Legal Personality**

The Masse will be a separate legal entity and will act in part through a representative (the "**Representative**") and in part through a general meeting of the Holders (the "**General Meeting**").

The Masse alone, to the exclusion of all individual Holders, shall exercise the common rights actions and benefits which now or in the future may accrue respectively with respect to the French Notes.

(b) **Representative**

The office of Representative may be conferred on a person of any nationality who agrees to perform such a function.

However, the following persons may not be chosen as Representatives:

- (i) the Issuer, the members of its Board of Directors (*Conseil d'administration*), their Supervisory Board (*Conseil de surveillance*), its general managers (*directeurs généraux*), its statutory auditors, its employees as well as its ascendants, descendants and spouse; or
- (ii) the Guarantor, and more generally companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors (*Conseil d'administration*), Executive Board (*Directoire*), or Supervisory Board (*Conseil de surveillance*), their statutory auditors, or employees as well as their ascendants, descendants and spouse; or
- (iii) companies holding 10 per cent. or more of the share capital of the Issuer or companies having 10 per cent. or more of their share capital held by the Issuer; or
- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The names and addresses of the initial Representative of the Masse and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Relevant Programme Agents.

(c) **Powers of Representative**

The Representative shall (in the absence of any decision to the contrary of the General Meeting) have the power to take all acts of management necessary in order to defend the common interest of the Holders.

All legal proceedings against the Holders or initiated by them, must be brought by or against the Representative.

The Representative may not be involved in the management of the affairs of the Issuer.

(d) **General Meeting**

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Holders of French Notes, holding together at least one-thirtieth of the principal amount of the French Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has

not been convened within two months after such demand, the Holders of French Notes may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, time, place and agenda of any General Meeting will be published as provided under General Condition 26.5 (*Notices*).

Each Holder of French Notes has the right to participate in a General Meeting in person, by proxy, correspondence, or, if the articles of incorporation of the Issuer so specify, videoconference or any other means of telecommunication allowing the identification of the participating Holders of French Notes. Each French Note carries the right to one vote, in the case of French Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such French Note.

(e) ***Powers of the General Meetings***

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the French Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase amounts payable by Holders of French Notes, nor establish any unequal treatment between the Holders of French Notes, nor decide to convert French Notes into shares.

General Meetings may deliberate validly on first convocation only if Holders of French Notes present or represented hold at least a fifth of the principal amount of the French Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third majority of votes cast by Holders of French Notes attending such General Meetings or represented thereat.

In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Holder of French Notes to participate in General Meetings will be evidenced by the entries in the books of the relevant Euroclear France Account Holder of the name of such Holders of French Notes on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting at 0:00, Paris time.

Decisions of General Meetings must be published in accordance with the provisions set forth in General Condition 26 (*Notices*).

(f) ***Information to Holders***

Each Holder or Representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant Holders at the registered office of the Issuer, at the specified offices of any of the Relevant Programme Agent during usual business hours and at any other place specified in the notice of the General Meeting.

(g) ***Expenses***

The Issuer will pay all expenses relating to the operation of the Masse, including expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable under the French Notes.

(h) ***Single Masse***

The Holders of French Notes of the same Series, and the Holders of French Notes of any other Tranche which have been consolidated (*assimilées*) with the French Notes of another Series in accordance with General Condition 25 (*Further Issues*), shall, for the defence of their respective common interests, be grouped in a single Masse. The Representative appointed in respect of the first Tranche of any Series of French Notes will be the Representative of the single Masse of all such Series.

(i) ***Convening of the Masse***

The Masse shall be convened in accordance with Article L. 228-58 et seq. of the French *Code de commerce*, i.e. (without prejudice to any law change subsequent to the date of the Agency Agreement) by the relevant representative of the Issuer, by the Representatives of the Masse or by the liquidators or natural or physical persons performing equivalent functions during any possible winding-up or equivalent insolvency period. One or more Holder of French Notes, together holding at least one-thirtieth of the French Notes of the Masse, may submit to the Issuer and to the Representatives of the Masse a request for a meeting to be convened. In the latter case, if the Issuer or the relevant Representatives do not convene the Masse within two months (or within such longer or shorter period of time as may be specified from time by *décret en Conseil d'Etat* or otherwise), the Holder of French Notes requesting the convening of the meeting may bring legal proceedings for the appointment of a representative who shall convene the meeting.

23.4 **Meeting of Holders of French Securities (other than French Notes)**

The Issuer may convene (either at its own instigation or on the request of Holders of French Warrants or French Certificates holding at least ten per cent. of the number of Warrants or Certificates outstanding by giving notice to Holders of French Warrants or French Certificates in accordance with General Condition 26 (*Notices*)) a meeting of Holders of French Warrants and French Certificates under French law for the purpose of approving a modification or amendment to, or obtaining a waiver of, any covenant, General Condition or Specific Product Provision. The Holders of a clear majority of the number of French Warrants or French Certificates held at the time outstanding shall constitute a quorum. In the absence of a quorum at any such meeting, within 30 minutes of the time appointed for such meeting, the meeting may be adjourned for a period of not less than ten days; in the absence of a quorum at any such adjourned meeting, such adjourned meeting may be further adjourned for a period of not less than ten days; at the reconvening of any meeting further adjourned for lack of a quorum, the persons entitled to hold 25 per cent. of the number of French Warrants or French Certificates outstanding shall constitute a quorum for the taking of any action set forth in the notice of the original meeting. At a meeting or an adjourned meeting duly convened and at which a quorum is present as aforesaid, any resolution to modify or amend the Conditions, or to waive compliance with, any of the Conditions shall be effectively passed if passed by the persons entitled to the lesser of (i) a clear majority of the number of French Warrants or French Certificates then outstanding or (ii) 75 per cent. of the number of French Warrants or French Certificates represented and voting at the meeting.

In addition, a resolution in writing signed by or on behalf of all Holders of French Warrants or French Certificates who are for the time being entitled to receive notice of a meeting of Holders of French Warrants or French Certificates will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or in several documents in the same form, each signed by or on behalf of one or more Holders of French Warrants or French Certificates.

24. **Purchase and Cancellation**24.1 **Purchase**

The Issuer, the Guarantor in respect of Securities issued by JPMSP or JPMBD, and any of their subsidiaries or affiliates may at any time purchase Securities provided that, in respect of Bearer Notes in definitive form, all unmatured Receipts and Coupons and unexchanged Talons

relating thereto are attached thereto or surrendered therewith. Purchases may be made 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, other than French Securities which must be surrendered for cancellation.

24.2 **Cancellation**

The obligations of the Issuer and the Guarantor in respect of Securities surrendered for cancellation shall be discharged following redemption and cancellation of the Securities by the Issuer (together, in the case of Bearer Notes in definitive form, with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith to the Relevant Programme Agent and, in the case of Registered Securities in definitive form by surrendering the registered certificate representing such Notes to the Registrar. French Securities shall be cancelled by being transferred to an account in accordance with the rules of procedures of Euroclear France).

25. **Further Issues**

The relevant Issuer may from time to time without the consent of the Holders or Couponholders create and issue further securities of any Series or Tranche, having the same terms and conditions as the relevant Securities (with the exception of the first Interest Payment Date and the Issue Price of the further securities) (so that, for the avoidance of doubt, references in the conditions of such securities to "**Issue Date**" shall be to the first issue date of the Securities) and so that the same shall be consolidated (with respect to French Securities, *assimilées*) and form a single series with the applicable Securities of that Series or Tranche and references in these General Conditions to "**Securities**" shall be construed accordingly.

26. **Notices**

26.1 **Notices to the Holders of Registered Securities in definitive form**

Notices to the Holders of Registered Securities in definitive form shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.

26.2 **Notices to the Holders of Bearer Securities in definitive form**

Notices to the Holders of Bearer Securities in definitive form shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*).

26.3 **Notices to Holders of interests in Global Securities**

For Global Securities representing the Securities that are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, Clearstream Frankfurt, Euroclear France or DTC notices to the Holders of the Securities may be made by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg, Clearstream Frankfurt, Euroclear France or DTC for communication by them to the Holders of the Securities. Any such notice shall be deemed to have been given to the Holders of the Securities on the day after the day on which such notice was given to Euroclear and/or Clearstream, Luxembourg, Clearstream Frankfurt, Euroclear France or DTC.

26.4 **Notices to Holders of Swiss Securities represented by a Global Security**

Notices to Holders of interests in a Swiss Global Security that are not listed on SIX Swiss Exchange shall be validly given if published on the website specified in the relevant Final Terms.

26.5 **Notices to Holders of French Securities**

- (a) All notices to Holders of French Securities will be valid if published in a leading daily financial newspaper having general circulation in Paris (which is expected to be *La*

Tribune or *Les Echos*) or, if such newspaper shall cease to be published or timely publication in them shall not be practicable, in such other financial daily newspaper having general circulation in Paris.

- (b) In the case of French Securities in registered dematerialised form (*au nominatif*), notices may not be made in accordance with paragraph (a) above but may be mailed to Holders at their respective addresses in the register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.
- (c) Any notice mentioned in paragraphs (a) and (b) above will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of first publication in all required newspapers.

26.6 Notices to Holders of German Securities

Notices to Holders of German Securities will be valid if published (a) in a leading daily financial newspaper having general circulation in Germany (which is expected to be *Handelsblatt*), (b) on the website maintained on behalf of the Issuer, www.jporgansp.com or (c) in accordance with General Condition 26.3 (*Notices to Holders of interests in Global Securities*).

26.7 Notices in respect of Securities listed on the Luxembourg Stock Exchange

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 all notices regarding the Securities will be deemed to be validly given if published 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).

26.8 Notices in respect of Securities listed on the SIX Swiss Stock Exchange

For so long as any Securities are listed on the SIX Swiss Exchange, all notices shall be published in accordance with the rules of the SIX Swiss Exchange.

26.9 Notices in respect of Securities listed on any other stock exchange

For so long as any Securities are listed on any other stock exchange or listing authority, notices shall be published in accordance with the rules of such stock exchange or listing authority.

26.10 Notices by Holders of German Securities

In respect of German Securities, notices which are required to be given by the Holder to the Issuer or Relevant Programme Agent pursuant to General Condition 5.2 (*Redemption at the Option of Holders*), General Condition 11.2 (*Automatic Exercise Warrant Notice Requirement*) and General Condition 11.3 (*Exercise Procedure*) must be given (and will only be validly given) if:

- (a) the Holder submits to the Relevant Programme Agent a written notice in the form available from the Relevant Programme Agent which has been completed by such Holder or which includes any statements and declarations required by such form, in particular:
 - (i) the name and address of the Holder;
 - (ii) the specification (including ISIN/WKN) and number of Securities to which the notice is applicable;
 - (iii) the account of the Holder with a bank in the Federal Republic of Germany to which any payments that may be owed under the Securities are to be credited; and

- (iv) in respect of Securities to which Physical Delivery applies, a Non-U.S. Certification; and
- (b) delivers the Securities to which the notice relates to the Relevant Programme Agent either (a) by means of an irrevocable instruction to the Relevant Programme Agent to debit the Securities from the depositary account, if any, maintained with the Relevant Programme Agent, or (b) by transfer of the Securities to the account of the Relevant Programme Agent with the Relevant Clearing System, or (c) in respect of Securities in definitive form, by delivering the Securities to the Relevant Programme Agent.

If the number of Securities to which the notice relates differs from the number of Securities transferred to the Relevant Programme Agent, the notice shall be deemed to apply only for the smaller of both numbers of Securities. Any Securities transferred in excess of the number of Securities to which the notice relates shall be re-transferred to the Holder at its risk and expense.

No Securities so delivered and options so exercised may be withdrawn without the prior consent of the Issuer.

27. Substitution

27.1 Right of Substitution

The Issuer may (provided it has complied with the requirements set out in General Conditions 27.2(a) to (e) (inclusive) (for Securities other than German Securities and French Securities) or General Conditions 27.3(a) to (f) (inclusive) (for German Securities and French Securities)) at any time, without the consent of the Holders, Receiptholders or the Couponholders (as applicable), substitute for itself any company from JPMorgan Chase & Co. and its consolidated subsidiaries (including the Guarantors) (the "**Substitute**") provided, however, that:

- (a) in respect of Securities issued by JPMSP, either JPMSP or JPMorgan Chase Bank, N.A. has or will (or based on an opinion of counsel to JPMSP (or JPMorgan Chase Bank, N.A. in its capacity as 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 Condition 18 (*Taxation*) as a result of any action taken by a Relevant Jurisdiction 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 Relevant Jurisdiction 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 JPMSP or JPMorgan Chase Bank, N.A., as the case may be, taking other reasonable measures available to it; and
- (b) in respect of securities issued by JPMBD, either JPMBD or JPMorgan Chase & Co. has or will (or based on an opinion of counsel to JPMBD (or JPMorgan Chase & Co. in its capacity as 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 Condition 18 (*Taxation*) as a result of any action taken by a Relevant Jurisdiction 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 Relevant Jurisdiction 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 JPMBD or JPMorgan Chase & Co., as the case may be, taking other reasonable measures available to it.

27.2 Means of Substitution (Securities other than German Securities and French Securities)

The Substitute will, by means of a deed poll (the "**Deed Poll**"), substantially in the form scheduled to the Agency Agreement:

- (a) become a party to the Agency Agreement with any appropriate consequential amendments, as if it had been an original party to it;
- (b) indemnify each Holder and Couponholder (as applicable) against (x) 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, Receipt, Coupon, or Talon (as applicable) or the Deed of Covenant arising from or in connection with the substitution and (y) against any tax, duty, assessment or governmental charge, and any cost or expense relating to the substitution;
- (c)
 - (i) JPMorgan Chase Bank, N.A. (in respect of Securities issued by JPMSP or JPMorgan Chase Bank, N.A., where JPMSP or JPMorgan Chase Bank, N.A. is substituted as issuer, and where JPMorgan Chase Bank, N.A. is not the Substitute) shall absolutely and unconditionally guarantee the obligations of the Substitute under the Deed Poll, the Securities, Receipts, Coupons, Talons and the Deed of Covenant by means of the Deed Poll; and
 - (ii) JPMorgan Chase & Co., (in respect of Securities issued by JPMBD or JPMorgan Chase & Co., where JPMBD or JPMorgan Chase & Co. is substituted as issuer and where JPMorgan Chase & Co. is not the Substitute) shall absolutely and unconditionally guarantee the obligations of the Substitute under the Deed Poll, the Securities, Receipts, Coupons, Talons and the Deed of Covenant by means of the Deed Poll;
- (d) all action, conditions and things required to be taken, fulfilled and done in respect of the substitution (including the obtaining of any necessary consents from the Swedish CSD in respect of Swedish Securities), and to ensure that the Deed Poll, the Securities, Receipts, Coupons, and Talons (as applicable) 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, and a supplement to the base prospectus describing the Programme shall be prepared if required to describe the Substitute; and
- (e) the Issuer shall give at least 14 days' (or, in the case of Italian Certificates, at least 30 days') prior notice of such substitution to the Holders (which shall be announced in accordance with General Condition 26 (*Notices*)), 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.

27.3 Means of Substitution in respect of German Securities and French Securities)

The right of substitution granted to German Securities and French Securities is subject to the following:

- (a) the Substitute assuming all obligations of the Issuer or any previous substituted company arising from or in connection with the German Securities or the French Securities;
- (b) the Issuer and the Substitute having obtained all necessary authorisations and being able to transfer all amounts required for the fulfilment of the payment obligations under the German Securities or the French Securities to the Relevant Programme Agent (in the currency required under the German Securities and French Securities) without being obliged to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute or the Issuer has its domicile or tax residence; and

- (c) the Substitute agreeing to indemnify and hold harmless each Holder of German Securities or French Securities against (i) any tax, duty, assessment or governmental charge imposed on such Holder of German Securities or French Securities 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 which would not have been so imposed if the Substitution had not been made and (ii) any tax, duty, assessment or governmental charge, any cost or expense in respect of such Substitution; and
- (d) if the German Securities or the French Securities are listed on a stock exchange and the rules of such exchange (or other regulatory authority) so requires, the Issuer notifying such substitution in accordance with applicable rules and regulations; and
- (e) in the case of German Securities or French Securities issued by JPMSP or JPMBD, the obligations of the Substitute arising under the German Securities or French Securities remaining guaranteed by the relevant Guarantor.

A notice of any Substitution in accordance with this General Condition 27.3 will be published in accordance with General Condition 26 (*Notices*).

27.4 **References to Issuer deemed to be to Substitute**

Where an Issuer is substituted for a Substitute, any reference to such Issuer in these General Conditions shall be deemed to be a reference to the Substitute.

28. **Prescription**

28.1 **Securities other than German Securities**

Claims against the Issuer or, as the case may be, the Guarantor for payment or delivery in respect of the Securities, Receipts or Coupons (including without limitation, claims for any applicable redemption amounts payable) shall be prescribed and become void unless made within (and no claims shall be made after such relevant date):

- (a) 10 years (in the case of principal or any Reference Asset Amount(s));
- (b) five years (in the case of interest) from the appropriate Relevant Date in respect of the relevant Notes, Receipts or Coupons; or
- (c) five years from the Settlement Date in respect of Warrants and Certificates or, in the case of French Warrants and French Certificates, 10 years.

28.2 **German Securities**

The period for presentation of German Securities (pursuant to section 801 paragraph 1 sentence 1 of the German Civil Code) shall be ten years from the date on which the relevant obligation of the Issuer under the German Securities first becomes due, and the period of limitation for claims under the German Securities presented during the period for presentation shall be two years calculated from the expiration of the presentation period.

29. **Governing Law and Jurisdiction**

29.1 **Governing Law**

- (a) ***Securities other than French Securities, German Securities, Rule 144A Warrants and Rule 144A Certificates***

Save as provided below, the Securities (including Rule 144A Notes and Swiss Securities), Receipts, Coupons, Talons and the Agency Agreement shall be governed by and construed in accordance with English law. The JPMorgan Chase Bank, N.A. Guarantee in respect of Securities issued by JPMSP, and the JPMorgan Chase & Co. Guarantee in respect of Securities issued by JPMBD, 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).

(b) ***Danish Notes, Finnish Securities, Norwegian Securities and Swedish Securities***

Danish law will be applicable in respect of the registration (including transfer of title redemption and payments) of Danish Notes in the VP. Finnish law will be applicable in respect of the title to and registration of Finnish Securities in Euroclear Finland. Norwegian law will be applicable in respect of the registration of Norwegian Securities in the VPS. Swedish law will be applicable in respect of the registration of Swedish Securities in Euroclear Sweden.

(c) ***French Securities***

French Securities are governed by and shall be construed in accordance with French law. The JPMorgan Chase Bank, N.A. Guarantee in respect of Securities issued by JPMSP, the JPMorgan Chase & Co. Guarantee in respect of Securities issued by JPMBD, shall be governed by and construed in accordance with the laws of the State of New York and the Agency Agreement shall be governed by and construed in accordance with English law (without reference to the principles of conflicts of law thereof).

(d) ***German Securities***

German Securities are governed by and shall be construed in accordance with, German law. The JPMorgan Chase Bank, N.A. Guarantee in respect of Securities issued by JPMSP and the JPMorgan Chase & Co. Guarantee in respect of Securities issued by JPMBD, shall be governed by and construed in accordance with the laws of the State of New York and the Agency Agreement shall be governed by and construed in accordance with English law (without reference to the principles of conflicts of law thereof).

(e) ***Rule 144A Warrants and Rule 144A Certificates***

The Rule 144A Warrants and Rule 144A Certificates, the JPMorgan Chase Bank, N.A. Guarantee in respect of Securities issued by JPMSP, the JPMorgan Chase & Co. Guarantee in respect of Securities issued by JPMBD, shall be governed by and construed in accordance with the laws of the State of New York and the Agency Agreement shall be construed in accordance with English law (without reference to the principles of conflicts of law thereof).

29.2 **Jurisdiction**(a) ***Securities other than French Securities, German Securities, Rule 144A Warrants and Rule 144A Certificates***

The Courts of England are to have jurisdiction to settle any disputes, controversy, proceedings or claim of whatever nature that may arise out of or in connection with any Securities (other than French Securities, German Securities, Rule 144A Warrants and Rule 144A Certificates), Receipts, Talons or Coupons (including their formation) and accordingly any such legal action or proceedings ("**Proceedings**") may be brought in such courts. Each of the Issuer and the Guarantor (if any) irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of each of the Holders of the Securities, Receipts, Talons and Coupons and shall not affect the right of any of them to take Proceedings in any other 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).

(b) ***French Securities***

Any claim against the Issuer in connection with any French Securities may be brought before any competent court of the jurisdiction of the Paris Court of Appeal.

(c) ***German Securities***

The District Court (*Landgericht*) of Frankfurt am Main is to have jurisdiction to settle any Proceedings that may arise out of or in connection with any German Securities, Receipts,

Talons or Coupons (including their formation) and accordingly any Proceedings may be brought in such court. In respect of German Securities, each of the Issuer and the Guarantor (if any) irrevocably submits to the jurisdiction of the District Court (*Landgericht*) of Frankfurt am Main and waives any objection to Proceedings in such court on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of each of the holders of the Securities and shall not affect the right of any of them to take Proceedings in any other 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).

(d) ***Rule 144A Warrants and Rule 144A Certificates***

Any federal or state court in the Borough of Manhattan, The City of New York, State of New York is to have jurisdiction to settle any legal action or proceedings arising out of or in connection with Rule 144A Warrants and Rule 144A Certificates (including their formation), the JPMorgan Chase Bank, N.A. Guarantee in respect of Securities issued by JPMSP and the JPMorgan Chase & Co. Guarantee in respect of Securities issued by JPMBD, (the "**Proceedings**") that may be brought in such courts. Each of the Issuer and the Guarantor (if any) irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

29.3 **Service of Process**

(a) ***Securities other than German Securities, Rule 144A Warrants and Rule 144A Certificates***

Each of JPMSP and JPMBD appoints the Company Secretary of J.P. Morgan Securities Ltd. of 125 London Wall, London EC2Y 5AJ, England and each of JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. appoints the Company Secretary of J.P. Morgan Europe Limited, 125 London Wall, London EC2Y 5AJ, England as their respective agent in England to receive, for them and on their behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to the relevant process agent (whether or not, it is forwarded to and received by JPMSP, JPMBD, JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., as the case may be). If for any reason the relevant process agent ceases to be able to act as such or no longer has an address in London, each of JPMSP, JPMBD, JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., as the case may be, irrevocably agrees to appoint a substitute process agent and shall immediately notify Holders of such appointment in accordance with General Condition 26 (*Notices*). Nothing shall affect the right of Holders to serve process in any manner permitted by law.

(b) ***German Securities***

Each of the Issuer and the Guarantor, if any, appoints the Head of the Legal Department of J.P. Morgan AG, Börsenstrasse 2-4, 60313 Frankfurt am Main, Germany as its agent in Germany to receive, for it and on its behalf, service of process in any Proceedings in Germany. Such service shall be deemed completed on delivery to the relevant process agent (whether or not, it is forwarded to and received by the Issuer or the Guarantor). If for any reason the relevant process agent ceases to be able to act as such or no longer has an address in Germany, the Issuer and the Guarantor, if any, irrevocably agree to appoint a substitute process agent and shall immediately notify Holders of such appointment in accordance with General Condition 26.6 (*Notices to Holders of German Securities*). Nothing shall affect the right to serve process in any manner permitted by law.

(c) ***Rule 144A Warrants and Rule 144A Certificates***

Each of JPMSP and JPMBD appoints JPMorgan Chase Bank, N.A. as its authorised agent upon which process may be served in any Proceedings that may be instituted in any federal or state court in the Borough of Manhattan, The City of New York, State of New York, but for that purpose only. Service of process upon such agent at 270 Park Avenue, New York, New York, 10017. Attention: Corporate Secretary, and written notice of such service to JPMSP or

JPMBD by the person serving the same, shall be deemed in every respect effective service of process upon each of JPMSP and JPMBD in any such Proceedings. Such appointment shall be irrevocable so long as the Holders shall have any rights pursuant to the terms of the Rule 144A Warrants, or the Rule 144A Certificates, as the case may be, until the appointment of a successor by JPMSP or JPMBD, as applicable, and such successor's acceptance of such appointment. Upon such acceptance, JPMSP or JPMBD, as applicable, shall notify the Principal Programme Agent of the name and address of such successor. JPMSP and JPMBD each further agree to take any and all action, including the execution and filing of any and all such documents and instruments, as may be necessary to continue such designation and appointment of such agent or successor for so long as Holders shall have any rights pursuant to the terms of the Rule 144A Warrants, or the Rule 144A Certificates, as the case may be or for so long as Holders shall have any rights pursuant to the terms of the Rule 144A Warrants, or the Rule 144A Certificates, as the case may be issued by them, respectively. The Principal Programme Agent shall not be obliged and shall have no responsibility with respect to any failure by JPMSP or JPMBD to take any such action.

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

In respect of any Securities which are governed by English law, no person shall have any right to enforce any term or condition of the Securities under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

31. **Definitions and Interpretation**

31.1 **Definitions**

In these General Conditions, unless the context otherwise requires, the following terms shall have the respective meanings set out below:

"**Additional Amounts**" has the meaning given in General Condition 18 (*Taxation*).

"**Adjustment Date**" means a date specified by the Issuer in the notice given to the Holders pursuant to General Condition 21.2 (*Adjustments to Warrants for European Monetary Union*) which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European Economic and Monetary Union pursuant to the Treaty.

"**Agency Agreement**" has the meaning given in Part A (*Introduction*).

"**Agents**" means the Principal Programme Agent, the Paying Agents, the Registrar, the Transfer Agent, the Calculation Agent, the Delivery Agent as appointed by the Issuer and, if applicable, the Guarantor, and each Relevant Programme Agent.

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

"**American Style**" has the meaning given in General Condition 11.1(a) (*Exercise Style and Period*).

"**Amortised Face Amount**" has the meaning given in Condition 5.5 (*Early Redemption of Zero Coupon Notes*).

"**Amortisation Yield**" means the yield specified as such in the relevant Final Terms or, if none is specified, the yield determined in accordance with General Condition 5.5 (*Early Redemption of Zero Coupon Notes*).

"**Automatic Exercise**" means, if specified to be applicable in the relevant Final Terms, that the relevant Warrants or Certificates 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 Condition 11.2 (*Automatic Exercise Warrant Notice Requirement*).

"Bank" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to TARGET2 provided however, that payment will not be made by mail to an address in the United States or by transfer to an account maintained in the United States.

"Bearer Global Security" means a Permanent Bearer Global Security or a Temporary Bearer Global Security.

"Bearer Notes" means any Notes specified to be a Bearer Security in the relevant Final Terms.

"Bearer Securities" means any Securities specified as such in the relevant Final Terms.

"Benchmark" means the benchmark in respect of a Representative Amount of the Specified Currency as specified in the Final Terms.

"Bermudan Style" has the meaning given in General Condition 11.1(a) (*Exercise Style and Period*).

"Broken Amount" means the amount specified as such in the relevant Final Terms.

"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, in such jurisdictions as shall be specified as **"Additional Financial Centres"** in the relevant Final Terms and:

- (a) in the case of a payment in a currency other than euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be claimed on and commercial banks settle payments in the relevant currency a day in the principal financial centre of the control of such currency;
- (b) in the case of a payment in euro, a day which is a TARGET2 Settlement Day and/or
- (c) in the case of a currency and/or one or more Additional Financial Centres, 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 Financial Centre(s) or, if no currency is indicated, generally in each of the Additional Financial Centres,

provided that if the Additional Financial Centres are specified in the relevant Final Terms to be or to include **"TARGET2"**, then Business Day shall also be a day which is a TARGET2 Settlement Day (in addition to the terms of the foregoing paragraphs (a), (b) and (c), as applicable); and 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.

"Business Day Convention" has the meaning given in General Condition 13 (*Business Day*).

"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.

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

"CEA" means the U.S. Commodity Exchange Act, as amended.

"Certificates" has the meaning given in Part A (*Introduction*).

"Clearing 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 or any successor or replacement thereto.

"Clearstream Frankfurt" means Clearstream Banking AG, Frankfurt or any successor or replacement thereto.

"Closed Periods" has the meaning given in General Condition 2.1(f) (*Closed Periods*).

"Code" means the U.S. Internal Revenue Code of 1986.

"Commodity Linked Interest Notes" means any Notes in respect of which the "Variable Linked Interest Provisions" are specified to be applicable in the relevant Final Terms and the "Type of Interest" is designated as "Commodity Linked Interest".

"Commodity Linked Provisions" has the meaning given in Part A (*Introduction*).

"Commodity Linked Securities" means any Securities in respect of which the "Commodity Linked Provisions" are specified to be applicable in the relevant Final Terms.

"Conditions" has the meaning given in Part A (*Introduction*).

"Consolidated Conditions" means, in respect of German Securities, the terms and conditions of such Securities, which are set out in the relevant Final Terms and endorsed on each Global Security and Security in definitive form representing such German Securities.

"Couponholders" means the holders of any Coupons and any Talons relating to such Coupons.

"Coupons" means the interest coupons relating to interest bearing Notes in bearer form.

"Coupon Amount" means the amount specified as such in the relevant Final Terms.

"Coupon Payment Date" means each date specified as such in the relevant Final Terms.

"Coupon Period" means the period commencing on, and including (or in the case of Swedish Warrants and Swedish Certificates, excluding) the Issue Date and ending on, but excluding (or in the case of Swedish Warrants and Swedish Certificates, including), the first Coupon Payment Date and each successive period beginning on, and including (or in the case of Swedish Warrants and Swedish Certificates, excluding) a Coupon Payment Date and ending on, but excluding (or in the case of Swedish Warrants and Swedish Certificates, including) the next succeeding Coupon Payment Date.

"Coupon Rate" means the rate specified in the relevant Final Terms.

"Credit Linked Notes" means any Notes in respect of which the "Credit Linked Note Provisions" are specified to be applicable in the relevant Final Terms.

"Danish Notes" has the meaning given in General Condition 1.1(b)(iii) (*Danish Notes*).

"Danish Programme Agent" means the entity specified as such in the relevant Final Terms, or any successor or additional agent appointed in connection with the relevant Danish Notes in accordance with the Agency Agreement.

"Danish Record Date" means, in respect of Danish Notes, the record date as set out in the applicable Danish rules regarding dematerialised securities issued through the VP.

"Danish Registrar" means the VP.

"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 Conditions or the relevant Final Terms and:

- (a) if **"Actual/Actual (ICMA)"** is so specified, means:
 - (i) 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
 - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) 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
 - (B) 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;
 - (iii) if **"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);
 - (iv) **"Actual/365 (Fixed)"** is so specified, means the actual number of days in the Calculation Period divided by 365;
 - (v) if **"Actual/360"** is so specified, means the actual number of days in the Calculation Period divided by 360;
 - (vi) if **"30/360"** **"360/360"** or **"Bond 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:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"D₂" 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 D₁ is greater than 29, in which case D₂ will be 30;

- (vii) 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:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" 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 D₂ will be 30; and

- (viii) if "**30E/360 (ISDA)**" is so specified, means the number of days in the Calculation Period in respect of which payment is being made 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:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

"**Dealer**" means any dealer specified in the relevant Final Terms.

"Deed of Covenant" has the meaning given in Part A (*Introduction*).

"Deed Poll" has the meaning given in General Condition 27.2 (*Substitution*).

"Definitive Notes Exchange Date" has the meaning given in General Condition 1.1(c)(v) (*Exchange of Finnish Securities and Swedish Securities*).

"Definitive Notes Request Notice" has the meaning given in General Condition 1.1(c)(v) (*Exchange of Finnish Securities and Swedish Securities*).

"Definitive Notes Threshold" has the meaning given in General Condition 1.1(c)(v) (*Exchange of Finnish Securities and Swedish Securities*).

"Delivery Agent" means J.P. Morgan Securities Ltd. or any successor thereof (or such other Delivery Agent as may be appointed from time to time and as specified in the relevant Final Terms).

"Delivery Date" has the meaning given in General Condition 15.3 (*Delivery of a Reference Asset Amount*).

"Delivery Expenses" means all expenses, including any applicable depositary charges, transaction or exercise charges, stamp duty, stamp duty reserve tax and/or other taxes or duties, that arise from the delivery and/or transfer of any Reference Asset Amount(s).

"Disruption Cash Settlement Price" means such amount as specified in the relevant Final Terms, or, if not so specified, an amount equal to the fair market value of the relevant Security (but not taking into account any interest accrued on any 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 or assets 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 good faith and in a commercially reasonable manner.

"Drawdown Prospectus" means any prospectus or summary (if applicable) 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.

"DTC" means The Depository Trust Company or any successor or replacement thereto.

"DTC Custodian" means the custodian on behalf of DTC.

"Dual Currency Notes" means any Notes in respect of which the "Dual Currency Note Provisions" are specified to be applicable in the relevant Final Terms.

"Dutch Paying and Information Agent" means BNP Paribas Securities Services, Amsterdam Branch, or any successor or additional agent appointed in connection with the French Securities in accordance with the Agency Agreement.

"Early Payment Amount" means an amount determined by the Calculation Agent on the second Business Day immediately preceding the due date for the early redemption or settlement of the Securities, representing the fair market value of such Securities taking into account all factors which the Calculation Agent determines relevant (including, if applicable, any accrued interest) (but ignoring the event which resulted in such redemption) less all costs incurred by the Issuer or any affiliate in connection with such early redemption or settlement, including, without limitation, any costs to the Issuer associated with unwinding any funding relating to the Securities, any costs associated with unwinding any underlying related hedging arrangements, and all other expenses related thereto, as determined by the Calculation Agent in good faith and in a commercially reasonable manner.

"**ECP**" means "eligible contract participants" as defined in Section 1(a)(12) of the CEA.

"**Effective Date**" means, with respect to any Rate of Interest to be determined on an Interest Determination Date, the date specified as such in the relevant Final Terms or, if none is so specified, the first day of the Interest Period to which such Interest Determination Date relates.

"**Eligible Investor Certification**" means, with respect to Rule 144A Securities, the certification by a Holder included in an Exercise Notice and Reference Asset Transfer Notice to the effect that it is an Eligible Investor, including, among other things, it is (i) a QIB, (ii) in relation to Securities issued by JPMSP or JPMBD, a QP, (iii) an ECP and (iv) in relation to Securities issued by JPMSP or JPMBD, either (a) a MUSIV or (b) a Qualified Offshore Client, and that it is able to make the representations, warranties, acknowledgments and agreements required in the relevant Investor Letter of Representations as of the certification date and as of the date the underlying Reference Assets are delivered to it or by it or the Settlement Amount, Exercise Amount or Redemption Amount is paid to it or by it, as the case may be.

"**Established Rate**" means the rate for the conversion of the Specified Currency (including compliance with rules relating to rounding in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty.

"**EURIBOR**" means the Euro Interbank Offered Rate.

"**euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty.

"**Euroclear**" means Euroclear Bank S.A./N.V. or any successor or replacement thereto.

"**Euroclear Finland**" means Euroclear Finland Oy, the Finnish Central Securities Depository or any successor or replacement thereto.

"**Euroclear Finland register day**" has the meaning given in General Condition 6.2(d) (*Payments in Respect of Finnish Notes*).

"**Euroclear Finland Rules**" means Finnish laws, regulations, decisions and operating procedures from time to time applicable to the Finnish Securities and/or issued by Euroclear Finland.

"**Euroclear France**" means Euroclear France S.A. or any successor or replacement thereto.

"**Euroclear France Account Holder**" means any authorised financial intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank and the depositary bank for Clearstream, Luxembourg.

"**Euroclear Sweden**" means Euroclear Sweden AB or any successor or replacement thereto.

"**European Style**" has the meaning given in General Condition 11.1(a) (*Exercise Style and Period*).

"**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.

"**Event of Default**" has the meaning given in General Condition 16.1 (*Occurrence of Event of Default*).

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended.

"**Exchange Date**" means, in relation to a Temporary Global Security, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Security, a day falling not less than 60 days, or in the case of failure to pay principal, the redemption amount or settlement amount in respect of any Securities when due, 30 days, after the day on which

the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Relevant Programme Agent is located and in the city in which the Relevant Clearing System is located.

"Exchanged Notes" has the meaning given in General Condition 1.1(c)(v) (*Exchange of Finnish Securities and Swedish Securities*).

"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 Conditions.

"Exercise Notice" means:

- (a) in respect of Warrants other than Warrants which are German Securities, a notice (substantially in the form provided by the Relevant Programme Agent), with any such amendments as the Issuer may specify, and which shall:
 - (i) specify the number of Warrants of each Series or Tranche being exercised and, if applicable, attach the Warrants in definitive form being exercised;
 - (ii) specify 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 instruct the Relevant Clearing System(s), or the Relevant Programme Agent in the case of Warrants in definitive form or Finnish Warrants, Norwegian Warrants and Swedish Warrants, as applicable, 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 Relevant Programme 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, specify 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 Condition 26 (*Notices*);
 - (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) include 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) include 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:
 - (A) include 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;

- (B) include 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;
 - (C) except with respect to Swedish Warrants and to Finnish Warrants (if applicable) include a Warrant Account Notice;
 - (D) except with respect to Swedish Warrants and Finnish Warrants (if applicable) include a Non-U.S. Certification if "Physical Delivery" is applicable to the Warrants; and
 - (E) authorise the production of such certification in applicable administrative or legal proceedings; and
- (b) in respect of Warrants which are German Securities, a notice pursuant to General Condition 26.10 (*Notices by Holders of German Securities*) which also meets the requirements of paragraphs (iv) to (vi)(B) (inclusive) of paragraph (a) above.

"Exercise Period" means, in respect of:

- (a) Securities designated in the relevant Final Terms as "American Style", in respect of (i) Securities to which the Share Linked Provisions and the Index Linked Provisions apply, 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, and (ii) all other Securities, the period commencing on, and including, the Issue Date and ending on, 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 as such 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 the Specific Product Provisions shall apply to the Expiration Date as if such date were a Valuation Date.

"Extraordinary Resolution" means a resolution passed at a meeting duly convened and held in accordance with the Agency Agreement by a majority of at least 75 per cent. of the aggregate principal amount of the Securities of the relevant Series or of all Series, as the case may be, represented and voting at the meeting.

"FDIC" has the meaning given in General Condition 3.1 (*Guarantee*).

"Final Terms" has the meaning given in Part A (*Introduction*).

"Final Redemption Amount" has the meaning given in the relevant Final Terms.

"Finnish Certificates" means any Certificates which are specified to be Finnish Securities in the relevant Final Terms.

"Finnish Notes" means any Notes which are specified to be Finnish Securities in the relevant Final Terms.

"Finnish Programme Agent" means Svenska Handelsbanken AB (publ), Branch Office in Finland, or any successor or additional agent appointed in connection with the relevant Finnish Securities in accordance with the Agency Agreement.

"Finnish Record Date" has the meaning given in General Condition 6.2(d) (*Payments in respect of Finnish Notes*).

"Finnish Register" has the meaning given in General Condition 1.2(e) (*Title to Finnish Securities*).

"Finnish Registrar" has the meaning given in General Condition 1.1(b)(iv) (*Finnish Securities*).

"Finnish Securities" has the meaning given in General Condition 1.1(b)(iv) (*Finnish Securities*).

"Finnish Warrants" means any Warrants which are specified to be Finnish Securities in the relevant Final Terms.

"Fixed Coupon Amount" means the amount specified as such in the relevant Final Terms.

"Fixed Rate Notes" means any Notes in respect of which the "Fixed Rate Note Provisions" are specified to be applicable in the relevant Final Terms.

"Floating Rate Notes" means any Notes in respect of which the "Floating Rate Note Provisions" are specified to be applicable in the relevant Final Terms.

"French Bearer Securities" has the meaning given in General Condition 1.1(a)(ii) (*French Bearer Securities*).

"French Certificates" means any Certificates which are specified to be French Securities in the relevant Final Terms.

"French Notes" means any Notes which are specified to be French Securities in the relevant Final Terms.

"French Programme Agent" means BNP Paribas Securities Services, Paris branch, or any successor or additional agent appointed in connection with the relevant French Securities in accordance with the Agency Agreement.

"French Registered Securities" has the meaning given in General Condition 1.1(b)(ii) (*French Registered Securities*).

"French Registration Agent" has the meaning given in General Condition 1.1(b)(ii) (*French Registered Securities*).

"French Securities" has the meaning given in General Condition 1.1(b)(ii) (*French Registered Securities*).

"French Warrants" means any Warrants which are specified to be French Securities in the relevant Final Terms.

"FX Linked Interest Notes" means any Notes in respect of which the "Variable Linked Interest Provisions" are specified to be applicable in the relevant Final Terms and the "Type of Interest" is designated as "FX Linked Interest".

"FX Linked Provisions" has the meaning given in Part A (*Introduction*).

"**FX Linked Securities**" means any Securities in respect of which the "FX Linked Provisions" are specified to be applicable in the relevant Final Terms.

"**General Conditions**" means these General Conditions.

"**General Meeting**" has the meaning given in General Condition 23.3 (*Meetings of Holder of French Securities (Masse)*).

"**German Programme Agent**" means BNP Paribas Securities Services, Frankfurt branch in respect of German Securities cleared through Clearstream Frankfurt, or The Bank of New York Mellon in respect of German Securities cleared through Euroclear and/or Clearstream, Luxembourg, or any successor or additional agent appointed in connection with the relevant German Securities in accordance with the Agency Agreement.

"**German Securities**" means Bearer Securities which are governed by German law.

"**Global Bearer Note**" means a Bearer Note in global form.

"**Global Certificates**" means Certificates in global form.

"**Global Notes**" means Notes in global form.

"**Global Security**" means a Security in global form representing interests in Securities, and "**Global Securities**" shall be construed accordingly.

"**Global Warrants**" means Warrants in global form.

"**Guarantees**" means the JPMorgan Chase Bank, N.A. Guarantee and the JPMorgan Chase & Co. Guarantee, and each is a "**Guarantee**".

"**Guarantor**" has the meaning given in Part A (*Introduction*).

"**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.

"**Holder**" has the meaning given in General Condition 1.2 (*Title*).

"**Holder Physical Settlement**" means the payment of the Exercise Amount by the Issuer to the Holder against delivery of the Reference Asset by the Holder to the Issuer as provided in General Condition 11.3(e) (*Holder Physical Settlement*).

"**Holder's Request**" has the meaning given in General Condition 1.1(c)(ii) (*Exchange of Bearer Securities other than French Bearer Securities*).

"**Index Linked Interest Notes**" means any Notes in respect of which the "Variable Linked Interest Provisions" are specified to be applicable in the relevant Final Terms and the "Type of Interest" is designated as "Index Linked Interest".

"**Index Linked Provisions**" has the meaning given in Part A (*Introduction*).

"**Index Linked Securities**" means any Securities in respect of which the "Index Linked Provisions" are specified to be applicable in the relevant Final Terms.

"**Instalment Amount**" means the amount specified as such in the relevant Final Terms.

"**Instalment Date**" means each date specified as such in the relevant Final Terms.

"**Instalment Notes**" means any Notes specified as such in the relevant Final Terms.

"**Interest Amount**" for a period or an Interest Payment Date, means the amount of interest payable for such period or on the Interest 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.

"Interest Commencement Date" means the Issue Date or such other date as may be specified in the relevant Final Terms.

"Interest Determination Date" means, with respect to a Rate of Interest and Interest Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the first day of such Interest Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET2 Settlement Days prior to the first day of such Interest Period if the Specified Currency is euro.

"Interest Payment Date" means each date specified as such in the relevant Final Terms adjusted, in the case of Floating Rate Notes, in accordance with the Business Day Convention.

"Interest Period" means the period beginning on and including (or in the case of Swedish Notes, excluding) the Interest Commencement Date (or in the case of Swedish Notes, the Issue Date) and ending on but excluding (or in the case of Swedish Notes, including) the first Interest Payment Date and each successive period beginning on and including (or in the case of Swedish Notes, excluding) an Interest Payment Date and ending on but excluding (or in the case of Swedish Notes, including) the next succeeding Interest Payment Date.

"Intervening Period" has the meaning given in General Condition 15.6 (*Settlement Disruption Event*).

"Investment Company Act" means the U.S. Investment Company Act of 1940, as amended.

"Investor Letter of Representation" means a letter in the form provided by the relevant dealer entered into with the relevant Issuer, the relevant arranger and the relevant dealer in relation to the purchase of Rule 144A Securities which are Warrants or Certificates or Rule 144A Notes if such Notes have been exchanged for Securities in definitive form or are being held as Securities in definitive form.

"ISDA Definitions" means, the 2006 ISDA definitions (the **"2006 Definitions"**), as published by the International Swaps and Derivatives Association, Inc.

"ISDA Rate" has the meaning given in General Condition 4.2(b)(i) (*ISDA Determination for Floating Rate Notes*).

"Issue Date" means the date on which the relevant Securities are issued, as specified in the relevant Final Terms.

"Issue Price" means the price specified as such in the relevant Final Terms.

"Issuer" means the issuer specified as such in the relevant Final Terms.

"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 Condition 11.3(d) (*Issuer Physical Settlement*).

"Italian Certificates" means any Certificates specified as such in 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.

"JPMBD" means J.P. Morgan Bank Dublin plc.

"JPMorgan Chase & Co. Guarantee" has the meaning given in Part A (*Introduction*).

"JPMorgan Chase Bank, N.A. Guarantee" has the meaning given in Part A (*Introduction*).

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

"Latest Exercise Time" means in each case the Exercise Notice shall be delivered:

- (a) in the case of "American Style" Warrants, not later than 10.00 a.m. (Local Time) on any Scheduled Trading Day during the relevant Exercise Period;
- (b) in the case of "Bermudan Style" Warrants, not later than 10.00 a.m. (Local Time) on any Potential Exercise Date during the relevant Exercise Period; or
- (c) in the case of "European Style" Warrants, not later than 10.00 a.m. (Local Time) on the Expiration Date.

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

"Margin" means the margin specified as such in the relevant Final Terms.

"Market Access Participation Notes" means any Notes in respect of which the "Market Access Participation Provisions" are specified to be applicable in the relevant Final Terms.

"Market Access Participation Provisions" has the meaning given in Part A (*Introduction*).

"Masse" has the meaning given in General Condition 23.3 (*Meetings of Holders of French Securities (Masse)*).

"Maturity Date" means the date specified as such 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 Rate of Interest" means the maximum interest rate to which any applicable rate of interest is subject, as specified in the relevant Final Terms.

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

"Minimum Rate of Interest" means the minimum interest rate to which any applicable rate of interest is subject, as specified in the relevant Final Terms.

"Minimum Transferable Amount" means in respect of Italian Certificates, the minimum transferable amount as specified in the relevant Final Terms.

"MUSIV" means a "major U.S. institutional investor" as defined in Rule 15a-6(b)(4) under the Exchange Act.

"National Currency Unit" means the unit of the currency of a country, as those units are defined on the date on which the country of the Original Currency first participates in European Economic and Monetary Union.

"Non-U.S. Certification" means a certification (substantially in the form provided by the Relevant Programme Agent) 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.

"Norwegian Certificates" means any Certificates which are specified to be Norwegian Securities in the relevant Final Terms.

"Norwegian Notes" mean any Notes which are specified to be Norwegian Securities in the relevant Final Terms.

"Norwegian Programme Agent" means the entity specified as such in the relevant Final Terms, or any successor or additional agent appointed in connection with the Norwegian Securities in accordance with the Agency Agreement.

"Norwegian Record Date" has the meaning given in General Condition 6.2(e) (*Payments in respect of Norwegian Notes*).

"Norwegian Registrar" means the VPS.

"Norwegian Securities" has the meaning given in General Condition 1.1(b)(v) (*Norwegian Securities*).

"Norwegian Warrants" means any Warrants which are specified to be Norwegian Securities in the relevant Final Terms.

"Notes" has the meaning given in Part A (*Introduction*).

"Notional Amount" has the meaning given in General Condition 8.1 (*Coupon Payment Dates*).

"Optional Redemption Amount" means the amount specified as such in the relevant Final Terms.

"Optional Redemption Date" means any date specified as such in the relevant Final Terms.

"Original Currency" has the meaning given in General Condition 21.2(a) (*Adjustments to Warrants for European Monetary Union*).

"Other Variable Linked Interest Notes" means any Notes in respect of which the "Variable Linked Interest Provisions" are specified to be applicable in the relevant Final Terms and the "Type of Interest" is specified to be anything other than "Commodity Linked Interest", "FX Linked Interest", "Index Linked Interest" or "Share Linked Interest".

"Page" means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000), as may be specified in the relevant Final Terms for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

"Partial Distributions" has the meaning given in General Condition 14.2(b) (*Obligation to pay postponed*).

"Partly Paid Notes" means any Note in relation to which the initial subscription moneys are payable to the Issuer in one or more instalments.

"Paying Agent" means any agent appointed as such pursuant to the Agency Agreement.

"Payment Day" has the meaning given in General Condition 13.2 (*Payments on Business Days*).

"Payment Disruption Event" means:

- (a) an event in relation to a Relevant Payment Jurisdiction which has the effect of preventing, restricting or delaying the Calculation Agent or Issuer from:
 - (i) converting a Relevant Currency into another Relevant Currency through customary legal channels; or
 - (ii) converting a Relevant Currency into another Relevant Currency at a rate at least as favourable as the rate for domestic institutions located in the Relevant Payment Jurisdiction; or

- (iii) delivering any Relevant Currency from accounts inside the Relevant Payment Jurisdiction to accounts outside the Relevant Payment Jurisdiction; or
- (iv) delivering a Relevant Currency between accounts inside the Relevant Payment Jurisdiction or to a party that is a non-resident of the Relevant Payment Jurisdiction; or
- (b) the imposition by the Relevant Payment 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 General Condition 26 (*Notices*); or
- (c) the implementation by the Relevant Payment 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 Payment 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.

"Payment Event Cut-off Date" means the date which is one year after the Maturity Date, Redemption Date, Settlement Date or any other date which is the last date on which amounts under the Securities shall be due and payable by the Issuer (as the case may be), or as determined by the Calculation Agent acting in good faith and as specified herein.

"Permanent Bearer Global Security" has the meaning given in General Condition 1.1(c)(ii) (*Exchange of Securities other than French Bearer Securities*).

"Permanent Global Security" means a Permanent Bearer Global Security and/or a Permanent Registered Global Security.

"Permanent Registered Global Security" means a Permanent Global Security in registered form.

"Physical Delivery Cut-Off Date" means the relevant date specified in the relevant Final Terms (or if that day is not a Clearing System Business Day, the next following such Clearing System Business Day).

"Physical Settlement" means (a) for Warrants, either Holder Physical Settlement or Issuer Physical Settlement, (b) 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, and (c) for Notes, the delivery of Reference Assets in discharge of the obligation to pay the Final Redemption Amount from the Issuer to the Holders as specified in the relevant Final Terms.

"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 any Specific Product Provisions specified to be applicable in the relevant Final Terms shall apply to the Potential Exercise Date as if such date were a Valuation Date.

"Primary Source" means the source specified as such in the relevant Final Terms.

"Principal Financial Centre" has the meaning given in General Condition 4.2(b)(ii) (*Screen Rate Determination for Floating Rate Notes*).

"Principal Programme Agent" means The Bank of New York Mellon, 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.

"Programme" has the meaning given in Part A (*Introduction*).

"Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

"Put Option Exercise Notice" means a notice in the form obtainable from the Relevant Programme Agent.

"QIB" means a "qualified institutional buyer" as defined in Rule 144A.

"QP" means a "qualified purchaser" as defined in Section 2(a)(51) and related rules of the Investment Company Act 1940.

"Qualified Offshore Client" means (a) an entity not organised or incorporated under the laws of the United States and not engaged in a trade or business in the United States for U.S. federal income tax purposes, (b) a natural person who is not a U.S. resident or (c) any entity not organised or incorporated under the laws of the United States substantially all of the outstanding voting securities of which are beneficially owned by persons described in (a) or (b) above, which is represented by a U.S. resident professional fiduciary that is not a registered broker-dealer or a bank acting in a broker-dealer capacity within the meaning of Rule 15a-6(a)(4)(i) under the Exchange Act.

"Quota" means, if Maximum Exercise Number is specified in the relevant Final Terms as being applicable, a number of Securities equal to such Maximum Exercise Number.

"Rate of Exchange" has the meaning given in the relevant Final Terms.

"Rate of Interest" means the rate of interest payable from time to time in respect of the Note and that is either specified or calculated in accordance with the provisions in the relevant Final Terms.

"Receipts" means the receipts for the payment of instalments of principal relating to Notes in bearer form in respect of which the principal is payable in instalments.

"Receptholders" means the holders of any Receipts.

"Record Date" has the meaning given in General Condition 6.2(i) (*Record Date*).

"Redemption Amount" means the redemption amount specified as such in the relevant Final Terms.

"Redemption Date" means the date specified as such in the relevant Final Terms.

"Redenomination Date" means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Holders pursuant to General Condition 21.1 (*Redenomination of Notes*) above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union.

"Reference Asset" or **"Reference Assets"** has the meaning specified in the relevant Final Terms.

"Reference Asset Amount" or **"Reference Asset Amounts"** means the amount of Reference Assets, as specified in the relevant Final Terms, which is to be delivered by the Delivery Agent on behalf of the Issuer on the date specified in the relevant Final Terms.

"Reference Asset Transfer Notice" means a notice, substantially in the form set out in the Agency Agreement (and which may be obtained during normal business hours from the specified office of the Relevant Programme Agent), which shall:

- (a) specify the name and address of the relevant Holder, any account details 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 Amount if such delivery is to be made otherwise than in the manner specified in the relevant Final Terms;
- (b) contain a Non-U.S. Certification and confirm that delivery of the Reference Asset Amount(s) will not be made in the United States or, in the case of Rule 144A Securities, contain an Eligible Investor Certification;
- (c) in the case of Securities represented by a Global Security, specify the nominal amount of Securities which are the subject of such notice and the number of the Holder's account at the Relevant Clearing System (if applicable), to be debited with such Securities and irrevocably instruct and authorise any Relevant Clearing System (if applicable), to debit the relevant Holder's account with such Securities on the relevant Interest Payment Date(s) and/or the Settlement Date or the Maturity Date, as the case may be;
- (d) include an undertaking to pay all Delivery Expenses and, in the case of the Securities represented by a Global Security, an authority to debit a specified account of the Holder at the Relevant Clearing System (if applicable), in respect thereof and to pay such Delivery Expenses;
- (e) include an authorisation to the Issuer to delay delivery of the Reference Asset Amount until all Delivery Expenses have been paid by the Holder; and
- (f) authorise the production of such notice in any applicable administrative or legal proceedings.

"Reference Banks" means the institutions specified as such in the relevant Final Terms or, if none, five major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone).

"Register" has the meaning given in General Condition 1.2(b) (*Title to Registered Securities (other than Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities, French Registered Securities and Swiss Securities)*).

"Registered Certificates" means Certificates in registered form.

"Registered Global Note" means a global note in registered form.

"Registered Global Security" means a Permanent Registered Global Security or a Temporary Registered Global Security.

"Registered Notes" means Notes in registered form.

"Registered Securities" means any Securities specified as such in the relevant Final Terms and include Securities regarded as Registered Securities for the purposes of these General Conditions pursuant to General Condition 1.1(b) (*Registered Securities*) (and each shall be a **"Registered Security"**).

"Registered Warrants" means Warrants in registered form.

"Registrar" means, in respect of (i) Danish Notes, the Danish Registrar, (ii) Finnish Securities, the Finnish Registrar, (iii) Norwegian Securities, the Norwegian Registrar, (iv) Swedish Securities, the Swedish Registrar, (v) French Registered Securities, the French Registration Agent, (vi) Swiss Securities, the Swiss Registrar and (vii) all other Registered Securities, The Bank of New York Mellon, or any successor to any of the above entities appointed in accordance with the Agency Agreement or other such registrar identified as such in the relevant Final Terms.

"Regular Period" means:

- (a) in the case of Securities where interest on the Notes or the coupon on the Certificates is scheduled to be paid only by means of regular payments, each period from and including (or in the case of Swedish Securities, excluding) the Issue Date to but excluding (or in the case of Swedish Securities, including) the first Interest Payment Date, or Coupon Payment Date (as applicable) and each successive period from and including (or in the case of Swedish Securities, excluding) one Interest Payment Date or Coupon Payment Date (as applicable) to but excluding (or in the case of Swedish Securities, including) the next Interest Payment Date or Coupon Payment Date (as applicable);
- (b) in the case of Securities where, apart from the first Interest Payment Date or Coupon Payment Date (as applicable), interest is scheduled to be paid only by means of regular payments, each period from and including (or in the case of Swedish Securities, excluding) a Regular Date falling in any year to but excluding (or in the case of Swedish Securities, including) the next Regular Date, where "Regular Date" means the day and month (but not the year) on which any Interest Payment Date or Coupon Payment Date (as applicable), falls; and
- (c) in the case of Securities where, apart from one Interest Period or Coupon Period (as applicable), other than the first Interest Period or Coupon Period (as applicable), interest is scheduled to be paid only by means of regular payments, each period from and including (or in the case of Swedish Securities, excluding) a Regular Date falling in any year to but excluding (or in the case of Swedish Securities, including) the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date or Coupon Payment Date (as applicable) falls other than the Interest Period or Coupon Period falling at the end of the irregular Interest Period, or Coupon Period (as applicable).

"Regulation S" means Regulation S under the Securities Act.

"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, Clearstream Frankfurt, DTC, SIS, or any clearing system through which Securities in dematerialised form are cleared, including Euroclear France, Euroclear Sweden, VP, VPS and Euroclear Finland 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 Currency" has the meaning given in the relevant Final Terms.

"Relevant Date" in respect of any Security, Receipt or Coupon 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, Receipt or Coupon being made in accordance with these General Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

"Relevant Financial Centre" means, with respect to any Rate of Interest to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro-zone) or, if none is so connected, London.

"Relevant Jurisdiction" means the country in which the Guarantor or the Issuer (as applicable) 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 written or by any political subdivision or taxing authority thereof or therein.

"Relevant Member State" means each member state of the European Economic Area which has implemented the Prospectus Directive.

"Relevant Notes" means all Notes where the relevant Final Terms provide for a minimum Specified Denomination in the Specified Currency which is equivalent to at least EUR 50,000 and which are admitted to trading on a regulated market in the European Economic Area.

"Relevant Payment Jurisdiction" means the jurisdiction(s) specified in the relevant Final Terms.

"Relevant Programme Agent" means in respect of (i) Danish Notes, the Danish Programme Agent, (ii) Swedish Securities, the Swedish Programme Agent, (iii) Norwegian Securities, the Norwegian Programme Agent, (iv) Finnish Securities, the Finnish Programme Agent, (v) Swiss Securities, the Swiss Programme Agent, (vi) French Securities, the French Programme Agent, (vii) German Securities, the German Programme Agent, (viii) Rule 144A Securities, the Principal Programme Agent, or (ix) all other Securities, the Principal Programme Agent, and includes any successor or additional agent or any other agent identified as such in the relevant Final Terms.

"Relevant Rate" means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

"Relevant Record Date" means in respect of (i) Danish Notes, the Danish Record Date, (ii) Finnish Securities, the Finnish Record Date, (iii) Norwegian Securities, the Norwegian Record Date, (iv) Swedish Securities, the Swedish Record Date and (v) all other Registered Securities, the Record Date.

"Relevant Time" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre and for this purpose "local time" means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, 11.00 hours, Brussels Time.

"Renouncement Notice" has the meaning given in General Condition 10.2 (*Exercise Rights in respect of Italian Certificates*).

"Representative" has the meaning given in General Condition 23.3(a) (*Legal Personality*).

"Representative Amount" means, with respect to any Rate of Interest to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

"Residual Cash Amount" or **"Residual Cash Amounts"** means the amount or amounts specified as such in the relevant Final Terms.

"Rule 144A" means Rule 144A under the Securities Act.

"Rule 144A Certificates" means any Certificates which are specified to be Rule 144A Securities in the relevant Final Terms.

"Rule 144A Notes" means any Notes which are specified to be Rule 144A Securities in the relevant Final Terms.

"Rule 144A Securities" has the meaning given in General Condition 1.1(b)(viii) (*Rule 144A Securities*).

"Rule 144A Warrants" means any Warrants which are specified to be Rule 144A Securities in the relevant Final Terms.

"**Scheduled Trading Day**" has the meaning given in the Share Linked Provisions and the Index Linked Provisions, as applicable.

"**Securities**" has the meaning given in Part A (*Introduction*).

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

"**Series**" has the meaning given in Part A (*Introduction*).

"**Settlement Amount**" means the settlement amount specified as such in the relevant Final Terms.

"**Settlement Cycle**" has the meaning given in the Share Linked Provisions or the Index Linked Provisions, as applicable.

"**Settlement Date**" means, subject to General Condition 13.2 (*Payments on Business Days*) and General Condition 15 (*Physical Delivery*) unless otherwise specified in the relevant Final Terms, and subject to there not having occurred a Settlement Disruption Event:

- (a) 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 Clearing System Business Day, the next following Clearing 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 Condition 15.6 (*Settlement Disruption Event*) shall apply; and
- (b) in relation to payment of the Settlement Amount or Redemption Amount, the date specified or otherwise determined as provided in the relevant Final Terms.

"**Settlement Disruption Event**" means an event beyond the control of the Issuer or any 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 (acting in good faith and in a commercially reasonable manner), delivery of the Reference Asset Amount by or on behalf of the Issuer, in accordance with these General Conditions and/or the relevant Final Terms is illegal or is not practicable, or as a result of which the Relevant Clearing System cannot clear the transfer of the relevant Reference Assets.

"**Share**" and "**Shares**" have the meaning given in the Share Linked Provisions.

"**Share Linked Interest Notes**" means any Notes in respect of which the "Variable Linked Interest Provisions" are specified to be applicable in the relevant Final Terms and the "Type of Interest" is designated as "Share Linked Interest".

"**Share Linked Provisions**" has the meaning given in Part A (*Introduction*).

"**Share Linked Securities**" means any Securities in respect of which the "Share Linked Provisions" are specified to be applicable in the relevant Final Terms.

"**SIS**" means SIX SIS AG, or any successor or replacement clearing system accepted by the SIX Swiss Exchange.

"**Special Conditions**" means, with respect to German Securities, the special conditions which form part of the Consolidated Conditions as set out in the relevant Final Terms.

"**Specific Product Provisions**" has the meaning given in Part A (*Introduction*).

"**Specified Coupon Period**" means the period specified as such in the relevant Final Terms.

"**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.

"Specified Denomination" means the denomination specified as such in the relevant Final Terms.

"Specified Duration" means, with respect to any Rate of Interest to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified as such in the relevant Final Terms or, if none is specified, a period of time equal to the relevant Interest Period, ignoring any adjustment pursuant to General Condition 13.1 (*Business Day Convention*).

"Swedish Certificates" means any Certificates which are specified to be Swedish Securities in the relevant Final Terms.

"Swedish CSD" means the Swedish central securities deposit (*central värdepappersförvarare*) (which is expected to be Euroclear Sweden).

"Swedish CSD Rules" means Swedish laws, regulations and operating procedures applicable to and/or issued by the Swedish CSD (which is expected to be Euroclear Sweden).

"Swedish Notes" means any Notes which are specified to be Swedish Securities in the relevant Final Terms.

"Swedish Programme Agent" means Swedbank AB (publ), or any successor or additional agent appointed in connection with the relevant Swedish Securities in accordance with the Agency Agreement.

"Swedish Record Date" has the meaning given in General Condition 6.2(f) (*Payments in respect of Swedish Notes*).

"Swedish Register" has the meaning given in General Condition 1.2(g) (*Title to Swedish Securities*).

"Swedish Registrar" means the Swedish CSD.

"Swedish Securities" has the meaning given in General Condition 1.1(b)(vi) (*Swedish Securities*).

"Swedish Warrants" means any Warrants which are specified to be Swedish Securities in the relevant Final Terms.

"Swiss Global Security" has the meaning given in General Condition 1.1(b)(vii) (*Swiss Securities*).

"Swiss Notes" means any Notes which are specified to be Swiss Securities in the relevant Final Terms.

"Swiss Programme Agent" means Credit Suisse, or any successor or additional agent appointed in connection with the Swiss Securities in accordance with the Agency Agreement.

"Swiss Register" means the register of Swiss Securities kept by the Swiss Registrar.

"Swiss Registrar" means Credit Suisse, or any successor appointed in accordance with the Agency Agreement.

"Swiss Securities" has the meaning given in General Condition 1.1(b)(vii) (*Swiss Securities*).

"Talons" means any talons for further Coupons.

"TARGET2" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto.

"TARGET2 Settlement Day" means any day on which TARGET2 is open for the settlement of payments in euro.

"Temporary Bearer Global Security" has the meaning given in General Condition 1.1(a)(i) (*Bearer Securities*).

"Temporary Global Security" means a Temporary Bearer Global Security and/or a Temporary Registered Global Security.

"Temporary Registered Global Security" has the meaning given in General Condition 1.1(b)(i) (*Registered Securities*).

"Termination Event" has the meaning given in General Condition 17 (*Termination Events*).

"Tranche" has the meaning given in Part A (*Introduction*).

"Transfer Agent" means, in respect of Registered Securities (other than Swiss Securities) in definitive form, The Bank of New York Mellon.

"Treaty" means the Treaty establishing the European Community, as amended.

"U.S. Person" means any person which is a "U.S. Person" as defined in Regulation S or a "United States person" as defined in section 7701(a)(30) of the Code and Treasury regulations thereunder.

"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.

"Valuation Date" means any date specified as such in the relevant Final Terms.

"VP" means VP Securities A/S or any successor or replacement thereto.

"VP Register" has the meaning given in General Condition 1.2(d) (*Title to Danish Notes*).

"VP Rules" means Danish laws, regulations and operating procedures applicable to and/or issued by the VP.

"VPS" means the Norwegian Central Securities Depository or any successor or replacement thereto.

"VPS Register" has the meaning given in General Condition 1.2(f) (*Title to Norwegian Securities*).

"VPS Rules" means Norwegian laws, regulations and operating procedures applicable to and/or issued by the VPS.

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

"Warrants" has the meaning given in Part A (*Introduction*).

"Zero Coupon Notes" means any Notes in respect of which the "Zero Coupon Note Provisions" are specified to be applicable in the relevant Final Terms.

31.2 Interpretation

- (a) Capitalised terms used but not defined in these General Conditions will 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 of the relevant Series.
- (b) A reference to a "person" in these General Conditions includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing.

- (c) A reference in these General Conditions to a provision of law is a reference to that provision as amended or re-enacted.
- (d) Part, General Condition and Specific Product Provision headings are for ease of reference only.
- (e) References in these General Conditions to a company or entity shall be deemed to include a reference to any successor or replacement thereto.
- (f) References in these General Conditions to matters which fall to be specified in the relevant Final Terms, shall in the case of German Securities, be specified in the Special Conditions applicable to the relevant Series of German Securities.

ANNEX 1

SHARE LINKED PROVISIONS

Contents of Annex 1

1. **Consequences of Disrupted Days**
 - 1.1 Single Share and Reference Dates
 - 1.2 Single Share and Averaging Reference Dates
 - 1.3 Share Basket and Reference Dates
 - 1.4 Share Basket and Averaging Reference Dates
2. **Fallback Valuation Date**
3. **Correction of Share price**
4. **Consequences of Potential Adjustment Events**
5. **Consequences of Extraordinary Events**
6. **Consequences of Additional Disruption Events**
7. **Partial Lookthrough Depository Receipt Provisions**
8. **Adjustments to Securities linked to Shares in European Currencies**
9. **Definitions**

The terms and conditions set out in this Annex 1 apply to Securities for which the relevant Final Terms specify that the Share Linked Provisions shall apply.

1. Consequences of Disrupted Days

1.1 Single Share and Reference Dates

Where the Securities relate to a single Share, and if the Calculation Agent determines that any Reference Date is a Disrupted Day, then the Reference Date shall be the first succeeding Scheduled Trading Day that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Reference Date is a Disrupted Day. In that case:

- (a) the last consecutive Scheduled Trading Day shall be deemed to be the Reference Date, notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the 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 Share Price in respect of the Reference Date.

1.2 Single Share and Averaging Reference Dates

Where the Securities relate to a single Share, and if the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, in the relevant Final Terms the consequence specified is:

- (a) "**Omission**", then the Averaging Reference Date will be deemed not to be a relevant Averaging Reference Date, provided that, if through the operation of this provision there would be no Averaging Reference Dates then the sole Averaging Reference Date for such Share shall be the first succeeding Scheduled Trading Day following the final Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following such final Scheduled Averaging Reference Date is a Disrupted Day. In that case:
 - (i) the last consecutive Scheduled Trading Day shall be deemed to be the sole Averaging Reference Date, 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 such Share as of the Valuation Time on that last consecutive Scheduled Trading Day, and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Share Price in respect of the sole Averaging Reference Date;
- (b) "**Postponement**", then the Averaging Reference Date shall be the first succeeding Scheduled Trading Day following the Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day (irrespective of whether that deferred Averaging Reference Date is already or is deemed to be another Averaging Reference Date), unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Averaging Reference Date is a Disrupted Day. In that case:
 - (i) the last consecutive Scheduled Trading Day shall be deemed to be the Averaging Reference Date (irrespective of whether that last consecutive Scheduled Trading Day is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and

- (ii) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the Valuation Time on that last consecutive Scheduled Trading Day, and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Share Price in respect of the relevant Averaging Reference Date; or
- (c) **"Modified Postponement"**, then the Averaging Reference Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the last consecutive Scheduled Trading Day equal in number to the Maximum Days of Disruption immediately following the final Scheduled Averaging Reference Date, then:
 - (i) the last consecutive Scheduled Trading Day shall be deemed to be the Averaging Reference Date (irrespective of whether that last consecutive Scheduled Trading Day is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
 - (ii) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the Valuation Time on that last consecutive Scheduled Trading Day, and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Share Price in respect of the relevant Averaging Reference Date.

If the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, if in the relevant Final Terms no consequence is specified, then, it shall be deemed that the consequence specified in "Modified Postponement" will apply.

1.3 Share Basket and Reference Dates

Where the Securities relate to a basket of Shares, and if the Calculation Agent determines that any Reference Date is a Disrupted Day, then:

- (a) the Reference Date for each Share which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the Scheduled Reference Date; and
- (b) the Reference Date for each Share which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that the Calculation Agent determines is not a Disrupted Day relating to that Share, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Reference Date is a Disrupted Day relating to that Share. In that case:
 - (i) the last consecutive Scheduled Trading Day shall be deemed to be the Reference Date 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 such Share as of the Valuation Time on that last consecutive Scheduled Trading Day, and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Share Price in respect of the Reference Date.

1.4 Share Basket and Averaging Reference Dates

Where the Securities relate to a basket of Shares, and if the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, in the relevant Final Terms the consequence specified is:

- (a) **"Omission"**, then the Averaging Reference Date will be deemed not to be an Averaging Reference Date, provided that, if through the operation of this provision there would be no Averaging Reference Dates, then:
- (i) the sole Averaging Reference Date for each Share which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the final Scheduled Averaging Reference Date; and
 - (ii) the sole Averaging Reference Date for each Share which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day following the final Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day relating to that Share, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the final Scheduled Averaging Reference Date is a Disrupted Day relating to that Share. In that case:
 - (A) that last consecutive Scheduled Trading Day shall be deemed to be the sole Averaging Reference Date for the relevant Share, notwithstanding the fact that such day is a Disrupted Day; and
 - (B) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the 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 Share Price in respect of the sole Averaging Reference Date;
- (b) **"Postponement"**, then:
- (i) the Averaging Reference Date for each Share which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Reference Date; and
 - (ii) the Averaging Reference Date for each Share which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day following the Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day relating to that Share (irrespective of whether that deferred Averaging Reference Date is or is deemed to be another Averaging Reference Date), unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Averaging Reference Date is a Disrupted Day relating to the Share. In that case:
 - (A) the last consecutive Scheduled Trading Day shall be deemed to be such Averaging Reference Date for the relevant Share (irrespective of whether that last consecutive Scheduled Trading Day is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
 - (B) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the 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 relevant Closing Share Price in respect of the relevant Averaging Reference Date;
or
- (c) **"Modified Postponement"**, then:
- (i) the Averaging Reference Date for each Share which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Reference Date; and

- (ii) the Averaging Reference Date for each Share which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date relating to that Share. If the first succeeding Valid Date has not occurred as of the relevant Valuation Time on the last consecutive Scheduled Trading Day equal in number to the Maximum Days of Disruption immediately following the final Scheduled Averaging Reference Date:
 - (A) that last consecutive Scheduled Trading Day shall be deemed to be the Averaging Reference Date for the relevant Share (irrespective of whether that last consecutive Scheduled Trading Day is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
 - (B) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the 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 Share Price in respect of the relevant Averaging Reference Date.

If the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, if in the relevant Final Terms no consequence is specified, then, it shall be deemed that the consequence specified in "Modified Postponement" will apply.

2. **Fallback Valuation Date**

Notwithstanding any other terms of the Share Linked Provisions, if a Fallback Valuation Date is specified in the relevant Final Terms to be applicable to any Reference Date or Averaging Reference Date (any such date being, a "**Relevant Date**"), and if:

- (a) following adjustment of the original date on which such Relevant Date is scheduled to fall pursuant to either or both of Share Linked Provision 1 (*Consequences of Disrupted Days*) or Share Linked Provision 9 (*Definitions*), the Relevant Date in respect of a Share would otherwise fall after the specified Fallback Valuation Date in respect of the Share; or
- (b) the Maximum Days of Disruption for the Relevant Date is specified to be "Zero" or "None",

then the Fallback Valuation Date shall be deemed to be the Relevant Date for the Share. If the Fallback Valuation Date is not a Scheduled Trading Day or is a Disrupted Day relating to that Share, as the case may be, then the Calculation Agent shall determine its good faith estimate of the value for the Share as of the relevant Valuation Time on such Fallback Valuation Date and such determination by the Calculation Agent pursuant to this Share Linked Provision 2 shall be deemed to be the relevant Closing Share Price in respect of the Relevant Date.

3. **Correction of Share price**

In the event that any price published on the Exchange on any date which is utilised for any calculation or determination in connection with the Securities is subsequently corrected and the correction is published by the Exchange by the earlier of

- (a) one Settlement Cycle after the original publication; and
- (b) the second Business Day prior to the next date on which any relevant payment may have to be made by the Issuer or in respect of which any relevant determination in respect of the Securities may have to be made,

the Calculation Agent may determine the amount that is payable or deliverable or make any determination in connection with the Securities after taking into account such correction, and, to the extent necessary, may adjust any relevant terms of the Securities to account for such correction.

4. Consequences of Potential Adjustment Events

If the Calculation Agent determines that a Potential Adjustment Event has occurred in respect of a Share, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, the Calculation Agent will (i) make the corresponding adjustment(s), if any, to one or more of any variable relevant to the exercise, settlement, payment or other terms of the Securities as the Calculation Agent determines 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 the 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.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Holders stating the adjustment to any amount payable under the Securities and/or any of the other relevant terms and giving brief details of the Potential Adjustment Event, provided that any failure to give such notice shall not affect the validity of the Potential Adjustment Event or any action taken.

5. Consequences of Extraordinary Events

If the Calculation Agent determines that a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting has occurred in respect of a Share then, on or after the relevant Merger Date, Tender Offer Date or Announcement Date, as the case may be, the Calculation Agent may in its absolute discretion either:

- (a)
 - (i) make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to account for the economic effect on the Securities of such Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be (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 adjustments(s) made in respect of such Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, by an options exchange to options on the relevant Shares traded on such options exchange; and
 - (ii) determine the effective date of that adjustment (but, in the case of a Tender Offer, the Share Issuer and the Share will not change); or
- (b) if "Share Substitution" is specified as being applicable in the relevant Final Terms, then the Calculation Agent may, in its sole and absolute discretion, select a new underlying share (in respect of the relevant Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, the "**Replacement Share**"), which Replacement Share will be deemed to be a Share in place of the Share which has been replaced by the Calculation Agent following such Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be (and the Share Issuer of the Replacement Share will replace the Share Issuer of the replaced Share), and the Calculation Agent may make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to account for the economic effect on the Securities of the Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, and/or the replacement of the replaced Share by the Replacement Share (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities). Any Replacement 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; or

- (c) if the Calculation Agent determines that no adjustment that it could make under (a) or (if applicable) (b) will produce a commercially reasonable result, notify the Issuer and the Holders that the relevant consequence shall be the early redemption of the Securities, in which case on such date falling on or after the relevant Merger Date, Tender Offer Date or Announcement Date, as the case may be, as determined by the Calculation Agent, the Issuer shall redeem the Securities for an amount equal to the Early Payment Amount of such Securities upon prior notice made to the Holders.

6. **Consequences of Additional Disruption Events**

If the Calculation Agent determines that an Additional Disruption Event has occurred, then the Calculation Agent shall, in its sole and absolute discretion,

- (a) make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to account for the economic effect on the Securities of such Additional Disruption Events (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities); or
- (b) determine and give notice to Holders that the Securities shall be redeemed on a date determined by the Calculation Agent, in which event the Issuer shall redeem the Securities and cause to be paid to each Holder in respect of each Security held by it an amount equal to the Early Payment Amount of such Securities.

7. **Partial Lookthrough Depository Receipt Provisions**

Where the relevant Final Terms specify that the "Partial Lookthrough Depository Receipt Provisions" shall apply to a Share, then the provisions set out below shall apply, and, in relation to such Share, the other provisions of the Share Linked Provisions shall be deemed to be amended and modified as set out in this Share Linked Provision 7.

- (a) The definition of "Potential Adjustment Event" shall be amended so that it reads as follows:

"Potential Adjustment Event" means any of the following:

- (a) a subdivision, consolidation or reclassification of relevant Shares and/or Underlying Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares and/or Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Shares and/or Underlying Shares of (i) such Shares and/or Underlying Shares, or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer or Underlying Shares Issuer, as appropriate, equally or proportionately with such payments to holders of such Shares and/or Underlying Shares, or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer or Underlying Shares Issuer, as appropriate, as a result of a spin-off or other similar transaction, or (iv) 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;
- (c) in respect of a Share and/or Underlying Share, an amount per Share and/or Underlying Share is determined by the Calculation Agent to be an extraordinary dividend;
- (d) a call by the Share Issuer or Underlying Shares Issuer, as appropriate, in respect of relevant Shares and/or Underlying Shares that are not fully paid;
- (e) a repurchase by the Share Issuer or Underlying Shares Issuer, as appropriate, or any of its subsidiaries of relevant Shares and/or Underlying Shares whether out

of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

- (f) in respect of the Share Issuer or Underlying Shares Issuer, as appropriate, 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 the Share Issuer or Underlying Shares Issuer, as appropriate, 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;
- (g) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares and/or Underlying Shares; or
- (h) the making of any amendment or supplement to the terms of the Deposit Agreement

provided that an event under (a) to (g) (inclusive) above in respect of the Underlying Shares shall not constitute a Potential Adjustment Event unless, in the opinion of the Calculation Agent, such event has a diluting or concentrative effect on the theoretical value of the Shares."

- (b) If the Calculation Agent determines that:
 - (i) an event under (a) to (g) (inclusive) of the definition of "Potential Adjustment Event" has occurred in respect of any Underlying Share, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares; or
 - (ii) an event under (h) of the definition of "Potential Adjustment Event" has occurred in respect of any Underlying Share, the Calculation Agent will determine whether such Potential Adjustment Event has an economic effect on the Securities;

and, in each case, the Calculation Agent will make the corresponding adjustment(s), if any, to one or more of any variable relevant to the exercise, settlement, payment or other terms of the Securities as the Calculation Agent determines appropriate to account for (x) in respect of an event under (a) to (g) (inclusive) of the definition of "Potential Adjustment Event", that diluting or concentrative effect, and (y) in respect of an event under (h) of the definition of "Potential Adjustment Event", such economic effect on the Securities, as the case may be (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) following the Potential Adjustment Event. The Calculation Agent may (amongst other factors) have reference to any adjustment made by the Depository under the Deposit Agreement.

If the Calculation Agent determines that no adjustment that it could make will produce a commercially reasonable result, it shall notify the Issuer and the Holders that the relevant consequence shall be the early redemption of the Securities, in which case, on such date as selected by the Calculation Agent in its sole and absolute discretion, the Issuer shall redeem the Securities upon prior notice made to the Holders, and the Issuer will cause to be paid to each Holder in respect of each Security held by it an amount equal to the Early Payment Amount of such Securities.

- (c) The definitions of "Merger Event" and "Tender Offer" shall be amended in accordance with the DR Amendment.
- (d) If the Calculation Agent determines that a Merger Event or Tender Offer has occurred in respect of an Underlying Share, then where the Calculation Agent makes an

adjustment to the Securities in connection with a Merger Event or Tender Offer, the Calculation Agent may (amongst other factors) have reference to any adjustment made by the Depository under the Deposit Agreement.

- (e) The definitions of Nationalisation, Insolvency and Delisting shall be amended in accordance with the DR Amendment.
- (f) Notwithstanding anything to the contrary in the definition of "Delisting", a Delisting shall not occur in respect of the Underlying Shares if the Underlying Shares are immediately re-listed, re-traded or re-quoted on an exchange or quotation system regardless of the location of such exchange or quotation system.
- (g) The definition of "Announcement Date" shall be amended so that it reads as follows:

""Announcement Date" means, in respect of (a) 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) 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 a Nationalisation, the date of the first public announcement to nationalise (whether or not subsequently amended) that leads to the Nationalisation, (d) in the case of an 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, (e) 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 in the manner described in the definition of Delisting, and (f) in the case of a termination of the Deposit Agreement, the date of the first public announcement by the Depository that the Deposit Agreement is (or will be) terminated. In respect of any event, if the announcement of such 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 trading session hours, the Announcement Date shall be deemed to be the next following Scheduled Trading Day."
- (h) The definition of "Insolvency Filing" shall be amended in accordance with the DR Amendment.

For the avoidance of doubt, where a provision is amended pursuant to this Share Linked Provision 7 in accordance with the DR Amendment, if the event described in such provision occurs in respect of the Underlying Shares or the Underlying Shares Issuer, then the consequence of such event shall be interpreted consistently with the DR Amendment and such event.

8. **Adjustments to Securities linked to Shares in European Currencies**

In respect of any Securities linked to or relating to Shares originally quoted, listed and/or dealt as of the Issue Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the EC Treaty, if such Shares are at any time after the Issue Date quoted, listed and/or dealt exclusively in Euro on the relevant Exchange or, where no Exchange is specified, the principal market on which those Shares are traded, then the Calculation Agent may make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to preserve the economic terms of the Securities. The Calculation Agent will make any conversion necessary for purposes of any such adjustment based on the relevant official conversion rate or at an appropriate mid-market spot rate of exchange determined by the Calculation Agent to be prevailing as of the Valuation Time, as determined to be appropriate in the sole and absolute discretion of the Calculation Agent. No adjustments under this Share Linked Provision 8 will affect the currency denomination of any payment obligation arising out of the Securities.

9. Definitions

The following terms and expressions shall have the following meanings in relation to Securities to which the Share Linked Provisions apply:

"Additional Disruption Events" means (a) a Change in Law, and (b) if Hedging Disruption and/or Insolvency Filing is specified in the relevant Final Terms to be applicable, a Hedging Disruption and/or Insolvency Filing (as the case may be) (each, an "Additional Disruption Event").

"Announcement Date" means, in respect of (a) 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) 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 a Nationalisation, the date of the first public announcement to nationalise (whether or not subsequently amended) that leads to the Nationalisation, (d) in the case of an 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 (e) 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 in the manner described in the definition of Delisting. In respect of any event, if the announcement of such 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 trading session hours, the Announcement Date shall be deemed to be the next following Scheduled Trading Day.

"Averaging Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Averaging Reference Date" means each Initial Averaging Date or Averaging Date, in each case, subject to adjustment in accordance with the Share Linked Provisions.

"Change in Law" means that, on or after the Issue Date of the Securities (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, or (y) 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 in respect of the Issuer's obligations under the Securities will incur a materially increased cost in performing its obligations in relation to the Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"Clearance System" means, in respect of a Share, the principal domestic clearance system customarily used for settling trades in the relevant Share. If the Clearance System ceases to settle trades in such Share, the Clearance System will be determined by the Calculation Agent.

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

"Closing Share Price" means, on any day in respect of a Share, the official closing price of such Share on the Exchange as of the Valuation Time on the relevant 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 the Share Linked Provisions.

"Delisting" 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).

"Deposit Agreement" means, in relation to the Shares, the agreements or other instruments constituting the Shares, as from time to time amended or supplemented in accordance with their terms.

"Depository" means, where the relevant Final Terms specifies that the "Partial Lookthrough Depository Receipt Provisions" shall apply to a Share, the Share Issuer of the Shares.

"Disrupted Day" means 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.

"DR Amendment" means, in respect of the definitions of Merger Event, Tender Offer, Nationalisation, Insolvency, Delisting and Insolvency Filing, that the following changes shall be made to such definition or provision: (a) all references to "Shares" shall be deleted and replaced with the words "Shares and/or the Underlying Shares"; and (b) all references to "Share Issuer" shall be deleted and replaced with the words "Share Issuer or Underlying Shares Issuer, as appropriate".

"Early Closure" means, in respect of a Share, the closure on any Exchange Business Day of the relevant Exchange relating to such Share or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange, as the case may be, at least one-hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (b) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution as at the relevant Valuation Time on such Exchange Business Day.

"Exchange" means, in respect of a Share, each exchange or quotation system specified as such in the relevant Final Terms for such Share, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Share has temporarily relocated (provided that 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, in respect of a Share, any Scheduled Trading Day for such Share on which each Exchange and each Related Exchange for such Share are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Disruption" means, in respect of a Share, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to effect transactions in, or obtain market values for, the Shares on the Exchange, or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any relevant Related Exchange.

"Extraordinary Events" mean a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting (each, an **"Extraordinary Event"**).

"Fallback Valuation Date" means, in respect of any Share, the date(s) specified as such in the relevant Final Terms, or, if no date is specified for the Fallback Valuation Date in the relevant Final Terms, then the Fallback Valuation Date for any date on which the price of such Share is required to be determined shall be the second Business Day prior to the next following date upon which any payment or delivery of assets may have to be made by the Issuer by reference to the price of such Share on such day.

"Hedging Disruption" means that the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations in relation to the Securities 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 Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"Initial Averaging Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Initial Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Insolvency" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Share Issuer (a) all the Shares of that Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the Shares of that Share Issuer become legally prohibited from transferring them.

"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 organisation 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.

"Interest Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Market Disruption Event" means, in respect of a Share, the occurrence or existence of (a) a Trading Disruption, (b) 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 (c) an Early Closure.

"Maximum Days of Disruption" means eight Scheduled Trading Days or such other number of Scheduled Trading Days specified in the relevant Final Terms.

"Merger Date" means 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 determined by the Calculation Agent.

"Merger Event" means, in respect of any relevant Shares, any (a) 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, (b) consolidation, amalgamation, merger or binding share exchange of the Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (c) 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 of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (d) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its subsidiaries with or into another entity in which the Share 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 the final Reference Date or Averaging Reference Date, as is applicable.

"**Nationalisation**" means that all the Shares or all or substantially all the assets of an Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Potential Adjustment Event**" means any of the following:

- (a) 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;
- (b) a distribution, issue or dividend to existing holders of the relevant Shares of (i) such Shares, or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares, or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (iv) 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;
- (c) in respect of a Share, an amount per Share is determined by the Calculation Agent to be an extraordinary dividend;
- (d) a call by the Share Issuer in respect of relevant Shares that are not fully paid;
- (e) a repurchase by the Share Issuer 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;
- (f) in respect of the Share Issuer, 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 the Share 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
- (g) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.

"**Reference Date**" means each Initial Valuation Date, Interest Valuation Date or Valuation Date, in each case, subject to adjustment in accordance with the Share Linked Provisions.

"**Related Exchange**" means, in respect of any Share, each exchange or quotation system, if any, 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 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 the 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, "**Related Exchange**" shall mean each exchange or quotation system (as determined by the Calculation Agent) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Share.

"Relevant Date" has the meaning given in Share Linked Provision 2 (*Fallback Valuation Date*).

"Scheduled Averaging Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date.

"Scheduled Averaging Reference Date" means each Scheduled Averaging Date or Scheduled Initial Averaging Date.

"Scheduled Closing Time" means, in respect of a Share and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or 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 any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Initial Averaging Date.

"Scheduled Initial Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Initial Valuation Date.

"Scheduled Interest Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Interest Valuation Date.

"Scheduled Reference Date" means each Scheduled Initial Valuation Date, Scheduled Interest Valuation Date or Scheduled Valuation Date.

"Scheduled Trading Day" means, in respect of a Share, any day on which each Exchange and each Related Exchange for the Share are scheduled to be open for trading for their respective regular trading sessions.

"Scheduled Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

"Settlement Cycle" means, the period of Clearance System Business Days following a trade in the Share on the Exchange in which settlement will customarily occur according to the rules of such Exchange.

"Share" means, subject to adjustment in accordance with the Share Linked Provisions, the share or shares specified as such in the relevant Final Terms and related expressions shall be construed accordingly.

"Share Issuer" means, in respect of a Share, the issuer of such Share.

"Share Settlement Disruption Event" means, in respect of a Share, an event that the Calculation Agent determines is beyond the control of the Issuer and/or its affiliates as a result of which the relevant Clearance System cannot clear the transfer of such Share.

"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 Share Issuer, 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.

"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).

"Trading Disruption" means, in respect of a Share, 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, (a) relating to the Share on the relevant Exchange or (b) in futures or options contracts relating to the Share on any relevant Related Exchange.

"Underlying Shares" means the shares or other securities which are the subject of the Deposit Agreement.

"Underlying Shares Issuer" means the issuer of the Underlying Shares.

"Valid Date" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Reference Date does not or is not deemed to occur.

"Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Valuation Time" means 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 day in relation to each 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.

ANNEX 2

INDEX LINKED PROVISIONS

Contents of Annex 2

1. **Consequences of Disrupted Days**
 - 1.1 Single Index and Reference Dates
 - 1.2 Single Index and Averaging Reference Dates
 - 1.3 Index Basket and Reference Dates
 - 1.4 Index Basket and Averaging Reference Dates
 - 1.5 Formula for and method of calculating an Index level after the Maximum Days of Disruption
2. **Fallback Valuation Date**
3. **Correction of Index level**
4. **Consequences of Successors and Index Adjustment Events**
 - 4.1 Consequences of a Successor Index Sponsor or a Successor Index
 - 4.2 Consequences of an Index Adjustment Event
5. **Consequences of a Change in Law**
6. **Index Disclaimer**
7. **Definitions**

The terms and conditions set out in this Annex 2 apply to Securities for which the relevant Final Terms specify that the Index Linked Provisions shall apply.

1. Consequences of Disrupted Days

1.1 Single Index and Reference Dates

Where the Securities relate to a single Index, and if the Calculation Agent determines that any Reference Date is a Disrupted Day, then the Reference Date shall be the first succeeding Scheduled Trading Day that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Reference Date is a Disrupted Day. In that case:

- (a) the last consecutive Scheduled Trading Day shall be deemed to be the Reference Date, notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that last consecutive Scheduled Trading Day in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), 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 Reference Date.

1.2 Single Index and Averaging Reference Dates

Where the Securities relate to a single Index, and if the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, in the relevant Final Terms the consequence specified is:

- (a) "**Omission**", then the Averaging Reference Date will be deemed not to be a relevant Averaging Reference Date, provided that, if through the operation of this provision there would be no Averaging Reference Dates then the sole Averaging Reference Date for the Index shall be the first succeeding Scheduled Trading Day following the final Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following such final Scheduled Averaging Reference Date is a Disrupted Day. In that case:
 - (i) the last consecutive Scheduled Trading Day shall be deemed to be the sole Averaging Reference Date, notwithstanding the fact that such day is a Disrupted Day; and
 - (ii) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that last consecutive Scheduled Trading Day in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Index Level in respect of the sole Averaging Reference Date;
- (b) "**Postponement**", then the Averaging Reference Date shall be the first succeeding Scheduled Trading Day following the Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day (irrespective of whether that deferred Averaging Reference Date is already or is deemed to be another Averaging Reference Date), unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Averaging Reference Date is a Disrupted Day. In that case:
 - (i) the last consecutive Scheduled Trading Day shall be deemed to be the Averaging Reference Date (irrespective of whether that last consecutive

- Scheduled Trading Day is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
- (ii) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that last consecutive Scheduled Trading Day in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Index Level in respect of the relevant Averaging Reference Date; or
- (c) **"Modified Postponement"**, then the Averaging Reference Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the last consecutive Scheduled Trading Day equal in number to the Maximum Days of Disruption immediately following the final Scheduled Averaging Reference Date, then:
- (i) that last consecutive Scheduled Trading Day shall be deemed to be the Averaging Reference Date (irrespective of whether that last consecutive Scheduled Trading Day is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
 - (ii) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that last consecutive Scheduled Trading Day in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Index Level in respect of the relevant Averaging Reference Date.

If the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, if in the relevant Final Terms no consequence is specified, then it shall be deemed that the consequence specified in "Modified Postponement" will apply.

1.3 Index Basket and Reference Dates

Where the Securities relate to a basket of Indices, and if the Calculation Agent determines that any Reference Date is a Disrupted Day, then:

- (a) the Reference Date for each Index which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the Scheduled Reference Date; and
- (b) the Reference Date for each Index which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that 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 Days of Disruption immediately following the Scheduled Reference Date is a Disrupted Day relating to that Index. In that case:
 - (i) the last consecutive Scheduled Trading Day shall be deemed to be the Reference Date for the relevant Index, notwithstanding the fact that such day is a Disrupted Day; and
 - (ii) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that last consecutive Scheduled Trading Day in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the relevant Closing Index Level in respect of the Reference Date.

1.4 Index Basket and Averaging Reference Dates

Where the Securities relate to a basket of Indices, and if the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, in the relevant Final Terms the consequence specified is:

- (a) **"Omission"**, then the Averaging Reference Date will be deemed not to be an Averaging Reference Date, provided that, if through the operation of this provision there would be no Averaging Reference Dates, then:
- (i) the sole Averaging Reference Date for each Index which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the final Scheduled Averaging Reference Date; and
 - (ii) the sole Averaging Reference Date for each Index which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day following the final Scheduled Averaging Reference Date that 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 Days of Disruption immediately following the final Scheduled Averaging Reference Date is a Disrupted Day relating to that Index. In that case:
 - (A) that last consecutive Scheduled Trading Day shall be deemed to be the sole Averaging Reference Date for the relevant Index, notwithstanding the fact that such day is a Disrupted Day; and
 - (B) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that last consecutive Scheduled Trading Day in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (B) shall be deemed to be the relevant Closing Index Level in respect of the sole Averaging Reference Date;
- (b) **"Postponement"**, then:
- (i) the Averaging Reference Date for each Index which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Reference Date; and
 - (ii) the Averaging Reference Date for each Index which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day following the Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day relating to that Index (irrespective of whether that deferred Averaging Reference Date is or is deemed to be another Averaging Reference Date), unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Averaging Reference Date is a Disrupted Day relating to the Index. In that case:
 - (A) the last consecutive Scheduled Trading Day shall be deemed to be such Averaging Reference Date for the relevant Index (irrespective of whether that last consecutive Scheduled Trading Day is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
 - (B) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that last consecutive Scheduled Trading Day in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph

(B) shall be deemed to be the relevant Closing Index Level in respect of the relevant Averaging Reference Date; or

- (c) **"Modified Postponement"**, then:
- (i) the Averaging Reference Date for each Index which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Reference Date; and
 - (ii) the Averaging Reference Date for each Index which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date relating to that Index. If the first succeeding Valid Date has not occurred as of the relevant Valuation Time on the last consecutive Scheduled Trading Day equal in number to the Maximum Days of Disruption immediately following the final Scheduled Averaging Reference Date:
 - (A) that last consecutive Scheduled Trading Day shall be deemed to be the Averaging Reference Date for the relevant Index (irrespective of whether that last consecutive Scheduled Trading Day is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
 - (B) the Calculation Agent shall determine the relevant level of the Index as of the Valuation Time on that last consecutive Scheduled Trading Day in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (B) shall be deemed to be the relevant Closing Index Level in respect of the relevant Averaging Reference Date.

If the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, if in the relevant Final Terms no consequence is specified, then it shall be deemed that the consequence specified in "Modified Postponement" will apply.

1.5 **Formula for and method of calculating an Index level after the Maximum Days of Disruption**

The Calculation Agent shall determine the level of the Index as of the relevant Valuation Time on the relevant last consecutive Scheduled Trading Day, pursuant to Index Linked Provisions 1.1(b), 1.2(a)(ii), 1.2(b)(ii), 1.2(c)(ii), 1.3(b)(ii), 1.4(a)(ii)(B), 1.4(b)(ii)(B) and 1.4(c)(ii)(B), in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the relevant first Disrupted Day, using:

- (a) in respect of a Unitary Index or Multi-Exchange Index, the Exchange traded or quoted price as of the Valuation Time on the last consecutive Scheduled Trading Day of each Component comprised in the Index (or, if an event giving rise to a Share Disrupted Day has occurred in respect of any relevant Component that is a Share (or an analogous event has occurred in respect of any relevant Component that is not a Share) on such last consecutive Scheduled Trading Day for any relevant Component, or such last consecutive Scheduled Trading Day is not a Scheduled Trading Day for any relevant Component, as determined by the Calculation Agent, its good faith estimate of the value for the relevant Component as of the Valuation Time on the last consecutive Scheduled Trading Day); and
- (b) in respect of a Proprietary Index, such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on that last consecutive Scheduled Trading Day of each Component comprised in the Index.

2. **Fallback Valuation Date**

Notwithstanding any other terms of the Index Linked Provisions, if a Fallback Valuation Date is specified in the relevant Final Terms to be applicable to any Reference Date or Averaging Reference Date (any such date being, a **"Relevant Date"**), and if:

- (a) following adjustment of the original date on which such Relevant Date is scheduled to fall pursuant to adjustment of the Relevant Date pursuant to (i) either or both of Index Linked Provision 1 (*Consequences of Disrupted Days*) or (ii) Index Linked Provision 7 (*Definitions*), the Relevant Date in respect of an Index would otherwise fall after the specified Fallback Valuation Date in respect of the Index; or
- (b) the Maximum Days of Disruption for the Relevant Date is specified to be "Zero" or "None",

then the Fallback Valuation Date shall be deemed to be the Relevant Date for the Index. If the Fallback Valuation Date is not a Scheduled Trading Day or is a Disrupted Day relating to that Index, as the case may be, then the Calculation Agent shall determine the Closing Index Level as of the Valuation Time on the Fallback Valuation Date in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first day that is not a Scheduled Trading Day or is a Disrupted Day, using:

- (y) in respect of any Unitary Index or Multi-Exchange Index, the Exchange traded or quoted price as of the Valuation Time on the Fallback Valuation Date of each Component comprised in the Index (or, if an event giving rise to a Share Disrupted Day has occurred in respect of any relevant Component that is a Share (or an analogous event has occurred in respect of any relevant Component that is not a Share) on such Fallback Valuation Date or such Fallback Valuation Date is not a Scheduled Trading Day for any relevant Component, as determined by the Calculation Agent, its good faith estimate of the value for the relevant Component as of the relevant Valuation Time on the Fallback Valuation Date); and
- (z) in respect of any Proprietary Index, such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Fallback Valuation Date of each Component comprised in the Index,

and such determination by the Calculation Agent pursuant to this Index Linked Provision 2 shall be deemed to be the relevant Closing Index Level in respect of the Relevant Date.

If the level of a Proprietary Index in respect of a Relevant Date is scheduled to be published on a day other than such Relevant Date, and such level of the Proprietary Index is not published as of the Valuation Time on the Fallback Valuation Date, then the Calculation Agent shall determine the level of the Proprietary Index as of the Valuation Time on the Fallback Valuation Date in accordance with the formula for and method of calculating the Proprietary Index last in effect prior to the occurrence of the first day that is not a Scheduled Trading Day or is a Disrupted Day, using such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Fallback Valuation Date of each Component comprised in such Proprietary Index. Such determination by the Calculation Agent pursuant to this Index Linked Provision 2 shall be deemed to be the relevant level of the Proprietary Index in respect of the Relevant Date.

3. **Correction of Index level**

In the event that any relevant level of an Index published by the Index Sponsor on any date which is utilised for any calculation or determination in connection with the Securities is subsequently corrected and the correction is published by the Index Sponsor:

- (a) by the second Business Day prior to the next date on which any relevant payment may have to be made by the Issuer or in respect of which any relevant determination in respect of the Securities may have to be made; or
- (b) if earlier and if the Index is a Unitary Index or Multi-Exchange Index, one Settlement Cycle after the original publication,

then the Calculation Agent may determine the amount that is payable or deliverable or make any determination in connection with the Securities, after taking into account such correction, and, to the extent necessary, may adjust any relevant terms of the Securities to account for such correction.

4. **Consequences of Successors and Index Adjustment Events**

4.1 **Consequences of a Successor Index Sponsor or a Successor Index**

If an 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 (a "**Successor Index Sponsor**") 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 such Index, then in each case such index (the "**Successor Index**") will be deemed to be the Index.

The Calculation Agent may make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms of the Securities to account for such successor.

4.2 **Consequences of an Index Adjustment Event**

If an Index Adjustment Event has occurred, as determined by the Calculation Agent, the Calculation Agent will determine if such Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the relevant level of the Index using, in lieu of a published level for that Index, the level for the Index as at the relevant Reference Date or Averaging Reference Date, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the relevant Index Adjustment Event, but using only those Components that comprised such Index immediately prior to such Index Adjustment Event.

If 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 pursuant to the preceding paragraph, the Calculation Agent may rebase the Securities against another index or basket of indices, as applicable, determined by the Calculation Agent to be comparable to the relevant Index, and, following such rebasing, the Calculation Agent will make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms of the Securities to account for such rebasing.

If the Calculation Agent determines, in its sole and absolute discretion, that there is not such an index or basket of indices comparable to the relevant Index, and/or that application of the preceding paragraphs would not achieve a commercially reasonable result, the Calculation Agent may determine that the Securities shall be redeemed, in which event the Issuer will cause to be paid to each Holder in respect of each Security held by it an amount equal to the Early Payment Amount.

On making any such adjustment(s) or determination(s), the Calculation Agent shall give notice as soon as practicable to the Holders stating the adjustment to any amount payable under the Securities, the determination and/or any of the other relevant terms and giving brief details of the Index Adjustment Event, provided that any failure to give such notice shall not affect the validity of the Index Adjustment Event or any action taken.

5. **Consequences of an Additional Disruption Event**

Following the determination by the Calculation Agent that an Additional Disruption Event has occurred, the Calculation Agent may, in its sole and absolute discretion:

- (a) determine to make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to account for such Additional Disruption Event; and/or
- (b) determine that the Securities shall be redeemed, in which event the Issuer will cause to be paid to each Holder in respect of each Security held by it an amount equal to the Early Payment Amount.

6. Index Disclaimer

If "Index Disclaimer" is specified in the relevant Final Terms as being applicable to an Index, then each of the Issuer, the Guarantor (if any) and the Holders agrees and acknowledges, in respect of such 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 and the Guarantor (if any) 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 may be disclosed prior to the Issue Date and specified in the relevant Final Terms, none of the Issuer, the Guarantor (if any), the Calculation Agent or any of their respective affiliates has any affiliation with or control over the Index or Index Sponsor or any control over the computation, composition, or dissemination of the Index. 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, the Guarantor (if any), their affiliates, or the Calculation Agent as to the accuracy, completeness, and timeliness of information concerning the Index.

7. Definitions

The following terms and expressions shall have the following meanings in relation to Securities to which the Index Linked Provisions apply:

"Additional Disruption Event" means (a) a Change in Law, and, (b) if Hedging Disruption is specified in the relevant Final Terms to be applicable, a Hedging Disruption.

"Averaging Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Averaging Reference Date" means each Initial Averaging Date or Averaging Date.

"Change in Law" means that, on or after the Issue Date of the Securities (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 Components, or (y) 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 in respect of the Issuer's obligations under the Securities will incur a materially increased cost in performing its obligations in relation to the Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"Closing Index Level" means, on any day in respect of an Index, the official closing level of such Index as of the Valuation Time on the relevant day as calculated and published by the relevant Index Sponsor or as otherwise determined by the Calculation Agent subject as provided in the Index Linked Provisions.

"Component" means, in respect of an Index, any share, security, commodity, rate, index or other component included in such Index, as determined by the Calculation Agent.

"Component Clearance System" means, in respect of a Component of an Index, the principal domestic clearance system customarily used for settling trades in the relevant Component. If

the Clearance System ceases to settle trades in such Component, the Clearance System will be determined by the Calculation Agent.

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

"Disrupted Day" means, either:

- (a) for any Unitary Index, any Scheduled Trading Day on which (i) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or (ii) a Market Disruption Event has occurred;
- (b) for any Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index (provided that the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of an Index Disruption), (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) a Market Disruption Event has occurred; and
- (c) for any Proprietary Index, any Scheduled Trading Day on which a Market Disruption Event has occurred (provided that the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of an Index Disruption).

"Early Closure" means:

- (a) for any Unitary Index, the closure on any Exchange Business Day of any relevant Exchange relating to Components that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange prior to its Scheduled Closing Time, unless such earlier closing time is announced by such Exchange or Related Exchange at least one-hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange 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; and
- (b) for any Multi-Exchange Index, the closure on any Exchange Business Day of any relevant Exchange relating to any Component or any Related Exchange prior to its Scheduled Closing Time, unless such earlier closing time is announced by such Exchange or Related Exchange at least one-hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange 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 relevant Valuation Time on such Exchange Business Day.

"Exchange" means:

- (a) for any Unitary Index, each exchange or quotation system specified as such in the relevant Final Terms for the Index, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Components underlying the Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Components underlying the Index on such temporary substitute exchange or quotation system as on the original Exchange); and
- (b) for any Multi-Exchange Index and each Component underlying the Index, the principal stock exchange on which any Component of the Index is, in the determination of the Calculation Agent, principally traded.

"Exchange Business Day" means:

- (a) for any Unitary Index, any Scheduled Trading Day on which each Exchange and each Related Exchange for the Index are open for trading during their respective regular

trading sessions, notwithstanding any such Exchange or Related Exchange for the Index closing prior to its Scheduled Closing Time; and

- (b) for any Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor calculates and publishes the level of the Index and (ii) the Related Exchange for the Index is open for trading during its regular trading session, notwithstanding the Related Exchange for the Index closing prior to its Scheduled Closing Time.

"Exchange Disruption" means:

- (a) for any Unitary Index, any event (other than an Early Closure) that disrupts or impairs, as determined by the Calculation Agent, the ability of market participants in general to effect transactions in, or obtain market values for, (i) the Components on any relevant Exchange(s) that comprise 20 per cent. or more of the level of the Index or (ii) futures or options contracts relating to the Index on any relevant Related Exchange; and
- (b) for any Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs, as determined by the Calculation Agent, the ability of market participants in general to effect transactions in, or obtain market values for (i) any Component on the relevant Exchange in respect of such Component or (ii) futures or options contracts relating to the Index on the relevant Related Exchange.

"Fallback Valuation Date" means, in respect of any Index, the date(s) specified as such in the relevant Final Terms, or, if no date is specified for the Fallback Valuation Date in the relevant Final Terms, then the Fallback Valuation Date for any date on which the level of the Index is required to be determined shall be the second Business Day prior to the next following date upon which any payment or delivery of assets may have to be made by the Issuer by reference to the level of the Index on such day.

"Hedging Disruption" means that the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations in relation to the Securities 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 Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"Index" and **"Indices"** mean, subject to adjustment in accordance with the Index Linked Provisions, the index or indices specified as such in the relevant Final Terms, and related expressions shall be construed accordingly.

"Index Adjustment Event" means an Index Cancellation, an Index Disruption or an Index Modification.

"Index Cancellation" means the occurrence of the relevant Index Sponsor or Successor Index Sponsor, as applicable, on or prior to any Reference Date, Averaging Reference Date or any other relevant date, permanently cancelling a relevant Index and no Successor Index existing as at the date of such cancellation, as determined by the Calculation Agent.

"Index Disruption" means the occurrence of the relevant Index Sponsor or Successor Index Sponsor, as applicable, on any Reference Date, Averaging Reference Date or any other relevant date, failing to calculate and announce a relevant Index level, as determined by the Calculation Agent, provided that, in respect of 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.

"Index Modification" means the occurrence of the relevant Index Sponsor or Successor Index Sponsor, as applicable, on or prior to any Reference Date, Averaging Reference Date or any other relevant date, making or announcing that it will make a material change in the formula for, or the method of, calculating a relevant Index, or in any other way materially modifying such Index (other than a modification prescribed in that formula or method to maintain such

Index in the event of changes in the Components, capitalisation and/or other routine events), as determined by the Calculation Agent.

"Index Settlement Disruption Event" means, in respect of a Component of an Index, an event that the Calculation Agent determines is beyond the control of the Issuer and/or its affiliates as a result of which the relevant Component Clearance System cannot clear the transfer of such Component.

"Index Sponsor" means, for any Index, the entity specified as such in the relevant Final Terms, and, if not specified, the corporation or other entity that, as determined by the Calculation Agent (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index, and (b) announces (directly or through an agent) the level of such Index on a regular basis in respect of each Scheduled Trading Day.

"Initial Averaging Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Initial Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Interest Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Market Disruption Event" means:

- (a) for any Unitary 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 a Unitary 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 such 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 such Component and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event;

- (b) for any Multi-Exchange Index, either:
 - (i) (I) the occurrence or existence, in respect of any Component, of:
 - (A) a Trading Disruption in respect of such Component, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded;
 - (B) an Exchange Disruption in respect of such Component, which the Calculation Agent determines is material at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded; or
 - (C) an Early Closure in respect of such Component; and
 - (II) the aggregate of all Components in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Multi-Exchange Index; or

- (ii) the occurrence or existence, in each case in respect of futures or options contracts relating to the Index, of (A) a Trading Disruption or (B) 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 Valuation Time in respect of the Related Exchange, or (C) an Early Closure.

For the purposes of determining whether a Market Disruption Event in respect of a Multi-Exchange Index exists at any time, if an Early Closure, an Exchange Disruption, or a Trading Disruption occurs in respect of a Component at that time, then the relevant percentage contribution of such 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; and

- (c) for any Proprietary Index, the failure by the Index Sponsor to calculate and publish the level of the Index on any Scheduled Trading Day or in respect of such Scheduled Trading Day within the scheduled timeframe for publication.

"Maximum Days of Disruption" means eight Scheduled Trading Days or such other number of Scheduled Trading Days specified in the relevant Final Terms.

"Multi-Exchange Index" means any Index which is specified as such in the relevant Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

"Proprietary Index" means any Index which is specified as such in the relevant Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

"Reference Date" means each Initial Valuation Date, Interest Valuation Date or Valuation Date, in each case, subject to adjustment in accordance with the Index Linked Provisions.

"Related Exchange" means, for any Unitary Index or Multi-Exchange Index, each exchange or quotation system, if any, 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 Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Index 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, **"Related Exchange"** shall mean each exchange or quotation system (as determined by the Calculation Agent) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Index.

"Relevant Date" has the meaning given in Index Linked Provision 2 (*Fallback Valuation Date*).

"Scheduled Averaging Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date.

"Scheduled Averaging Reference Date" means each Scheduled Averaging Date or Scheduled Initial Averaging Date.

"Scheduled Closing Time" means, in respect of an Index and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or 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 any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Initial Averaging Date.

"Scheduled Initial Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Initial Valuation Date.

"Scheduled Interest Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Interest Valuation Date.

"Scheduled Reference Date" means each Scheduled Initial Valuation Date, Scheduled Interest Valuation Date or Scheduled Valuation Date.

"Scheduled Trading Day" means in respect of:

- (a) any Unitary Index, any day on which each Exchange and each Related Exchange for the Index are scheduled to be open for trading for their respective regular trading sessions;
- (b) any Multi-Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange for the Index is scheduled to be open for trading for its regular trading session;
- (c) any Proprietary Index, any day on, or, as the case may be, in respect of, which the Index Sponsor is scheduled to publish the level of such Index;
- (d) any Component which is a Share, any day on which each Exchange (as defined in Share Linked Provision 9 (*Definitions*)) and each Related Exchange (as defined in Share Linked Provision 9 (*Definitions*)) for the Share are scheduled to be open for trading for their respective regular trading sessions; and
- (e) any Component which is not a Share, any day on which the value, level or price, as is applicable, is scheduled to be published or disseminated, or is otherwise scheduled to be available.

"Scheduled Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

"Settlement Cycle" means, the period of Component Clearance System Business Days following a trade in the Components underlying the relevant Index 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).

"Share" means, in respect of an Index, any share included in such Index, as determined by the Calculation Agent.

"Share Disrupted Day" means in respect of a Share, any Scheduled Trading Day on which a relevant Exchange (as defined in Share Linked Provision 9 (*Definitions*)) or any Related Exchange (as defined in Share Linked Provision 9 (*Definitions*)) fails to open for trading during its regular trading session or on which a Market Disruption Event (as defined in Share Linked Provision 9 (*Definitions*)) has occurred in respect of such Share.

"Successor Index" has the meaning given in Index Linked Provision 4.1 (*Successor Index Sponsor or Successor Index*).

"Successor Index Sponsor" has the meaning given in Index Linked Provision 4.1 (*Successor Index Sponsor or Successor Index*).

"Trading Disruption" means:

- (a) in respect of any Unitary Index, any suspension of, or limitation imposed on, trading by any 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 Components that comprise 20 per cent. or more of the level of the Index on any relevant Exchange or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange; and
- (b) in respect of any Multi-Exchange Index, any suspension or limitation imposed on trading by any 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 any Component on the Exchange in respect of such Component or (ii) in futures or options contracts relating to the Index on the Related Exchange.

"Unitary Index" means any Index which is specified as such in the relevant Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

"Valid Date" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Reference Date does not or is not deemed to occur.

"Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Valuation Time" means:

- (a) in respect of any Unitary Index, (i) for the purposes of determining whether an Early Closure, an Exchange Disruption or a Trading Disruption has occurred in respect of (I) any Exchange, the Scheduled Closing Time of the Exchange (provided that, if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time), and (II) any options contracts or futures contracts on such Index, the close of trading on the Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor;
- (b) in respect of any Multi-Exchange Index, (i) for the purposes of determining whether an Early Closure, an Exchange Disruption or a Trading Disruption has occurred in respect of (I) any Component, the Scheduled Closing Time on the Exchange in respect of such Component (provided that, if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time), and (II) any options contracts or futures contracts on the Index, the close of trading on the Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor; and
- (c) in respect of any Proprietary Index, the time at which the Index Sponsor calculates and publishes the official closing level of the Index.