

# JPMORGAN CHASE & CO.

## Equity-Linked Notes Linked to a Reference Stock

### General

- JPMorgan Chase & Co. may from time to time offer and sell equity-linked notes that are linked to the common stock of an issuer, which we refer to as the Reference Stock. As used in this product supplement, the term "common stock" includes securities issued through depositary arrangements that represent non-U.S. equity securities, such as American depositary shares, or ADSs. If the Reference Stock is an ADS, the term "issuer" refers to the issuer of the shares underlying the ADS. This product supplement no. 33-II describes terms that will apply generally to the notes, and supplements the terms described in the accompanying prospectus supplement and prospectus. A separate term sheet or pricing supplement, as the case may be, will describe terms that apply to specific issuances of the notes, including any changes to the terms specified below. We refer to such term sheets and pricing supplements generally as terms supplements. If the terms described in the relevant terms supplement are inconsistent with those described in this product supplement or in the accompanying prospectus supplement or prospectus, the terms described in the relevant terms supplement will control.
- The notes are unsecured and unsubordinated obligations of JPMorgan Chase & Co. **Any payment on the notes is subject to the credit risk of JPMorgan Chase & Co.**
- The payment at maturity is based on the performance of a single Reference Stock as described below. We will, at our option, elect cash or physical delivery (i.e. in shares of the Reference Stock) of the payment at maturity. If we elect physical delivery, any fractional shares will be paid in cash.
- The Final Share Price may be adjusted to reflect, among other things, any ordinary dividend that is higher or lower than the base dividend as described below.
- In addition, we may pay interest at the interest rate specified in the relevant terms supplement.
- For important information about tax consequences, see "Material U.S. Federal Income Tax Consequences" beginning on page PS- 32.
- Minimum denominations equal to the Principal Amount and integral multiples thereof, unless otherwise specified in the relevant terms supplement
- Investing in the notes is not equivalent to investing directly in the Reference Stock.
- The notes will not be listed on any securities exchange unless otherwise specified in the relevant terms supplement.

### Key Terms

Reference Stock:	As specified in the relevant terms supplement
Payment at Maturity:	<p>Unless otherwise specified in the relevant terms supplement, the amount you will receive at maturity is based on the Final Share Price relative to the Lower Put Strike Price, the Upper Put Strike Price and the Call Strike Price as described below.</p> <p>If the Final Share Price is less than or equal to the Lower Put Strike Price, you will receive a payment per note equal to:</p> $\text{Downside Participation} \times \text{Lower Put Strike Price}$ <p>If the Final Share Price is greater than the Lower Put Strike Price and less than the Upper Put Strike Price, you will receive a payment per note equal to:</p> $\text{Downside Participation} \times \text{Final Share Price}$ <p>If the Final Share Price is greater than or equal to the Upper Put Strike Price and less than the Call Strike Price, you will receive a payment of the Principal Amount per note.</p> <p>If the Final Share Price is greater than or equal to the Call Strike Price, you will receive a payment per Note equal to:</p> $[\text{Upside Participation} \times (\text{Final Share Price} - \text{Call Strike Price})] + \text{Principal Amount}$ <p>We will, at our option, elect cash or physical delivery of the payment at maturity.</p> <p><i>If the Final Share Price is less than the Upper Put Strike Price, you will lose some of your investment at maturity.</i></p>
Physical Delivery Amount:	If we elect for physical delivery of the payment at maturity, unless otherwise specified in the relevant terms supplement, you will receive, in lieu of cash, the Physical Delivery Amount, which is equal to a number of shares of the Reference Stock equal to the amount calculated in accordance with the Payment at Maturity section above <i>divided by</i> the Final Share Price. Any fractional shares will be paid in cash.
Principal Amount:	Unless otherwise specified in the relevant terms supplement, for each note, an amount equal to the Initial Share Price (or Initial Strike Price, if applicable)

*(continued on next page)*

### Investing in the notes involves a number of risks. See "Risk Factors" beginning on page PS-7.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or passed upon the accuracy or the adequacy of this product supplement no. 33-II, the accompanying prospectus supplement and prospectus, or any related terms supplement. Any representation to the contrary is a criminal offense.

***The notes are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.***

J.P.Morgan

**Key Terms (continued)**

Initial Share Price:	Unless otherwise specified in the relevant terms supplement, the closing price of one share of the Reference Stock on the pricing date or such other date as specified in the relevant terms supplement, or the arithmetic average of the closing prices of one share of the Reference Stock on each of the Initial Averaging Dates, if so specified in the relevant terms supplement. The closing price of one share of the Reference Stock on an Initial Averaging Date, if applicable, used to determine the Initial Share Price is subject to adjustment, including, among other things, to reflect any Ordinary Dividend that is higher or lower than the Base Dividend. See "Description of Notes — Payment at Maturity," "General Terms of Notes — Anti-Dilution Adjustments" and "General Terms of Notes — Reorganization Events."
Initial Strike Price:	If applicable, the relevant terms supplement will specify a share price other than the Initial Share Price to be used for calculating the Lower Put Strike Price, Upper Put Strike Price and Call Strike Price, which we refer to as an "Initial Strike Price." The Initial Strike Price may be based on and/or expressed as a percentage of the closing price of such Reference Stock as of a specified date, or may be determined without regard to the closing price of such Reference Stock as of a particular date. For example, the relevant terms supplement may specify that the Initial Strike Price will be equal to 95% of the Initial Share Price; in that case, the Initial Strike Price will be used to calculate the Lower Put Strike Price, Upper Put Strike Price and Call Strike Price.
Final Share Price:	Unless otherwise specified in the relevant terms supplement, the closing price of one share of the Reference Stock on the Observation Date or such other date as specified in the relevant terms supplement, or the arithmetic average of the closing prices of one share of the Reference Stock on each of the Ending Averaging Dates, if so specified in the relevant terms supplement. The closing price(s) used to determine the Final Share Price are subject to adjustment upon the occurrence of certain corporate events affecting the Reference Stock, including, among other things, to reflect any Ordinary Dividend that is higher or lower than the Base Dividend. See "Description of Notes — Payment at Maturity," "General Terms of Notes — Anti-Dilution Adjustments" and "General Terms of Notes — Reorganization Events."
Stock Adjustment Factor:	Unless otherwise specified in the relevant terms supplement, with respect to the Reference Stock, the Stock Adjustment Factor will be set initially at 1.0, subject to adjustment upon the occurrence of certain corporate events affecting the Reference Stock, including, among other things, to reflect any Ordinary Dividend that is higher or lower than the Base Dividend. See "General Terms of Notes — Anti-Dilution Adjustments" and "General Terms of Notes — Reorganization Events."
Ordinary Dividend:	Unless otherwise specified in the relevant terms supplement, the regular quarterly cash dividend per one share of the Reference Stock paid by the Reference Stock issuer
Base Dividend:	An amount in cash as specified in the relevant terms supplement
Lower Put Strike Price:	An amount equal to a percentage of the Initial Share Price (or Initial Strike Price, if applicable) as specified in the relevant terms supplement and which will be less than 100% of the Initial Share Price (or Initial Strike Price, if applicable), unless otherwise specified in the relevant terms supplement. The Lower Put Strike Price will be less than the Upper Put Strike Price and the Call Strike Price.
Upper Put Strike Price:	An amount equal to a percentage of the Initial Share Price (or Initial Strike Price, if applicable) as specified in the relevant terms supplement and which will be greater than 100% of the Initial Share Price (or Initial Strike Price, if applicable), unless otherwise specified in the relevant terms supplement. The Upper Put Strike Price will be less than the Call Strike Price and greater than the Lower Put Strike Price.
Call Strike Price:	An amount equal to a percentage of the Initial Share Price (or Initial Strike Price, if applicable) as specified in the relevant terms supplement and which will be greater than 100% of the Initial Share Price (or Initial Strike Price, if applicable), unless otherwise specified in the relevant terms supplement. The Call Strike Price will be greater than the Lower Put Strike Price and the Upper Put Strike Price.
Downside Participation:	A percentage as specified in the relevant terms supplement and which will be less than 100%, unless otherwise specified in the relevant terms supplement
Upside Participation:	A percentage as specified in the relevant terms supplement and which will be less than 100%, unless otherwise specified in the relevant terms supplement
Interest Rate:	If applicable, as specified in the relevant terms supplement
Other Terms:	In each case, if applicable, the Interest Period(s) and Interest Payment Date(s) will be specified in the relevant terms supplement
Valuation Date(s):	The Final Share Price will be calculated on a single date, which we refer to as the Observation Date, or on several dates, each of which we refer to as an Ending Averaging Date, as specified in the relevant terms supplement. We refer to these dates generally as Valuation Dates in this product supplement. Each Valuation Date is subject to postponement in the event of certain market disruption events and as described under "Description of Notes — Postponement of a Determination Date."
Initial Averaging Dates:	As specified, if applicable, in the relevant terms supplement. Each Initial Averaging Date is subject to postponement in the event of certain market disruption events and as described under "Description of Notes — Postponement of a Determination Date."
Maturity Date:	As specified in the relevant terms supplement, subject to postponement in the event of certain market disruption events and as described under "Description of Notes — Postponement of a Payment Date."

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We have not authorized anyone to provide any information other than that contained or incorporated by reference in the relevant terms supplement, this product supplement no. 33-II and the accompanying prospectus supplement and prospectus with respect to the notes offered by the relevant terms supplement and with respect to JPMorgan Chase & Co. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This product supplement no. 33-II, together with the relevant terms supplement and the accompanying prospectus and prospectus supplement, contains the terms of the notes and supersedes all other prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, fact sheets, brochures or other educational materials of ours. The information in the relevant terms supplement, this product supplement no. 33-II and the accompanying prospectus supplement and prospectus may only be accurate as of the dates of each of these documents, respectively.

The notes described in the relevant terms supplement and this product supplement no. 33-II are not appropriate for all investors, and involve important legal and tax consequences and investment risks, which should be discussed with your professional advisers. You should be aware that the regulations of Financial Industry Regulatory Authority, Inc., or FINRA, and the laws of certain jurisdictions (including regulations and laws that require brokers to ensure that investments are suitable for their customers) may limit the availability of the notes. The relevant terms supplement, this product supplement no. 33-II and the accompanying prospectus supplement and prospectus do not constitute an offer to sell or a solicitation of an offer to buy the notes in any circumstances in which such offer or solicitation is unlawful.

In this product supplement no. 33-II, the relevant terms supplement and the accompanying prospectus supplement and prospectus, "we," "us" and "our" refer to JPMorgan Chase & Co., unless the context requires otherwise.

## DESCRIPTION OF NOTES

*The following description of the terms of the notes supplements the description of the general terms of the debt securities set forth under the headings "Description of Notes" in the accompanying prospectus supplement and "Description of Debt Securities" in the accompanying prospectus. A separate terms supplement will describe the terms that apply to specific issuances of the notes, including any changes to the terms specified below. Capitalized terms used but not defined in this product supplement no. 33-II have the meanings assigned in the accompanying prospectus supplement, prospectus and the relevant terms supplement. The term "note" refers to each Principal Amount of our Equity-Linked Notes Linked to a Reference Stock specified in the relevant terms supplement.*

### General

The notes are unsecured and unsubordinated obligations of JPMorgan Chase & Co. that are linked to the common stock of an issuer as specified in the relevant terms supplement (the "Reference Stock"). As used in this product supplement, the term "common stock" includes securities issued through depository arrangements that represent non-U.S. equity securities, such as American depository shares ("ADSs"). If the Reference Stock is an ADS, the term "issuer," in reference to the Reference Stock, refers to the issuer of the shares underlying the ADS. We refer to the common stock represented by an ADS as an "Underlying Stock." The notes are a series of debt securities referred to in the accompanying prospectus supplement and prospectus. The notes will be issued by JPMorgan Chase & Co. under an indenture dated May 25, 2001, as may be amended or supplemented from time to time, between us and Deutsche Bank Trust Company Americas (formerly Bankers Trust Company), as trustee.

The notes do not guarantee any return of principal at, or prior to, maturity. Instead, at maturity you will receive, at our option, an amount in cash or shares of the Reference Stock, calculated as described below. The payment at maturity will vary depending on the performance of the Reference Stock calculated in accordance with the formulas set forth below, the Downside Participation and the Upside Participation.

If specified in the relevant terms supplement, the notes may also pay periodic interest payments as described below under "Interest Payments."

The notes are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or by any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

The notes are our unsecured and unsubordinated obligations and will rank *pari passu* with all of our other unsecured and unsubordinated obligations.

The notes will be issued in denominations equal to the Principal Amount and integral multiples thereof, unless otherwise specified in the relevant terms supplement. The principal amount and original issue price of each note are equal to the Initial Share Price (or Initial Strike Price, if applicable) as described below, which we refer to as the Principal Amount, unless otherwise specified in the relevant terms supplement. The notes will be represented by one or more permanent global notes registered in the name of The Depository Trust Company, or DTC, or its nominee, as described under "Description of Notes — Forms of Notes" in the accompanying prospectus supplement and "Forms of Securities — Book-Entry System" in the accompanying prospectus.

The terms of specific issuances of the notes will be described in the relevant terms supplement accompanying this product supplement no. 33-II. The terms described in that terms supplement will supplement those described in this product supplement and in the accompanying prospectus and prospectus supplement. If the terms described in the relevant terms supplement are inconsistent with those described in this product supplement or in the accompanying prospectus or prospectus supplement, the terms described in the relevant terms supplement will control.

## Payment at Maturity

The maturity date for the notes will be set forth in the relevant terms supplement and is subject to adjustment if such day is not a business day or if the final Valuation Date is postponed as described below.

Unless otherwise specified in the relevant terms supplement, the amount you will receive at maturity is based on the Final Share Price relative to the Lower Put Strike Price, Upper Put Strike Price and Call Strike Price as described below.

If the Final Share Price is less than or equal to the Lower Put Strike Price, you will receive a payment per note equal to:

$$\text{Downside Participation} \times \text{Lower Put Strike Price}$$

If the Final Share Price is greater than the Lower Put Strike Price and less than the Upper Put Strike Price, you will receive a payment per note equal to:

$$\text{Downside Participation} \times \text{Final Share Price}$$

If the Final Share Price is greater than or equal to the Upper Put Strike Price and less than the Call Strike Price, you will receive a payment of the Principal Amount per note.

If the Final Share Price is greater than or equal to the Call Strike Price, you will receive a payment per note equal to:

$$[\text{Upside Participation} \times (\text{Final Share Price} - \text{Call Strike Price})] + \text{Principal Amount}$$

We will, at our option, elect cash or physical delivery of the payment at maturity.

*If the Final Share Price is less than the Upper Put Strike Price, you will lose some of your investment at maturity.*

If we elect for physical delivery of the payment at maturity, unless otherwise specified in the relevant terms supplement, you will receive, for each note, in lieu of cash, the Physical Delivery Amount. Any fractional shares will be paid in cash.

Unless otherwise specified in the relevant terms supplement, the "Physical Delivery Amount" means a number of shares of the Reference Stock equal to the amount calculated in accordance with the Payment at Maturity provision above *divided by* the Final Share Price.

Unless otherwise specified in the relevant terms supplement, the "Initial Share Price" is the closing price of one share of the Reference Stock on the pricing date or such other date as specified in the relevant terms supplement, or the arithmetic average of the closing prices of one share of the Reference Stock on each of the Initial Averaging Dates, if so specified in the relevant terms supplement. The closing price of one share of the Reference Stock on an Initial Averaging Date, if applicable, used to determine the Initial Share Price is subject to adjustment, including, among other things, to reflect any Ordinary Dividend that is higher or lower than the Base Dividend. See the definition of "closing price" below, "General Terms of Notes — Anti-Dilution Adjustments" and "General Terms of Notes — Reorganization Events."

If applicable, the relevant terms supplement will specify a share price other than the Initial Share Price to be used for calculating the Lower Put Strike Price, Upper Put Strike Price and Call Strike Price, which we refer to as an "Initial Strike Price." The Initial Strike Price may be based on and/or expressed as a percentage of the closing price of such Reference Stock as of a specified date, or may be determined without regard to the closing price of such Reference Stock as of a particular date. For example, the relevant terms supplement may specify that the Initial Strike Price will be equal to 95% of the Initial Share Price; in that case, the Initial Strike Price will be used to calculate the Lower Put Strike Price, Upper Put Strike Price and Call Strike Price.

Unless otherwise specified in the relevant terms supplement, the "Final Share Price" means the closing price of one share of the Reference Stock on the Observation Date or such other date as specified in the relevant terms supplement, or the arithmetic average of the closing prices of one share of the Reference Stock on each of the Ending Averaging Dates, if so specified in the relevant terms supplement. The closing price(s) used to determine the Final Share Price are subject to adjustment upon the occurrence of certain corporate events affecting the Reference Stock, including, among other things, to reflect any Ordinary Dividend that is higher or lower than the Base Dividend. See the definition of "closing price" below, "General Terms of Notes — Anti-Dilution Adjustments" and "General Terms of Notes — Reorganization Events."

Unless otherwise specified in the relevant terms supplement, the "Ordinary Dividend" means the regular quarterly cash dividend per one share of the Reference Stock paid by the Reference Stock issuer.

Unless otherwise specified in the relevant terms supplement, the "Base Dividend" means an amount in cash as specified in the relevant terms supplement.

The "Lower Put Strike Price" is an amount equal to a percentage of the Initial Share Price (or Initial Strike Price, if applicable) as specified in the relevant terms supplement and which will be less than 100% of the Initial Share Price (or Initial Strike Price, if applicable), unless otherwise specified in the relevant terms supplement. The Lower Put Strike Price will be less than the Upper Put Strike Price and the Call Strike Price.

The "Upper Put Strike Price" is an amount equal to a percentage of the Initial Share Price (or Initial Strike Price, if applicable) as specified in the relevant terms supplement and which will be greater than 100% of the Initial Share Price (or Initial Strike Price, if applicable), unless otherwise specified in the relevant terms supplement. The Upper Put Strike Price will be less than the Call Strike Price and greater than the Lower Put Strike Price.

The "Call Strike Price" is an amount equal to a percentage of the Initial Share Price (or Initial Strike Price, if applicable) as specified in the relevant terms supplement and which will be greater than 100% of the Initial Share Price (or Initial Strike Price, if applicable), unless otherwise specified in the relevant terms supplement. The Call Strike Price will be greater than the Lower Put Strike Price and the Upper Put Strike Price.

In each case, the "Downside Participation" and "Upside Participation" is a percentage specified in the relevant terms supplement, each of which will be less than 100%, unless otherwise specified in the relevant terms supplement.

The "Reference Stock" will be specified in the relevant terms supplement.

Unless otherwise specified in the relevant terms supplement, the "pricing date" means the day we price the notes for initial sale to the public.

Unless otherwise specified in the relevant terms supplement, the "closing price" of one share of the Reference Stock (or one unit of any other security for which a closing price must be determined) on any relevant day means:

- if the Reference Stock (or that security) is listed or admitted to trading on a national securities exchange, the last reported sale price, regular way (or, in the case of The NASDAQ Stock Market, the official closing price), of the principal trading session on that day on the principal U.S. securities exchange registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), on which the Reference Stock (or that security) is listed or admitted to trading;

- if the Reference Stock (or that security) is not listed or admitted to trading on any national securities exchange but is included in the OTC Bulletin Board Service (or any successor service) operated by Financial Industry Regulatory Authority, Inc. (the “FINRA”) (the “OTC Bulletin Board”), the last reported sale price of the principal trading session on the OTC Bulletin Board on that day;
- if the Reference Stock (or that security) is issued by a foreign issuer and its closing price cannot be determined as set forth in the two bullet points above, and the Reference Stock (or that security) is listed or admitted to trading on a non-U.S. securities exchange or market, the last reported sale price, regular way, of the principal trading session on that day on the primary non-U.S. securities exchange or market on which the Reference Stock (or that security) is listed or admitted to trading; or
- otherwise, if none of the above circumstances is applicable, the mean, as determined by the calculation agent, of the bid prices for the Reference Stock (or that security) obtained from as many dealers in that security, but not exceeding three, as will make the bid prices available to the calculation agent. Bids of any of our affiliates may be included in the calculation of the mean, but only to the extent that any of those bids is not the highest or the lowest of the bids obtained,

in each case *multiplied* by the then-current Stock Adjustment Factor, subject to the provisions of “— Postponement of a Determination Date” and “General Terms of Notes — Reorganization Events.”

Unless otherwise specified in the relevant terms supplement, with respect to the Reference Stock, the Stock Adjustment Factor will be set initially at 1.0, subject to adjustment upon the occurrence of certain corporate events affecting the Reference Stock, including, among other things, to reflect any Ordinary Dividend that is higher or lower than the Base Dividend. See “General Terms of Notes — Anti-Dilution Adjustments” and “General Terms of Notes — Reorganization Events.”

The “Initial Averaging Dates,” if applicable, will be specified in the relevant terms supplement, and each Initial Averaging Date, if applicable, is subject to adjustment as described in “— Postponement of a Determination Date” below.

The “Valuation Date(s),” which will be either a single date, which we refer to as the Observation Date, or several dates, each of which we refer to as an Ending Averaging Date, will be specified in the relevant terms supplement, and each Valuation Date is subject to adjustment as described in “— Postponement of a Determination Date” below.

The “maturity date” will be specified in the relevant terms supplement and is subject to adjustment as described under “— Postponement of a Payment Date” below. In addition, the maturity date may be accelerated if there is an event of default. See “General Terms of Notes — Payment upon an Event of Default.”

We will irrevocably deposit with DTC no later than the opening of business on the applicable date or dates funds sufficient to make payments of the amount payable with respect to the notes on the applicable date or dates. We will give DTC irrevocable instructions and authority to pay the applicable amount to the holders of the notes entitled thereto.

A “business day” is, unless otherwise specified in the relevant terms supplement, any day other than a day on which banking institutions in The City of New York are authorized or required by law, regulation or executive order to close or a day on which transactions in U.S. dollars are not conducted.

The “calculation agent” is the agent appointed by us to make certain calculations for the notes, which initially will be J.P. Morgan Securities LLC (“JPMS”). See “General Terms of Notes — Calculation Agent” below. JPMS is our affiliate and may have interests adverse to yours. Please see “Risk Factors

— Risks Relating to the Notes Generally — We or our affiliates may have economic interests that are adverse to those of the holders of the notes due to JPMS’s role as calculation agent.”

Subject to the foregoing and to applicable law (including, without limitation, U.S. federal laws), we or our affiliates may, at any time and from time to time, purchase outstanding notes by tender, in the open market or by private agreement.

### **Interest Payments**

If the relevant terms supplement specifies that the notes will pay interest, for each interest period, unless otherwise specified in the terms supplement, for each note, the interest payment will be calculated as follows:

$$\text{Principal Amount} \times \text{Interest Rate} \times (\text{number of days in the Interest Period} / 360),$$

where the number of days will be calculated on the basis of a year of 360 days with twelve months of thirty days each.

The “Interest Rate,” if applicable, will be specified in the relevant terms supplement. If the relevant terms supplement specifies that the notes will pay interest, interest will accrue from and including the issue date of the notes to but excluding the maturity date and will be payable in arrears on each Interest Payment Date to and including the maturity date to the holders of record at the close of business on the business day prior to that Interest Payment Date, unless otherwise specified in the relevant terms supplement.

An “Interest Period” is the period beginning on and including the issue date of the notes and ending on but excluding the first Interest Payment Date, and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date, or as specified in the relevant terms supplement.

The “Interest Payment Dates,” if applicable, will be specified in the relevant terms supplement, *provided* that the final Interest Payment Date will be the maturity date. Each Interest Payment Date is subject to postponement in the event of certain market disruption events and as described under “— Postponement of a Payment Date.”

### **Postponement of a Determination Date**

In this product supplement, we refer to each Initial Averaging Date and each Valuation Date as a “Determination Date.”

If a Determination Date is a Disrupted Day, the applicable Determination Date will be postponed to the immediately succeeding business day that is not a Disrupted Day. In no event, however, will any Determination Date be postponed to a date that is after the applicable Final Disrupted Determination Date.

If a Determination Date has been postponed to the applicable Final Disrupted Determination Date and that Final Disrupted Determination Date is a Disrupted Day, the calculation agent will determine the closing price of one share of the Reference Stock for that Determination Date on that Final Disrupted Determination Date in good faith based on the calculation agent’s assessment of the market value of one share of the Reference Stock on that Final Disrupted Determination Date.

Unless otherwise specified in the relevant terms supplement, a “Disrupted Day” means a day that is not a trading day or a day on which a market disruption event occurs or is continuing.

Unless otherwise specified in the relevant terms supplement, with respect to the Reference Stock, a “trading day” is a day, as determined by the calculation agent, on which trading is generally conducted on (i) the relevant exchange for the Reference Stock and (ii) the exchanges on which futures



or options contracts related to the Reference Stock are traded; or, with respect to a security issued by a foreign issuer that is not listed or admitted to trading on a U.S. securities exchange or market, a day, as determined by the calculation agent, on which trading is generally conducted on the primary non-U.S. securities exchange or market on which that security is listed or admitted to trading.

“Relevant exchange” means, with respect to the Reference Stock, the primary U.S. exchange or market for trading for the Reference Stock, or with respect to the Underlying Stock, the primary exchange or market for trading for the Underlying Stock, as specified in the relevant terms supplement.

With respect to a Determination Date, unless otherwise specified in the relevant terms supplement, the “Final Disrupted Determination Date” means the tenth business day after that Determination Date, as originally scheduled, *provided* that for notes with a maturity of not more than one year, the Final Disrupted Determination Date will be the earlier of:

- (a) the last date that could serve as the final Determination Date without causing the maturity date to be more than one year (counting for this purpose either the issue date or the last possible date that the notes could be outstanding) after the issue date; and
- (b) the tenth business day after that Determination Date, as originally scheduled.

### **Postponement of a Payment Date**

In this product supplement, we refer to each Interest Payment Date and the maturity date as a “**Payment Date.**”

If any scheduled Payment Date (as specified in the relevant terms supplement) is not a business day, then that Payment Date will be the next succeeding business day following the scheduled Payment Date. In addition, if, due to a market disruption event or otherwise, the final Valuation Date is postponed so that it falls less than three business days prior to the applicable scheduled maturity date, the maturity date will be the third business day following that final Valuation Date, as postponed, unless otherwise specified in the relevant terms supplement.

If any Payment Date is adjusted as the result of a non-business day, a market disruption event or otherwise, any payment of interest due on that Payment Date will be made on that Payment Date as adjusted, with the same force and effect as if that Payment Date had not been adjusted, but no additional interest will accrue or be payable as a result of the delayed payment, and the next Interest Period, if any, will commence as if the payment had not been delayed.

### **No Fractional Shares**

If we deliver shares of the Reference Stock to you at maturity, we will pay cash in lieu of delivering any fractional share of the Reference Stock in an amount equal to the product of the closing price of one share of the Reference Stock *multiplied by* the fractional amount as determined by the calculation agent on the final Valuation Date.

### **Delivery of Shares of the Reference Stock**

We may designate any of our affiliates to deliver any shares of the Reference Stock or any Exchange Property (as defined in “General Terms of Notes — Reorganization Events — The Exchange Property”) pursuant to the terms of the notes and we will be discharged of any obligation to deliver those shares of the Reference Stock or Exchange Property to the extent of such performance by our affiliates. Reference in this product supplement to delivery of shares of the Reference Stock or any Exchange Property by us will also be deemed to include delivery of those shares or Exchange Property by our affiliates.

## RISK FACTORS

*Your investment in the notes will involve certain risks. Investing in the notes is not equivalent to investing directly in the Reference Stock. In addition, your investment in the notes entails other risks not associated with an investment in conventional debt securities. **You should consider carefully the following discussion of risks before you decide that an investment in the notes is suitable for you.***

### **Risks Relating to the Notes Generally**

#### **The notes may not pay interest and do not guarantee the return of your investment.**

The notes may not pay interest and may not return all of your investment. The amount payable at maturity will be determined pursuant to the terms described in this product supplement and the relevant terms supplement.

You will receive at least the full principal amount of your notes at maturity only if the Final Share Price is greater than or equal to the Upper Put Strike Price. You will lose some of your investment at maturity if the Final Share Price is less than the Upper Put Strike Price. Even if the notes pay interest, we cannot guarantee that the interest you may receive over the term of the notes will be sufficient to offset any loss you may incur at maturity.

#### **The notes are subject to the credit risk of JPMorgan Chase & Co.**

The notes are subject to the credit risk of JPMorgan Chase & Co., and our credit ratings and credit spreads may adversely affect the market value of the notes. Investors are dependent on JPMorgan Chase & Co.'s ability to pay all amounts due on the notes. Any actual or potential changes in our creditworthiness or the credit spreads, as determined by the market for taking our credit risk, is likely to affect adversely the value of the notes. Any payment on the notes is subject to the creditworthiness of JPMorgan Chase & Co. If we were to default on our payment obligations, you may not receive any amounts owed to you under the notes and you could lose your entire investment.

#### **The appreciation potential of the notes is limited.**

The notes do not provide the ability to participate in any upside appreciation of the Reference Stock unless the closing price of one share of the Reference Stock has appreciated by at least a percentage equal to the percentage difference between the Initial Share Price (or Initial Strike Price, if applicable) and the Call Strike Price. If the Final Share Price is greater than or equal to the Call Strike Price, your payment at maturity per note will be equal to the sum of (a) the Upside Participation multiplied by the difference between the Final Share Price and the Call Strike Price and (b) the Principal Amount per note. Accordingly, any appreciation potential of the notes is limited by the Upside Participation, which may be less than 100%. In such circumstances, your ability to participate in the full difference between the Final Share Price and the Call Strike Price is limited.

#### **Your payment at maturity may be less than your initial investment, even if the Final Share Price is greater than the Initial Share Price (or Initial Strike Price, if applicable).**

Even if the Final Share Price is greater than the Initial Share Price (or Initial Strike Price, if applicable), if the Final Share Price is less than the Upper Put Strike Price, your payment at maturity per note will be less than the Principal Amount. Under these circumstances, your payment at maturity will be equal to the product of the Downside Participation and either (a) the Lower Put Strike Price (if the Final Share Price is less than or equal to the Lower Put Strike Price) or (b) the Final Share Price. Under these circumstances, because the Downside Participation is less than 100%, your payment at maturity will always be less than your initial investment.

**Our offering of the notes does not constitute an expression of our view about, or a recommendation of, the Reference Stock.**

You should not take our offering of the notes as an expression of our views about how the Reference Stock will perform in the future or as a recommendation to invest (directly or indirectly, by taking a long or short position) in the Reference Stock, including through an investment in the notes. As a global financial institution, we and our affiliates may, and often do, have positions (long, short or both) in the Reference Stock that conflict with an investment in the notes. See “— We or our affiliates may have economic interests that are adverse to those of the holders of the notes as a result of our hedging and other trading activities” below and “Use of Proceeds and Hedging” in this product supplement for some examples of potential conflicting positions we may have. You should undertake an independent determination of whether an investment in the notes is suitable for you in light of your specific investment objectives, risk tolerance and financial resources.

**We or our affiliates may have economic interests that are adverse to those of the holders of the notes as a result of our hedging and other trading activities.**

In anticipation of the sale of the notes, we expect to hedge our obligations under the notes through certain affiliates or unaffiliated counterparties by taking positions in shares of the Reference Stock or instruments the value of which is derived from the Reference Stock. We may also adjust our hedge by, among other things, purchasing or selling the shares of the Reference Stock or instruments the value of which is derived from the Reference Stock, and close out or unwind our hedge by selling any of the foregoing on or before any Valuation Date. We cannot give you any assurances that our hedging will not negatively affect the value of the Reference Stock or the performance of the notes. See “Use of Proceeds and Hedging” below for additional information about our hedging activities.

This hedging activity may present a conflict of interest between your interest as a holder of the notes and the interests our affiliates have in executing, maintaining and adjusting hedge transactions. These hedging activities could also affect the price at which JPMS is willing to purchase your notes in the secondary market.

Our hedging counterparties expect to make a profit. Because hedging our obligations entails risk and may be influenced by market forces beyond our control, this hedging may result in a profit that is more or less than expected, or it may result in a loss.

JPMS and other affiliates of ours may also trade the Reference Stock and other financial instruments related to the Reference Stock on a regular basis (taking long or short positions or both), for their accounts, for other accounts under their management and to facilitate transactions, including block transactions, on behalf of customers. While we cannot predict an outcome, any of these hedging activities or other trading activities of ours could potentially increase the price of the Reference Stock on the pricing date or any Initial Averaging Date and/or decrease the price of the Reference Stock on any Valuation Date, which could adversely affect any payments on the notes.

It is possible that those hedging or trading activities could result in substantial returns for us or our affiliates while the value of the notes declines.

**We or our affiliates may have economic interests that are adverse to those of the holders of the notes as a result of our business activities.**

We or our affiliates may currently or from time to time engage in business with the issuer of the Reference Stock, including extending loans to, making equity investments in or providing advisory services to them, including merger and acquisition advisory services. In the course of this business, we or our affiliates may acquire non-public information about the issuer of the Reference Stock, and we will not disclose any such information to you. In addition, we or one or more of our affiliates may publish research reports or otherwise express views about the issuer of the Reference Stock. Any prospective purchaser of notes should undertake an independent investigation of the issuer of the

Reference Stock as in its judgment is appropriate to make an informed decision with respect to an investment in the notes. We do not make any representation or warranty to any purchaser of the notes with respect to any matters whatsoever relating to our business with the issuer of the Reference Stock.

Additionally, we or one of our affiliates may serve as issuer, agent or underwriter for issuances of other securities or financial instruments with returns linked or related to changes in the price, of the Reference Stock. To the extent that we or one of our affiliates serves as issuer, agent or underwriter for these securities or financial instruments, our or their interests with respect to these products may be adverse to those of the holders of the notes. By introducing competing products into the marketplace in this manner, we or one or more of our affiliates could adversely affect the value of the notes.

We or one of our affiliates may currently or from time to time engage in trading activities related to the currency in which the Reference Stock that is an ADS is denominated. These trading activities could potentially affect the exchange rate with respect to the currency and, if currency exchange rate calculations are involved in the calculation of the closing price of one share of the Reference Stock, could affect the value of the notes.

In the course of our or our affiliates' currency trading activities, we or our affiliates may acquire material nonpublic information with respect to currency exchange rates, and we will not disclose any such information to you. In addition, one or more of our affiliates may produce and/or publish research reports, or otherwise express views, with respect to expected movements in currency exchange rates. We do not make any representation or warranty to any purchaser of notes with respect to any matters whatsoever relating to future currency exchange rate movements and, if the Reference Stock is an ADS, any prospective purchaser of the notes should undertake an independent investigation of the currency in which that ADS is denominated and the related exchange rate as, in its judgment, is appropriate to make an informed decision with respect to an investment in the notes.

**We or our affiliates may have economic interests that are adverse to those of the holders of the notes due to JPMS's role as calculation agent.**

JPMS, one of our affiliates, will act as the calculation agent. The calculation agent will determine, among other things, the Initial Share Price (or Initial Strike Price, if applicable), the Lower Put Strike Price, the Upper Put Strike Price, the Call Strike Price, the closing price of one share of the Reference Stock on each Initial Averaging Date, if applicable, and on each Valuation Date, the Final Share Price, the Stock Adjustment Factor, any anti-dilution adjustments and Reorganization Event adjustments for the Reference Stock, the Base Dividend and the amount of any payment on the notes. In addition, the calculation agent will make the assumptions used to determine the pricing of the notes and the estimated value of the notes when the terms of the securities are set. In addition, the calculation agent will determine, among other things:

- whether a market disruption event has occurred;
- adjustments to the Stock Adjustment Factor and any adjustments as the result of a Reorganization Event;
- whether to select a Successor Reference Stock and, if applicable, which common stock to select if an ADS serving as the Reference Stock is delisted or is no longer admitted to trading on a U.S. securities exchange or included in the OTC Bulletin Board, or if the ADS facility between the issuer of the applicable Underlying Stock and the ADS depository is terminated; and
- the closing price of one share of the Reference Stock if a Determination Date is postponed for ten business days due to a market disruption event or if that day is not a trading day.

In performing these duties, JPMS may have interests adverse to the interests of the holders of the notes, which may affect your return on the notes, particularly where JPMS, as the calculation agent, is entitled to exercise discretion.

**JPMS and its affiliates may have published research, expressed opinions or provided recommendations that are inconsistent with investing in or holding the notes, and may do so in the future. Any such research, opinions or recommendations could affect the price of any Reference Stock, and, therefore, the market value of the notes.**

JPMS and its affiliates publish research from time to time on the issuer of the Reference Stock, financial markets and other matters that may influence the value of the notes, or express opinions or provide recommendations that are inconsistent with purchasing or holding the notes. JPMS and its affiliates may have published or may publish research or other opinions that call into question the investment view implicit in an investment in the notes. Any research, opinions or recommendations expressed by JPMS or its affiliates may not be consistent with each other and may be modified from time to time without notice. Investors should make their own independent investigation of the merits of investing in the notes and the Reference Stock to which the notes are linked.

**Your payment at maturity will be determined on the final Valuation Date and will not be adjusted for any changes in the closing price of one share of the Reference Stock that may occur between the final Valuation Date and the maturity date.**

We will elect whether to pay the payment at maturity in cash or in Reference Stock, with any fractional shares paid in cash. The amount of cash or the number of shares of the Reference Stock that you will receive, will be determined on the final Valuation Date and will not be adjusted for any changes that may occur in the closing price of one share of the Reference Stock between the final Valuation Date and the maturity date.

**You will have no ownership rights in the Reference Stock.**

Investing in the notes is not equivalent to investing in the Reference Stock. As an investor in the notes, you will not have any ownership interest or rights in the Reference Stock, such as voting rights, dividend payments or other distributions. If the notes are linked to ADSs representing non-U.S. equity securities issued through depositary arrangements, you will not have the rights of owners of those ADSs or the Underlying Stock.

**Your return on the notes will not reflect dividends on the Reference Stock.**

Your return on the notes will not reflect the return you would realize if you actually owned the Reference Stock and received the dividends paid on the Reference Stock. This is because the calculation agent will calculate the amount payable to you at maturity of the notes by reference to the Final Share Price relative to the Lower Put Strike Price, the Upper Put Strike Price and Call Strike Price. The Final Share Price reflects the closing price of one share of the Reference Stock on the Valuation Date(s) without taking into consideration the value of dividends paid on the Reference Stock.

**We have no affiliation with the issuer of the Reference Stock.**

The issuer of the Reference Stock is not an affiliate of ours and will not be involved in any of our offerings of notes pursuant to this product supplement in any way. Consequently, we have no control of the actions of the issuer of the Reference Stock, including any corporate actions of the type that would require the calculation agent to adjust the payment to you at maturity. The issuer of the Reference Stock will have no obligation to consider your interest as an investor in the notes in taking any corporate actions that might affect the value of your notes. None of the money you pay for the notes will go to the issuer of the Reference Stock.

In addition, as we are not affiliated with the issuer of the Reference Stock, we do not assume any responsibility for the adequacy of the information about the Reference Stock or its issuer contained in any terms supplement or in any of the Reference Stock issuer's publicly available filings. We are not responsible for any issuer's public disclosure of information on itself or the Reference Stock, whether contained in Securities and Exchange Commission, which we refer to as the SEC, filings or otherwise. As an investor in the notes, you should make your own investigation into the Reference Stock.

**Secondary trading may be limited.**

Unless otherwise specified in the relevant terms supplement, the notes will not be listed on any securities exchange. There may be little or no secondary market for the notes. Even if there is a secondary market for the notes, it may not provide enough liquidity to allow you to trade or sell the notes easily.

JPMS may act as a market maker for the notes, but is not required to do so. Because we do not expect that other market makers will participate significantly in the secondary market for the notes, the price at which you may be able to trade your notes is likely to depend on the price, if any, at which JPMS is willing to buy the notes. If at any time JPMS or another agent does not act as a market maker, it is likely that there would be little or no secondary market for the notes.

**The value of the Initial Share Price (or Initial Strike Price, if applicable) for the Reference Stock may be determined after the issue date of the notes.**

If so specified in the relevant terms supplement, the Initial Share Price (or Initial Strike Price, if applicable) for the Reference Stock will be determined based on the arithmetic average of the closing price of one share of the Reference Stock on the Initial Averaging Dates specified in that relevant terms supplement. One or more of the Initial Averaging Dates specified may occur on or following the issue date of the notes; as a result, the Initial Share Price (or Initial Strike Price, if applicable) for the Reference Stock may not be determined, and you may therefore not know the value of such Initial Share Price (or Initial Strike Price, if applicable), until after the issue date. Similarly, the global note certificate representing the notes, which will be deposited with DTC on the issue date as described under "General Terms of Notes — Book-Entry Only Issuance — The Depository Trust Company," will not set forth the value of the Initial Share Price (or Initial Strike Price, if applicable) for the Reference Stock. If there are any increases in the closing price of one share of the Reference Stock on the Initial Averaging Dates that occur after the issue date and such increases result in the Initial Share Price (or Initial Strike Price, if applicable) for the Reference Stock being greater than the Initial Share Price (or Initial Strike Price, if applicable) for the Reference Stock on the issue date, this may establish higher levels that the Reference Stock must achieve for you to obtain a positive return on your investment or avoid a loss of principal at maturity.

**The Final Share Price may be less than the closing price of one share of the Reference Stock at the maturity date of the notes or at other times during the term of the notes.**

Because the Final Share Price is calculated based on the closing price of one share of the Reference Stock on one or more Valuation Dates during the term of the notes, the closing price of one share of the Reference Stock at the maturity date or at other times during the term of the notes, including dates near the Valuation Date(s), could be higher than the Final Share Price. This difference could be particularly large if there is a significant increase in the closing price of one share of the Reference Stock after the final Valuation Date, if there is a significant decrease in the closing price of one share of the Reference Stock around the time of the Valuation Date(s) or if there is significant volatility in the closing price of one share of the Reference Stock during the term of the notes (especially on dates near the Valuation Date(s)). For example, when the Valuation Date(s) is near the end of the term of the notes, then if the closing price for the Reference Stock increases or remains relatively constant during the initial term of the notes and then decreases below the Initial Share Price (or Initial Strike Price, if applicable), the Final Share Price may be significantly less than if it were calculated on a date earlier than the Valuation Date(s). Under these circumstances, the value you receive at maturity may be less than the value you would have received if you had invested in the Reference Stock or contracts relating to the Reference Stock for which there is an active secondary market.

**The notes are designed to be held to maturity.**

The notes are not designed to be short-term trading instruments. The price at which you will be able to sell your notes to us or our affiliates prior to maturity, if at all, may be at a substantial discount from the principal amount of the notes, even in cases where the Reference Stock has appreciated since the pricing date. The potential returns described in any relevant terms supplement assume that your notes are held to maturity.

**Secondary market prices of the notes will likely be lower than the original issue price of the notes.**

Any secondary market prices of the notes will likely be lower than the original issue price of the notes because, among other things, secondary market prices take into account our secondary market credit spreads for structured debt issuances and, also, because secondary market prices (a) exclude selling commissions and (b) may exclude projected hedging profits, if any, and estimated hedging costs that are included in the original issue price of the notes. As a result, the price, if any, at which JPMS will be willing to buy notes from you in secondary market transactions, if at all, is likely to be lower than the original issue price. Any sale by you prior to the maturity date could result in a substantial loss to you. See the immediately following risk factor for information about additional factors that will impact any secondary market prices of the notes.

**Secondary market prices of the notes will be impacted by many economic and market factors.**

The secondary market price of the notes during their term will be impacted by a number of economic and market factors, which may either offset or magnify each other, aside from the selling commissions, projected hedging profits, if any, estimated hedging costs and price of the Reference Stock, including:

- any actual or potential change in our creditworthiness or credit spreads;
- customary bid-ask spreads for similarly sized trades;
- secondary market credit spreads for structured debt issuances;
- whether the Reference Stock closes above, equal to, or below the Lower Put Strike Price, Upper Put Strike Price or Call Strike Price from the pricing date to the final Valuation Date;
- the actual and expected frequency and magnitude of changes in the market price of the Reference Stock (*i.e.*, volatility);
- the time to maturity of the notes;
- the dividend rate on the Reference Stock (while not paid to holders of the notes, dividend payments on the Reference Stock may influence the market price of the Reference Stock and the market value of options on the Reference Stock and therefore affect the market value of the notes);
- interest and yield rates in the market generally as well as in each of the markets of the Reference Stock;
- economic, financial, political, regulatory and judicial events that affect the Reference Stock or stock markets generally and that may affect the closing price of one share of the Reference Stock on any Determination Date;

- if the Reference Stock is an ADS, the exchange rate and volatility of the exchange rate between the U.S. dollar and the currency of the country in which the Underlying Stock is traded; and
- the occurrence of certain corporate events affecting the Reference Stock that may or may not require an adjustment to the Stock Adjustment Factor or, in the case of a non-U.S. equity security or an ADS, the selection of a Successor Reference Stock.

Additionally, one of our affiliates is expected to provide an indicative value, if requested, for the notes directly to the initial investor of the notes. This value may be different (higher or lower) than the price of the notes, if any, at which JPMS may be willing to purchase your notes in the secondary market.

Some or all of these factors will influence the price you will receive if you choose to sell your notes prior to maturity. The impact of any of the factors set forth above may enhance or offset some or all of any change resulting from another factor or factors. You may have to sell your notes at a substantial discount from the Principal Amount if the Final Share Price is below or not sufficiently above, the Upper Put Strike Price.

You cannot predict the future performance of the Reference Stock based on its historical performance. The value of the Reference Stock may decrease such that you may not receive any return on your investment. You will lose some of your investment at maturity if the Final Share Price is less than the Upper Put Strike Price.

**If the market value of the Reference Stock changes, the market value of your notes may not change in the same manner.**

Owning the notes is not the same as owning the Reference Stock. Accordingly, changes in the market value of the Reference Stock may not result in a comparable change in the market value of the notes. If the closing price of one share of the Reference Stock on any trading day increases above the Initial Share Price (or Initial Strike Price, if applicable), the value of the notes may not increase comparably, if at all. It is also possible for the value of the Reference Stock to increase moderately while the value of the notes declines.

**Market disruptions may adversely affect your return.**

The calculation agent may, in its sole discretion, determine that the markets have been affected in a manner that prevents it from properly determining the Final Share Price or calculating the payment at maturity that we are required to pay you. These events may include disruptions or suspensions of trading in the markets as a whole. If the calculation agent, in its sole discretion, determines that any of these events prevents us or any of our affiliates from properly hedging our obligations under the notes, it is possible that a Determination Date and the maturity date may be postponed and your return will be adversely affected. See “General Terms of Notes — Market Disruption Events.” Moreover, if any Determination Date is postponed to the last possible day and the closing price of one share of the Reference Stock is not available on that day because of a market disruption event or if such day is not a trading day, the calculation agent will nevertheless assess the market value of one share of the Reference Stock on that last possible day. See “Description of Notes — Postponement of a Determination Date” for more information.

**Generally, if the term of the notes is not more than one year, we expect to treat the notes as short-term obligations for U.S. federal income tax purposes.**

If the term of the notes is not more than one year, we expect to treat the notes as “short-term obligations” for U.S. federal income tax purposes. No statutory, judicial or administrative authority directly addresses the treatment of notes or instruments similar to the notes for U.S. federal income tax



purposes, and we do not intend to request a ruling from the Internal Revenue Service (the "IRS") with respect to these notes. As a result, certain aspects of the U.S. federal income tax consequences of an investment in these notes are uncertain. You should review carefully the section entitled "Material U.S. Federal Income Tax Consequences" in this product supplement no. 33-II and consult your tax adviser regarding your particular circumstances.

**Generally, if the term of the notes is more than one year, we expect to treat the notes as contingent payment debt instruments for U.S. federal income tax purposes.**

If the term of the notes is more than one year, we expect to treat the notes as "contingent payment debt instruments" for U.S. federal income tax purposes. Under this treatment, you generally will be required to recognize interest income in each year at the "comparable yield," as determined by us, adjusted to take account of the difference between actual and projected payments in that year. Interest included in income will increase your basis in your notes and the projected amount of interest payments, if any, will reduce your basis in your notes. Generally, amounts received at maturity or on earlier sale or exchange in excess of your basis will be treated as additional interest income. Any loss generally will be treated as an ordinary loss to the extent of all previous inclusions with respect to your notes, with the balance treated as capital loss, which may be subject to limitations. Losses may be subject to special reporting requirements. You should review carefully the section entitled "Material U.S. Federal Income Tax Consequences" in this product supplement no. 33-II and consult your tax adviser regarding your particular circumstances.

**JPMorgan Chase & Co. employees holding the notes must comply with policies that limit their ability to trade the notes and may affect the value of their notes.**

If you are an employee of JPMorgan Chase & Co. or one of its affiliates, you may only acquire the notes for investment purposes and you must comply with all of our internal policies and procedures. Because these policies and procedures limit the dates and times that you may transact in the notes, you may not be able to purchase any notes described in the relevant terms supplement from us and your ability to trade or sell any of those notes in the secondary market may be limited.

**Risks Related to the Reference Stock**

**We or one of our affiliates may serve as the depository for the American Depositary Shares representing the common stock of the issuer.**

We or one of our affiliates may serve as depository for some foreign companies that issue ADSs. If the Reference Stock is an ADS, and we or one of our affiliates serves as depository for such ADSs, our or such affiliates' interests, as depository for the ADSs, may be adverse to your interests as a holder of the notes.

**If the Reference Stock is an ADS, fluctuations in exchange rates will affect your investment.**

There are significant risks related to an investment in a note that is linked to an ADS, which is quoted and traded in U.S. dollars, representing an Underlying Stock that is quoted and traded in a foreign currency. The ADSs, which are quoted and traded in U.S. dollars, may trade differently from the Underlying Stock. In recent years, the rates of exchange between the U.S. dollar and some other currencies have been highly volatile and this volatility may continue in the future. These risks generally depend on economic and political events over which we have no control. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur during the term of the notes. Changes in the exchange rate between the U.S. dollar and a foreign currency may affect the U.S. dollar equivalent of the price of the Underlying Stock on non-U.S. securities markets and, as a result, may affect the market price of the ADS, which may consequently affect the value of the notes.

## **We have no control over exchange rates.**

Foreign exchange rates can either float or be fixed by sovereign governments. Exchange rates of the currencies used by most economically developed nations are permitted to fluctuate in value relative to the U.S. dollar and to each other. However, from time to time governments and, in the case of countries using the euro, the European Central Bank, may use a variety of techniques, such as intervention by a central bank, the imposition of regulatory controls or taxes or changes in interest rates to influence the exchange rates of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by a devaluation or revaluation of a currency. These governmental actions could change or interfere with currency valuations and currency fluctuations that would otherwise occur in response to economic forces, as well as in response to the movement of currencies across borders. As a consequence, these government actions could adversely affect an investment in a note that is linked to an ADS, which is quoted and traded in U.S. dollars, representing an Underlying Stock that is quoted and traded in a foreign currency.

We will not make any adjustment or change in the terms of the notes in the event that exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of other developments affecting the U.S. dollar or any relevant foreign currency. You will bear those risks.

## **If the Reference Stock is an ADS, an investment in the notes is subject to risks associated with non-U.S. securities markets.**

An investment in the notes linked to the value of ADSs representing interests in non-U.S. equity securities involves risks associated with the securities markets in those countries where the relevant non-U.S. equity securities are traded, including risks of volatility in those markets, governmental intervention in those markets and cross shareholdings in companies in certain countries. Also, there is generally less publicly available information about companies in some of these jurisdictions than about U.S. companies that are subject to the reporting requirements of the SEC, and generally non-U.S. companies are subject to accounting, auditing and financial reporting standards and requirements and securities trading rules different from those applicable to U.S. reporting companies.

The prices of securities in non-U.S. markets may be affected by political, economic, financial and social factors in such markets, including changes in a country's government, economic and fiscal policies, currency exchange laws or other laws or restrictions. Moreover, the economies of these countries may differ favorably or unfavorably from the economy of the United States in such respects as growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency. These countries may be subjected to different and, in some cases, more adverse economic environments.

The economies of emerging market countries in particular face several concerns, including relatively unstable governments that may present the risks of nationalization of businesses, restrictions on foreign ownership and prohibitions on the repatriation of assets, and which may have less protection of property rights than more developed countries. These economies may also be based on only a few industries, be highly vulnerable to changes in local and global trade conditions and may suffer from extreme and volatile debt burdens or inflation rates. In addition, local securities markets may trade a small number of securities and may be unable to respond effectively to increases in trading volume, potentially making prompt liquidation of holdings difficult or impossible at times. The risks of the economies of emerging market countries are relevant for notes linked to the ADSs of one or more emerging markets issuers.

Some or all of these factors may influence the price of the ADSs. The impact of any of the factors set forth above may enhance or offset some or all of any change resulting from another factor or factors. You cannot predict the future performance of the ADSs based on their historical performance. The value of the ADSs may decrease and you may not receive any return of your investment. There can

be no assurance that the price of the ADSs will not decrease so that at maturity, you will not lose some or all of your investment.

**There are important differences between the rights of holders of ADSs and the rights of holders of the common stock of the foreign company.**

If your note is linked to the performance of an ADS, you should be aware that your note is linked to the price of the ADSs and not the Underlying Stock, and there exist important differences between the rights of holders of ADSs and the Underlying Stock. Each ADS is a security evidenced by American Depositary Receipts that represents a specified number of shares of common stock of a foreign issuer. Generally, the ADSs are issued under a deposit agreement, which sets forth the rights and responsibilities of the depositary, the foreign issuer and holders of the ADSs, which may be different from the rights of holders of common stock of the foreign issuer. For example, the foreign issuer may make distributions in respect of its common stock that are not passed on to the holders of its ADSs. Any such differences between the rights of holders of the ADSs and holders of the Underlying Stock may be significant and may materially and adversely affect the value of the notes.

**In some circumstances, the payment you receive on the notes may be based on the common stock (or ADS, as applicable) of another company and not the Reference Stock.**

Following certain corporate events relating to the Reference Stock where its issuer is not the surviving entity, the amount you receive at maturity may be based on the common stock of a successor to the Reference Stock issuer or any cash or any other assets distributed to holders of the Reference Stock in that corporate event. The occurrence of these corporate events and the consequent adjustments may materially and adversely affect the value of the notes. We describe the specific corporate events that can lead to these adjustments and the procedures for selecting Exchange Property (as described below) in “General Terms of Notes — Anti-Dilution Adjustments” and “General Terms of Notes — Reorganization Events.”

In addition, for notes linked to the performance of an ADS, if that ADS is no longer listed or admitted to trading on a U.S. securities exchange registered under the Exchange Act, or included in the OTC Bulletin Board, or if the ADS facility between the issuer and the ADS depositary is terminated for any reason, the calculation agent will have the option to either (a), (i) replace that ADS with the ADS of a company selected from among the ADSs of three companies organized in, or with its principal executive office located in, the country in which the issuer of that original ADS is organized, or has its principal executive office, and that are then registered to trade on the New York Stock Exchange (the “NYSE”) or The NASDAQ Stock Market with the same primary Standard Industrial Classification Code (“SIC Code”) as that original ADS that, in the sole discretion of the calculation agent, is the most comparable to that original ADS, taking into account such factors as the calculation agent deems relevant, including, without limitation, market capitalization, dividend history and stock price volatility or (ii) in certain circumstances, replace that ADS with the ADS of a company that is organized in, or with its principal executive office located in, the country in which the issuer of the original ADS is organized, or has its principal executive office and that are then registered to trade on the NYSE or The NASDAQ Stock Market that, in the sole discretion of the calculation agent, is the most comparable to the original ADS, taking into account such factors as the calculation agent deems relevant, including, without limitation, market capitalization, dividend history and stock price volatility and that is within the same Division and Major Group classification (as defined by the Office of Management and Budget) as the primary SIC Code for the original ADS or (iii) in certain circumstances, replace that ADS with the common stock of a company that is then registered to trade on the NYSE or The NASDAQ Stock Market with the same primary SIC Code as the original ADS that in the sole discretion of the calculation agent, is the most comparable to the original ADS, taking into account such factors as the calculation agent deems relevant including, without limitation, market capitalization, dividend history and stock price volatility or (b) deem the Underlying Stock to be the Reference Stock. You should read the section of this product supplement called “General Terms of Notes —Delisting of ADSs or Termination of ADS Facility” for more information. Replacing the original ADS serving as the Reference Stock with another ADS may materially and adversely affect the value of the notes.

**Anti-dilution protection is limited and may be discretionary.**

The calculation agent will make adjustments to the Stock Adjustment Factor, which will be set initially at 1.0, for certain adjustment events (as defined below) affecting the Reference Stock, including stock splits and certain corporate actions, such as mergers or the payment of an Ordinary Dividend that is different from the Base Dividend. The calculation agent is not required, however, to make such adjustments in response to all corporate actions, including if the issuer of the Reference Stock or another party makes a partial tender or partial exchange offer for the Reference Stock. If such a dilution event occurs and the calculation agent is not required to make an adjustment, the value of the notes may be materially and adversely affected. You should also be aware that the calculation agent may make adjustments in response to events that are not described in this product supplement to account for any diluting or concentrative effect, but the calculation agent is under no obligation to do so. With respect to the issuance of transferrable rights or warrants, the calculation agent may also make adjustments in a manner that differs from what is described in this product supplement in good faith to ensure an equitable result. Subject to the foregoing, the calculation agent is under no obligation to consider your interests as a holder of the notes in making these determinations. See “General Terms of Notes — Anti-Dilution Adjustments” for further information.

**We may exercise any and all rights we may have as a lender to or a security holder of the issuer of the Reference Stock.**

If we or any of our affiliates are lenders to, or hold securities of, the issuer of the Reference Stock, we will have the right, but not the obligation, to exercise or refrain from exercising our rights as a lender to, or holder of securities of such issuer. Any exercise of our rights as a lender or holder of securities of the issuer of the Reference Stock, or our refraining from such exercise, will be made without regard to your interests and could affect the value of the notes.

**We cannot assure you that publicly information about the issuer of the Reference Stock is accurate or complete.**

All disclosures contained in the relevant terms supplement regarding the issuer of the Reference Stock will be derived from publicly available documents and other publicly available information, without independent verification. We have not participated, and will not participate, in the preparation of such documents or made any due diligence inquiry with respect to the issuer of the Reference Stock in connection with the offering of the notes. We do not make any representation that such publicly available documents or any other publicly available information regarding the issuer of the Reference Stock are accurate or complete, and are not responsible for public disclosure of information by the issuer of the Reference Stock, whether contained in filings with the SEC or otherwise. Furthermore, we cannot give any assurance that all events occurring prior to the date of the relevant terms supplement (including events that would affect the accuracy or completeness of the publicly available documents of the issuer of the Reference Stock) that would affect the closing price of one share of the Reference Stock (and therefore the Final Share Price) will have been publicly disclosed. Subsequent disclosure of any of those events or the disclosure of or failure to disclose material future events concerning the issuer of the Reference Stock could affect the amount you will receive at maturity and, therefore, the market value of the notes. Any prospective purchaser of the notes should undertake an independent investigation of the issuer of the Reference Stock as in its judgment is appropriate to make an informed decision with respect to an investment in the notes.

## USE OF PROCEEDS AND HEDGING

Unless otherwise specified in the relevant terms supplement, the net proceeds we receive from the sale of the notes will be used for general corporate purposes and, in part, by us or by one or more of our affiliates in connection with hedging our obligations under the notes. The notes are offered to meet investor demand for products that reflect the risk-return profile and market exposure provided by the notes as set forth in the relevant terms supplement.

Unless otherwise specified in the relevant terms supplement, the original issue price of the notes will be equal to the estimated value of the notes when the terms of the notes are set, which we refer to as JPMS's estimated value, plus the selling commissions paid to each agent and other affiliated or unaffiliated dealers (as shown on the cover page of the relevant terms supplement), plus (minus) the projected profits (losses) that our affiliates expect to realize for assuming risks inherent in hedging our obligations under the notes, plus the estimated cost of hedging our obligations under the notes. See the relevant terms supplement for additional information about JPMS's estimated value. See also "Use of Proceeds" in the accompanying prospectus.

On or prior to the date of the relevant terms supplement, we, through our affiliates or others, expect to hedge some or all of our anticipated exposure in connection with the notes. In addition, from time to time after we issue the notes, we, through our affiliates or others, may enter into additional hedging transactions and close out or unwind those we have entered into, in connection with the notes and possibly in connection with our or our affiliates' exposure to the Reference Stock. To accomplish this, we, through our affiliates or others, may take positions in the Reference Stock or instruments the value of which is derived from the Reference Stock. From time to time, prior to maturity of the notes, we may pursue a dynamic hedging strategy that may involve taking long or short positions in the Reference Stock or instruments the value of which is derived from the Reference Stock.

While we cannot predict an outcome, any of these hedging activities or other trading activities of ours could potentially increase the price of the Reference Stock on the pricing date or any Initial Averaging Date and/or decrease the price of the Reference Stock on any Valuation Date, which could adversely affect any payments on the notes. Because hedging our obligations entails risk and may be influenced by market forces beyond our control, this hedging may result in a profit that is more or less than expected, or it may result in a loss. It is possible that these hedging or trading activities could result in substantial returns for us or our affiliates while the value of the notes declines. See "Risk Factors — Risks Relating to the Notes Generally — We or our affiliates may have economic interests that are adverse to those of the holders of the notes as a result of our hedging and other trading activities" above.

We have no obligation to engage in any manner of hedging activity and will do so solely at our discretion and for our own account. We may hedge our exposure on the notes directly or we may aggregate this exposure with other positions taken by us and our affiliates with respect to our exposure to the Reference Stock. No note holder will have any rights or interest in our hedging activity or any positions that we or any unaffiliated counterparties may take in connection with our hedging activity.

## THE REFERENCE STOCK

The relevant terms supplement will provide summary information regarding the business of the issuer of the Reference Stock based on its publicly available documents, without independent verification.

Companies with securities registered under the Exchange Act are required to file periodically certain financial and other information specified by the SEC. Information provided to or filed with the SEC can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, NE, Washington, DC 20549, and copies of such materials can be obtained from the Public Reference Section of the SEC, 100 F Street, NE, Washington, DC 20549, at prescribed rates. In addition, information provided to or filed with the SEC electronically can be accessed through a website maintained by the SEC. The address of the SEC's website is <http://www.sec.gov>. Information regarding the issuer of the Reference Stock may also be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated documents.

**This product supplement and the relevant terms supplement relate only to the notes offered thereby and do not relate to the Reference Stock or other securities of the issuer of the Reference Stock. We will derive any and all disclosures contained in the relevant terms supplement regarding the issuer of the Reference Stock from the publicly available documents described above, without independent verification. In connection with the offering of the notes, we have not participated, and will not participate, in the preparation of such documents or made any due diligence inquiry with respect to the issuer of the Reference Stock in connection with the offering of the notes. We do not make any representation that such publicly available documents are, or any other publicly available information regarding the issuer of the Reference Stock is, accurate or complete, and we are not responsible for public disclosure of information by the issuer of the Reference Stock, whether contained in filings with the SEC or otherwise. Furthermore, we cannot give any assurance that all events occurring prior to the date of the relevant terms supplement (including events that would affect the accuracy or completeness of the publicly available documents described in the preceding paragraph) that would affect the closing price of one share of the Reference Stock (and therefore the Final Share Price) will have been publicly disclosed. Subsequent disclosure of any of these events or the disclosure of or failure to disclose material future events concerning the issuer of the Reference Stock could affect the payment at maturity with respect to the notes.**

### Conflicts of Interest

See the relevant terms supplement and "Risk Factors — Risks Relating to the Notes Generally — We or our affiliates may have economic interests that are adverse to those of the holders of the notes as a result of our business activities" for information about economic interests with respect to the Reference Stock that we or our affiliates may have that are adverse to your interests.

### Historical Performance of the Reference Stock

We will provide historical price information on the Reference Stock in the relevant terms supplement. You should not take any of those historical prices as an indication of future performance. **Neither we nor any of our affiliates makes any representation to you as to the performance of the Reference Stock.**

## GENERAL TERMS OF NOTES

### Calculation Agent

J.P. Morgan Securities LLC will act as the calculation agent. The calculation agent will determine, among other things, the Initial Share Price (or Initial Strike Price, if applicable), the Lower Put Strike Price, the Upper Put Strike Price, the Call Strike Price, the closing price of one share of the Reference Stock on each Initial Averaging Date, if applicable, and on each Valuation Date, the Final Share Price, the Stock Adjustment Factor, any anti-dilution adjustments and Reorganization Event adjustments for the Reference Stock, the Base Dividend and the amount of any payment on the notes. In addition, the calculation agent will determine, among other things:

- whether a market disruption event has occurred;
- adjustments to the Stock Adjustment Factor and any adjustments as the result of a Reorganization Event;
- whether to select a Successor Reference Stock and, if applicable, which common stock to select if an ADS serving as the Reference Stock is delisted or is no longer admitted to trading on a U.S. securities exchange or included in the OTC Bulletin Board, or if the ADS facility between the issuer of the applicable Underlying Stock and the ADS depository is terminated; and
- the closing price of one share of the Reference Stock if a Determination Date is postponed for ten business days due to a market disruption event or if that day is not a trading day.

All determinations made by the calculation agent will be at the sole discretion of the calculation agent and will, in the absence of manifest error, be conclusive for all purposes and binding on you and on us. We may appoint a different calculation agent from time to time after the date of the relevant terms supplement without your consent and without notifying you.

The calculation agent will provide written notice to the trustee at its New York office, on which notice the trustee may conclusively rely, of any amount payable on the notes on or prior to 11:00 a.m., New York City time, on the business day preceding the applicable Payment Date.

All calculations with respect to the Initial Share Price (or Initial Strike Price, if applicable), Lower Put Strike Price, Upper Put Strike Price, Call Strike Price, Final Share Price, or closing price will be rounded to the nearest one-hundred-thousandth, with five one-millionths rounded upward (e.g., 0.876545 would be rounded to 0.87655); the Physical Delivery Amount and all dollar amounts related to determination of any payment on the notes per note will be rounded to the nearest ten-thousandth, with five one hundred-thousandths rounded upward (e.g., 0.76545 would be rounded up to 0.7655); and all dollar amounts payable on the aggregate principal amount of notes per holder will be rounded to the nearest cent, with one-half cent rounded upward.

### Market Disruption Events

Certain events may prevent the calculation agent from determining the closing price of one share of the Reference Stock on any Determination Date and consequently, the amount that we will pay you at maturity of the notes. These events may include disruptions or suspensions of trading on the markets as a whole.

With respect to the Reference Stock (or any security for which a closing price must be determined), a "**market disruption event**," unless otherwise specified in the relevant terms supplement, means:

- the occurrence or existence of a suspension, absence or material limitation of trading of the Reference Stock (or that security) on the relevant exchange for the Reference Stock (or that security) for more than two hours of trading during, or during the one-half hour period preceding the close of, the principal trading session on that relevant exchange;
- a breakdown or failure in the price and trade reporting systems of the relevant exchange for the Reference Stock (or that security) as a result of which the reported trading prices for the Reference Stock (or that security) during the one-half hour period preceding the close of the principal trading session on that relevant exchange are materially inaccurate;
- the occurrence or existence of a suspension, absence or material limitation of trading on the primary exchange or market for trading in futures or options contracts related to the Reference Stock (or that security), if available, during the one-half hour period preceding the close of the principal trading session in that exchange or market; or
- a decision to permanently discontinue trading in those related futures or options contracts,

in each case as determined by the calculation agent in its sole discretion; and

- a determination by the calculation agent in its sole discretion that the applicable event described above materially interfered with our ability or the ability of any of our affiliates to adjust or unwind all or a material portion of any hedge with respect to the notes.

For purposes of determining whether a market disruption event with respect to the Reference Stock (or any security for which a closing price must be determined) has occurred, unless otherwise specified in the relevant terms supplement:

- a limitation on the hours or number of days of trading will not constitute a market disruption event if it results from an announced change in the regular business hours of the relevant exchange, or the primary exchange or market for trading in futures or options contracts related to the Reference Stock (or that security);
- limitations pursuant to the rules of any relevant exchange similar to NYSE Rule 80B (or any applicable rule or regulation enacted or promulgated by any other self-regulatory organization or any government agency of scope similar to NYSE Rule 80B as determined by the calculation agent) on trading during significant market fluctuations will constitute a suspension, absence or material limitation of trading;
- a suspension of trading in futures or options contracts on the Reference Stock (or that security) by the primary exchange or market for trading in those contracts, if available, by reason of:
  - a price change exceeding limits set by that exchange or market,
  - an imbalance of orders relating to those contracts, or
  - a disparity in bid and ask quotes relating to those contracts

will, in each case, constitute a suspension, absence or material limitation of trading in futures or options contracts related to the Reference Stock (or that security); and

- a “suspension, absence or material limitation of trading” on the relevant exchange or on the primary exchange or market on which futures or options contracts related to the Reference Stock (or that security) are traded will not include any time when that exchange or market is itself closed for trading under ordinary circumstances.



## **Anti-Dilution Adjustments**

The Stock Adjustment Factor for the Reference Stock is subject to adjustment by the calculation agent as a result of the anti-dilution adjustments described in this section.

Unless otherwise specified below, no adjustments to the Stock Adjustment Factor will be required unless the Stock Adjustment Factor adjustment would require a change of at least 0.1% in the Stock Adjustment Factor then in effect. The Stock Adjustment Factor resulting from any of the adjustments specified in this section will be rounded to the nearest ten-thousandth with five one hundred-thousandths being rounded upward. The calculation agent will not be required to make any adjustments to the Stock Adjustment Factor after the close of business on the business day immediately preceding the maturity date.

No adjustments to the Stock Adjustment Factor will be required other than those specified below. The required adjustments specified in this section do not cover all events that could affect the closing price of one share of the Reference Stock on any relevant day during the term of the notes. No adjustments will be made for certain other events, such as offerings of common stock by the issuer of the Reference Stock for cash or in connection with acquisitions or otherwise or the occurrence of a partial tender or exchange offer for the Reference Stock by the issuer of the Reference Stock or any third party.

If an event other than those described below occurs with respect to the Reference Stock and the calculation agent determines that the event has a diluting or concentrative effect on the theoretical value of the Reference Stock, the calculation agent may calculate the corresponding adjustment or series of adjustments to the Stock Adjustment Factor as the calculation agent determines in good faith to be appropriate to account for that diluting or concentrative effect. You will not be entitled to any compensation from us or the calculation agent for any loss suffered as a result of any such adjustment or our decision not to make any such adjustment.

For purposes of these adjustments, except as noted below, if an ADS is serving as the Reference Stock, all adjustments to the Stock Adjustment Factor for the Reference Stock will be made as if the Underlying Stock is serving as the Reference Stock. Therefore, for example, if the Underlying Stock is subject to a two-for-one stock split and assuming the Stock Adjustment Factor is equal to one, the Stock Adjustment Factor for the Reference Stock would be adjusted to equal two. If your notes are linked to an ADS, the term "dividend" used in this section will mean, unless we specify otherwise in the relevant terms supplement, the dividend paid by the issuer of the Underlying Stock, net of any applicable foreign withholding or similar taxes that would be due on dividends paid to a U.S. person that claims and is entitled to a reduction in such taxes under an applicable income tax treaty, if available.

If an ADS is serving as the Reference Stock, no adjustment to the Stock Adjustment Factor, including those described below, will be made if (1) holders of ADSs are not eligible to participate in any of the transactions described below or (2) (and to the extent that) the calculation agent determines in its sole discretion that the issuer or the depositary for the ADSs has adjusted the number of shares of underlying stock represented by each ADS so that the closing price of the Reference Stock would not be affected by the corporate event in question. However, to the extent that the number of shares of Underlying Stock represented by each ADS is changed for any other reason, appropriate adjustments to the anti-dilution adjustments described in this product supplement (which may include ignoring such provision, if appropriate) will be made to reflect such change.

JPMS, as calculation agent, will be solely responsible for the determination and calculation of any adjustments to the Stock Adjustment Factor and of any related determinations and calculations with respect to any distributions of stock, other securities or other property or assets, including cash, in connection with any corporate event described in this section, and its determinations and calculations will be conclusive absent manifest error.

The calculation agent will provide information as to any adjustments to the Stock Adjustment Factor for the Reference Stock as described below upon written request by any investor in the notes.

#### *Stock Splits and Reverse Stock Splits*

If the Reference Stock is subject to a stock split or reverse stock split, then once that split has become effective, the Stock Adjustment Factor will be adjusted so that the new Stock Adjustment Factor will equal the product of:

- the prior Stock Adjustment Factor, and
- the number of shares that a holder of one share of the Reference Stock before the effective date of the stock split or reverse stock split would have owned immediately following the applicable effective date.

#### *Stock Dividends or Distributions*

If the Reference Stock is subject to (i) a stock dividend, *i.e.*, an issuance of additional shares of the Reference Stock that is given ratably to all or substantially all holders of shares of the Reference Stock, or (ii) a distribution of shares of the Reference Stock as a result of the triggering of any provision of the corporate charter of the issuer of the Reference Stock, then, once the dividend or distribution has become effective and the shares are trading ex-dividend, the Stock Adjustment Factor will be adjusted so that the new Stock Adjustment Factor will equal the prior Stock Adjustment Factor *plus* the product of:

- the prior Stock Adjustment Factor, and
- the number of additional shares issued in the stock dividend or distribution with respect to one share of the Reference Stock.

#### *Non-Cash Dividends or Distributions*

If the issuer of the Reference Stock distributes shares of capital stock, evidences of indebtedness or other assets or property of the issuer of the Reference Stock to all or substantially all holders of shares of the Reference Stock (other than (i) dividends, distributions, rights or warrants referred to under “— Stock Splits and Reverse Stock Splits” or “— Stock Dividends or Distributions” above or “— Issuance of Transferable Rights or Warrants” below and (ii) cash dividends or distributions referred to under “— Extraordinary Cash Dividends or Distributions” below), then, once the distribution has become effective and the shares are trading ex-dividend, the Stock Adjustment Factor will be adjusted so that the new Stock Adjustment Factor will equal the product of:

- the prior Stock Adjustment Factor, and
- a fraction, the numerator of which is the Current Market Price of the Reference Stock and the denominator of which is the amount by which the Current Market Price exceeds the Fair Market Value of that distribution.

The “**Current Market Price**” of the Reference Stock means the closing price of one share of the Reference Stock on the trading day immediately preceding the ex-dividend date of the dividend or distribution requiring an adjustment to the Stock Adjustment Factor.

The “**Fair Market Value**” of any distribution means the value of that distribution on the ex-dividend date for that distribution, as determined by the calculation agent. If that distribution consists of property traded on the ex-dividend date on a U.S. national securities exchange or, if the Reference Stock is an ADS and that distribution consists of property traded on the ex-dividend date on a non-U.S. securities exchange or market, the Fair Market Value will equal the closing price of the distributed property on that ex-dividend date, as determined by the calculation agent.

The “**ex-dividend date**,” with respect to a dividend or other distribution on the Reference Stock, means the first trading day on which transactions in the Reference Stock trade on the relevant exchange without the right to receive that dividend or other distribution.

Notwithstanding the foregoing, a distribution on the Reference Stock described in clause (a), (d) or (e) of the section entitled “—Reorganization Events” below that also would require an adjustment under this section will not cause an adjustment to the Stock Adjustment Factor and will only be treated as a Reorganization Event (as defined below) pursuant to clause (a), (d) or (e) under the section entitled “—Reorganization Events.” A distribution on the Reference Stock described in the section entitled “—Issuance of Transferable Rights or Warrants” that also would require an adjustment under this section will cause an adjustment only pursuant to the section entitled “—Issuance of Transferable Rights or Warrants”.

#### *Ordinary Dividends*

If an Ordinary Dividend different from the Base Dividend is paid on the Reference Stock, then the Stock Adjustment Factor will be adjusted so that the new Stock Adjustment Factor will equal the product of:

- the prior Stock Adjustment Factor, and
- a fraction, the numerator of which will be the Current Market Price of the Reference Stock, and the denominator of which will be (x) the Current Market Price of the Reference Stock *minus* (y) the excess dividend.

The “excess dividend,” which may be negative, will equal the Ordinary Dividend paid *minus* the Base Dividend.

Notwithstanding the foregoing, a cash dividend that would otherwise require adjustment to the Stock Adjustment Factor under both this “— Ordinary Dividends” section and the “— Extraordinary Cash Dividends or Distributions” section below will only require an adjustment under the “— Extraordinary Cash Dividends or Distributions” section below.

#### *Extraordinary Cash Dividends or Distributions*

If the issuer of the Reference Stock pays dividends or makes other distributions consisting exclusively of cash to all or substantially all holders of shares of the Reference Stock during any quarterly fiscal period during the term of the notes, in an aggregate amount that, together with other cash dividends or distributions made previously during that quarterly fiscal period with respect to which an adjustment to the Stock Adjustment Factor has not previously been made under this “— Extraordinary Cash Dividends or Distributions” section (but excluding any cash dividend made previously during such quarterly fiscal period with respect to which an adjustment to the Stock Adjustment Factor has previously been made under the “— Ordinary Dividends” section above), exceeds the Dividend Threshold, then, once the dividend or distribution has become effective and the shares are trading ex-dividend, the Stock Adjustment Factor will be adjusted so that the new Stock Adjustment Factor will equal the product of:

- the prior Stock Adjustment Factor, and
- a fraction, the numerator of which is the Current Market Price of the Reference Stock and the denominator of which is the amount by which the Current Market Price exceeds the aggregate amount in cash per share of the Reference Stock distributed in that cash dividend or distribution together with any cash dividends or distributions made previously during that quarterly fiscal period with respect to which an adjustment to the Stock Adjustment Factor has not previously been made under this “— Extraordinary Cash Dividends or Distributions” section (but excluding any cash dividend made previously during such quarterly fiscal period with respect to which an adjustment to the Stock Adjustment Factor has previously been made under the “— Ordinary Dividends” section above) to holders of shares of the Reference Stock in excess of the Dividend Threshold.

For the avoidance of doubt, the Stock Adjustment Factor may be adjusted more than once in any particular quarterly fiscal period because of cash dividends or distributions that exceed the Dividend Threshold. If the Stock Adjustment Factor has been previously adjusted in a particular quarterly fiscal period because of cash dividends or distributions that exceed the Dividend Threshold, subsequent adjustments will be made if the issuer of the Reference Stock pays cash dividends or makes other distributions during that quarterly fiscal period in an aggregate amount that, together with other cash dividends or distributions since the last adjustment to the Stock Adjustment Factor (because of cash dividends or distributions that exceed the Dividend Threshold) exceeds the Dividend Threshold. Those subsequent adjustments to the Stock Adjustment Factor will only take into account the cash dividends or distributions during that quarterly fiscal period made since the last adjustment to the Stock Adjustment Factor because of cash dividends or distributions that exceed the Dividend Threshold.

The "**Dividend Threshold**" is equal to the sum of (x) the immediately preceding cash dividend(s) or other cash distribution(s) paid in the preceding quarterly fiscal period, if any, per share of the Reference Stock *plus* (y) 10% of the closing price of one share of the Reference Stock on the trading day immediately preceding the ex-dividend date, unless otherwise specified in the relevant terms supplement.

#### *Issuance of Transferable Rights or Warrants*

Except as provided below, if the issuer of the Reference Stock issues transferable rights or warrants to all holders of shares of the Reference Stock to subscribe for or purchase the Reference Stock, including new or existing rights to purchase the Reference Stock at an exercise price per share less than the closing price of one share of the Reference Stock on (a) the date the exercise price of those rights or warrants is determined and (b) the ex-dividend date, then the Stock Adjustment Factor will be adjusted on the ex-dividend date for that issuance so that the new Stock Adjustment Factor will equal the prior Stock Adjustment Factor *plus* the product of:

- the prior Stock Adjustment Factor, and
- the number of shares of the Reference Stock that can be purchased with the cash value of those warrants or rights distributed on one share of the Reference Stock.

The number of shares that can be purchased will be based on a value of the Reference Stock equal to the closing price of one share of the Reference Stock on the trading day immediately preceding the ex-dividend date for that issuance *minus* the cash value of the warrants or rights.

The cash value of the warrants or rights will equal the closing price of one share of the Reference Stock on the ex-dividend date *minus* the exercise price per share of those rights or warrants.

**"Ex-dividend date,"** with respect to a transferable right or warrant, means the first trading day on which transactions in the shares of the Reference Stock trade on the relevant exchange without the right to receive that transferable right or warrant.

Notwithstanding the foregoing, if the calculation agent determines in good faith that the adjustments in response to the issuance of transferable rights or warrants described above do not achieve an equitable result, the calculation agent in good faith may make adjustments or a series of adjustments that differ from, or that are in addition to, those described above with a view to offsetting, to the extent practical, any change in your economic position as a holder of the notes that results solely from the applicable event. In determining whether or not any adjustment so described achieves an equitable result, the calculation agent may consider any adjustment made by the Options Clearing Corporation or any other equity derivatives clearing organization on options contracts on the Reference Stock. You will not be entitled to any compensation from us or the calculation agent for any loss suffered as a result of any such adjustment or our decision not to make any such adjustment.

## Reorganization Events

If, prior to the maturity date,

- (a) there occurs any reclassification or change of the Reference Stock, including, without limitation, as a result of the issuance of tracking stock by the issuer of the Reference Stock;
- (b) the issuer of the Reference Stock, or any surviving entity or subsequent surviving entity of the issuer of the Reference Stock (a "**Successor Entity**"), has been subject to a merger, combination or consolidation and is not the surviving entity;
- (c) any statutory exchange of securities of the issuer of the Reference Stock or any Successor Entity with another corporation occurs, other than pursuant to clause (b) above;
- (d) the issuer of the Reference Stock is liquidated or is subject to a proceeding under any applicable bankruptcy, insolvency or other similar law;
- (e) the issuer of the Reference Stock issues to all of its shareholders equity securities of an issuer other than the issuer of the Reference Stock, other than in a transaction described in clauses (b), (c) or (d) above (a "**Spin-Off Event**"); or
- (f) a tender or exchange offer or going-private transaction is commenced for all the outstanding shares of the issuer of the Reference Stock and is consummated and completed in full for all or substantially all of those shares, as determined by the calculation agent in its sole discretion (an event in clauses (a) through (f), a "**Reorganization Event**"),

then the closing price of one share of the Reference Stock from and including the effective date for that Reorganization Event will be adjusted as set forth below.

If a reorganization event other than those described above occurs with respect to the Reference Stock, the calculation agent may calculate the corresponding adjustment or series of adjustments to the closing price of one share of the Reference Stock as the calculation agent determines in good faith to be appropriate to account for that reorganization event. You will not be entitled to any compensation from us or the calculation agent for any loss suffered as a result of any such adjustment or our decision not to make any such adjustment.

If an ADS is serving as the Reference Stock, the determination as to whether a Reorganization Event has occurred will be made as if the Underlying Stock were serving as the Reference Stock. In addition, if an ADS is serving as the Reference Stock, no adjustments will be made in response to the Reorganization Event if (1) holders of ADSs are not eligible to participate in the Reorganization Event or (2) (and to the extent that) the calculation agent determines in its sole discretion that the issuer or the depository for the ADSs has adjusted the assets represented by each ADS so that the closing price and, if applicable, trading price of the Reference Stock would not be affected by the Reorganization Event in question.

If a Reorganization Event occurs, the calculation agent will be solely responsible for the determination of any Exchange Property, the value of any Exchange Property and the effect of the Reorganization Event on the closing price of one share of the Reference Stock, and its determinations and calculations will be conclusive absent manifest error.

The calculation agent will provide information as to any adjustments to the Initial Share Price (or Initial Strike Price, if applicable) resulting from a Reorganization Event upon written request by any investor in the notes.

### *The Exchange Property*

**“Exchange Property”** will consist of any shares of the Reference Stock that continue to be held by the holders of the Reference Stock, and any securities, cash or any other assets distributed to the holders of the Reference Stock with respect to one share of the Reference Stock in, or as a result of, the Reorganization Event. No interest will accrue on any Exchange Property.

In the case of a consummated and completed in full tender or exchange offer or going-private transaction involving Exchange Property of a particular type, Exchange Property will be deemed to include the amount of cash or other property paid by the offeror in the tender or exchange offer with respect to the Exchange Property (in an amount determined on the basis of the rate of exchange in that tender or exchange offer or going-private transaction). In the event of a tender or exchange offer, a merger, combination or consolidation or a going-private transaction with respect to Exchange Property in which an offeree may elect to receive cash or other property, Exchange Property will be deemed to include the kind and amount of cash and other property received by offerees who elect to receive cash.

With respect to any portion of the Exchange Property that consists of property other than Exchange Traded Securities or cash (such property, **“Liquidation Property”**), that portion of the Exchange Property will be deemed instead to consist of an amount of cash equal to the market value of the Liquidation Property, as determined by the calculation agent in its sole discretion, on the date the issuer of the Reference Stock distributed all the Liquidation Property.

**“Exchange Traded Securities”** means securities (including, without limitation, securities of the issuer of the Reference Stock or securities of foreign issuers represented by American depository receipts) traded on the NYSE, the NYSE Amex LLC or The NASDAQ Stock Market.

### *The Closing Price of the Exchange Property*

On any relevant day, the **“closing price”** of the Exchange Property means the product of:

- (a) the sum of:
  - (i) the closing price of one share of any Exchange Traded Securities composing the Exchange Property on that day *multiplied* by the quantity of the applicable Exchange Traded Securities received for each share of the Reference Stock; and
  - (ii) the aggregate cash amount of any Exchange Property (other than Exchange Traded Securities), including the aggregate cash amount resulting from the valuation of the Liquidation Property as described above; and
- (b) the Stock Adjustment Factor for the Reference Stock as of the effective date for the Reorganization Event.

Any Exchange Traded Securities composing the Exchange Property will be subject to the anti-dilution adjustment and reorganization-event adjustments including but not limited to those set forth in this product supplement as if it were the Reference Stock, and the Stock Adjustment Factor of any Exchange Traded Securities will be set equal to 1.0 on the effective date for the Reorganization Event.

### *Adjustment to the Closing Price of One Share of the Reference Stock*

If a Reorganization Event occurs, then, for purposes of any determination with respect to the Reference Stock on or after the effective date of that Reorganization Event, the closing price of one share of the Reference Stock on any relevant day will equal the closing price of the Exchange Property on that day.

### *Adjustment to the Payment at Maturity*

If a Reorganization Event occurs and we elect physical delivery of the payment at maturity, then for each note, instead of receiving the number of shares of the Reference Stock equal to the Physical Delivery Amount, you will receive at maturity, for each share of the Reference Stock included in the Physical Delivery Amount as of the effective date for the Reorganization Event, the Exchange Property with respect to one share of the Reference Stock. Fractional shares will be paid in cash.

### **Delisting of ADSs or Termination of ADS Facility**

If an ADS serving as the Reference Stock (the "**Original Reference Stock**") is no longer listed or admitted to trading on a U.S. securities exchange registered under the Exchange Act, or included in the OTC Bulletin Board, or if the ADS facility between the issuer and the ADS depository is terminated for any reason, then, on and after the date the ADS is no longer so listed or admitted to trading or the date of that termination, as applicable (the "**Change Date**"), the calculation agent, in its sole discretion without consideration for the interests of investors, will either (A) select a Successor Reference Stock (as defined below) to the ADS after the close of the principal trading session on the trading day immediately prior to the Change Date in accordance with the following paragraphs (any successor reference stock as so selected, a "**Successor Reference Stock**" and any successor reference stock issuer, a "**Successor Reference Stock Issuer**") or (B) select the Underlying Stock to be the Reference Stock.

Upon the selection of any Successor Reference Stock by the calculation agent pursuant to clause (A) of the preceding paragraph, on and after the Change Date, references in this product supplement or the relevant terms supplement to the "**Reference Stock**" will no longer be deemed to refer to the Original Reference Stock and will be deemed instead to refer to the applicable Successor Reference Stock for all purposes, and references in this product supplement or the relevant terms supplement to "**issuer**" of the Original Reference Stock will be deemed to be to the applicable Successor Reference Stock Issuer. Upon the selection of any Successor Reference Stock by the calculation agent pursuant to clause (A) of the preceding paragraph, on and after the Change Date, (i) the Initial Share Price (or Initial Strike Price, if applicable) for the Successor Reference Stock will be equal to the Initial Share Price (or Initial Strike Price, if applicable) of the Original Reference Stock as of the trading day immediately preceding the Change Date, *divided by* the Stock Adjustment Factor for the Successor Reference Stock and (ii) the Stock Adjustment Factor for the Successor Reference Stock will be an amount as determined by the calculation agent in good faith as of the Change Date, taking into account, among other things, the closing price of the Original Reference Stock on the trading day immediately preceding the Change Date, subject to adjustment for certain corporate events related to the Successor Reference Stock in accordance with "*— Anti-Dilution Adjustments.*"

The "**Successor Reference Stock**" with respect to an ADS will be the ADS of a company organized in, or with its principal executive office located in, the country in which the issuer of the Original Reference Stock is organized, or has its principal executive office, selected by the calculation agent from among the ADSs of three companies then registered to trade on the NYSE or The NASDAQ Stock Market with the same primary Standard Industrial Classification Code ("**SIC Code**") as the Original Reference Stock that, in the sole discretion of the calculation agent, is the most comparable to the Original Reference Stock, taking into account such factors as the calculation agent deems relevant, including, without limitation, market capitalization, dividend history and stock price volatility; *provided*, however, that a Successor Reference Stock will not be any ADS that is (or the Underlying Stock for which is) subject to a trading restriction under the trading restriction policies of JPMorgan Chase & Co. or any of its affiliates that would materially limit the ability of JPMorgan Chase & Co. or any of its affiliates to hedge the notes with respect to the ADS (a "**Hedging Restriction**"); *provided further* that if a Successor Reference Stock cannot be identified as set forth above for which a Hedging Restriction does not exist, the Successor Reference Stock will be selected by the calculation agent and will be the ADS of a company that (i) is organized in, or with its principal executive office located in, the country in which the issuer of the Original Reference Stock is organized, or has its principal executive office, (ii) is then registered to trade on the NYSE or The NASDAQ Stock Market, (iii) in the

sole discretion of the calculation agent, is the most comparable to the Original Reference Stock, taking into account such factors as the calculation agent deems relevant, including, without limitation, market capitalization, dividend history and stock price volatility, (iv) is within the same Division and Major Group classification (as defined by the Office of Management and Budget) as the primary SIC Code for the Original Reference Stock and (v) is not subject to a Hedging Restriction. Notwithstanding the foregoing, if a Successor Reference Stock cannot be identified in the country in which the issuer of the Original Reference Stock is organized, or has its principal executive office, as set forth above, the Successor Reference Stock will be selected by the calculation agent and will be a common stock of a company that is then registered to trade on the NYSE or The NASDAQ Stock Market with the same primary SIC Code as the Original Reference Stock that in the sole discretion of the calculation agent, is the most comparable to the Original Reference Stock, taking into account such factors as the calculation agent deems relevant including, without limitation, market capitalization, dividend history and stock price volatility and that is not subject to a Hedging Restriction.

Following the selection of a Successor Reference Stock, the Stock Adjustment Factor of the Successor Reference Stock will be subject to adjustment as described above under “— Anti-Dilution Adjustments.”

The calculation agent will provide information as to any Successor Reference Stock (including the Initial Share Price (or Initial Strike Price, if applicable)) upon written request by any investor in the notes.

If the calculation agent selects the applicable Underlying Stock to be the Reference Stock pursuant to clause (B) of the first paragraph under “— Delisting of ADSs or Termination of ADS Facility” above, the Stock Adjustment Factor for the Reference Stock will thereafter equal the last value of the Stock Adjustment Factor for the ADS *multiplied* by the number of shares of the applicable Underlying Stock represented by a single ADS, subject to further adjustments as described under “— Anti-Dilution Adjustments.” On and after the Change Date, the closing price of one share of the Reference Stock on any relevant day will be expressed in U.S. dollars by converting the closing price into U.S. dollars using the applicable exchange rate as described below.

If the calculation agent selects the Underlying Stock to be the Reference Stock pursuant to clause (B) of the first paragraph under “— Delisting of ADSs or Termination of ADS Facility” above, unless otherwise specified in the relevant terms supplement, we will be deemed to have elected to pay cash at maturity. On any date of determination, the applicable exchange rate will be the spot rate of the local currency of the Underlying Stock relative to the U.S. dollar as reported by Reuters Group PLC (“Reuters”) on the relevant page for that rate at approximately the closing time of the relevant exchange for the Underlying Stock on that day. However, (1) if that rate is not displayed on the relevant Reuters page on the date of determination, the applicable exchange rate on that day will equal an average (mean) of the bid quotations in The City of New York received by the calculation agent at approximately 11:00 a.m., New York City time, on the business day immediately following the date of determination, from three recognized foreign exchange dealers (*provided* that each dealer commits to execute a contract at its applicable bid quotation) or, (2) if the calculation agent is unable to obtain three bid quotations, the average of the bid quotations obtained from two recognized foreign exchange dealers or, (3) if the calculation agent is able to obtain a bid quotation from only one recognized foreign exchange dealer, that bid quotation, in each case for the purchase of the applicable foreign currency for U.S. dollars in the aggregate principal amount of the notes for settlement on the third business day following the date of determination. If the calculation agent is unable to obtain at least one bid quotation, the calculation agent will determine the applicable exchange rate in its sole discretion.

## **Events of Default**

Under the heading “Description of Debt Securities — Events of Default and Waivers” in the accompanying prospectus is a description of events of default relating to debt securities including the notes.



## **Payment upon an Event of Default**

Unless otherwise specified in the relevant terms supplement, in case an event of default with respect to the notes shall have occurred and be continuing, the amount declared due and payable per note upon any acceleration of the notes will be determined by the calculation agent and will be an amount in cash equal to the amount payable at maturity per note as described in the relevant terms supplement under the caption "Payment at Maturity," calculated as if the date of acceleration were (a) the final Valuation Date and (b) the Final Disrupted Determination Date for the final Valuation Date (if the date of acceleration is a Disrupted Day), which amount will include any accrued and unpaid interest on the notes.

If the notes have more than one Valuation Date, then for each Valuation Date scheduled to occur after the date of acceleration, the trading days immediately preceding the date of acceleration (in such number equal to the number of Valuation Dates in excess of one) will be the corresponding Valuation Dates, unless otherwise specified in the relevant terms supplement.

Unless otherwise specified in the relevant terms supplement, upon any acceleration of the notes, if the notes pay interest, any interest will be calculated on the basis of a 360-day year of twelve 30-day months and the actual number of days elapsed from and including the previous Interest Payment Date for which interest was paid.

If the maturity of the notes is accelerated because of an event of default as described above, we will, or will cause the calculation agent to, provide written notice to the trustee at its New York office, on which notice the trustee may conclusively rely, and to DTC of the cash amount due with respect to the notes as promptly as possible and in no event later than two business days after the date of acceleration.

## **Modification**

Under the heading "Description of Debt Securities — Modification of the Indenture" in the accompanying prospectus is a description of when the consent of each affected holder of debt securities is required to modify the indenture.

## **Defeasance**

The provisions described in the accompanying prospectus under the heading "Description of Debt Securities — Discharge, Defeasance and Covenant Defeasance" are not applicable to the notes, unless otherwise specified in the relevant terms supplement.

## **Listing**

The notes will not be listed on any securities exchange, unless otherwise specified in the relevant terms supplement.

## **Book-Entry Only Issuance — The Depository Trust Company**

DTC will act as securities depository for the notes. The notes will be issued only as fully registered securities registered in the name of Cede & Co. (DTC's nominee). One or more fully registered global notes certificates, representing the total aggregate principal amount of the notes, will be issued and will be deposited with DTC. See the descriptions contained in the accompanying prospectus supplement under the heading "Description of Notes — Forms of Notes" and in the accompanying prospectus under the heading "Forms of Securities — Book-Entry System."

## **Registrar, Transfer Agent and Paying Agent**

Payment of amounts due at maturity on the notes will be payable and the transfer of the notes will be registrable at the principal corporate trust office of The Bank of New York Mellon in The City of New York.

The Bank of New York Mellon or one of its affiliates will act as registrar and transfer agent for the notes. The Bank of New York Mellon will also act as paying agent and may designate additional paying agents.

Registration of transfers of the notes will be effected without charge by or on behalf of The Bank of New York Mellon, but upon payment (with the giving of such indemnity as The Bank of New York Mellon may require) in respect of any tax or other governmental charges that may be imposed in relation to it.

**Governing Law**

The notes will be governed by and interpreted in accordance with the laws of the State of New York.

## MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

### Introduction

The following is a discussion of the material U.S. federal income tax consequences of owning and disposing of the notes. It applies to you only if you are an initial investor who purchases a note at its issue price for cash and holds it as a capital asset within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "Code"). This discussion, however, does not address the U.S. federal income tax consequences of the ownership or disposition of the Reference Stock that an investor may receive at maturity. You should consult your tax adviser regarding the potential U.S. federal tax consequences of the ownership and disposition of the Reference Stock.

This discussion does not address all aspects of U.S. federal income and estate taxation that may be relevant to you in light of your particular circumstances, including the potential application of the provision of the Code known as the Medicare contribution tax and the different consequences that may apply if you are an investor subject to special treatment under the U.S. federal income tax laws, such as:

- a financial institution;
- a "regulated investment company" as defined in Code Section 851;
- a tax-exempt entity, including an "individual retirement account" or "Roth IRA" as defined in Code Section 408 or 408A, respectively;
- a dealer in securities;
- a person holding a note as part of a "straddle," conversion transaction or integrated transaction, or who has entered into a "constructive sale" with respect to a note;
- a U.S. Holder (as defined below) whose functional currency is not the U.S. dollar;
- a trader in securities who elects to apply a mark-to-market method of tax accounting; or
- a partnership or other entity classified as a partnership for U.S. federal income tax purposes.

This discussion is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations as of the date of this product supplement, subsequent changes to any of which may affect the tax consequences described herein, possibly with retroactive effect. The effects of any applicable state, local or foreign tax laws are not discussed. **You should consult your tax adviser concerning the application of U.S. federal income and estate tax laws to your particular situation, as well as any tax consequences arising under the laws of any state, local or foreign jurisdictions.**

### Tax Treatment of the Notes

The treatment of the notes for U.S. federal income tax purposes will depend upon the facts at the time of the relevant offering. Generally, for U.S. federal income tax purposes, we expect to treat the notes as indebtedness, and notes with a term of more than one year as "contingent payment debt instruments."

At the time of the relevant offering, we may seek an opinion of counsel regarding this treatment. The following discussion assumes that the treatment of the notes as indebtedness and, in the case of notes with a term of more than one year, as contingent payment debt instruments, is respected. The relevant terms supplement may indicate other issues applicable to a particular offering of notes.

This discussion does not address the U.S. federal income tax consequences of owning or disposing of shares of the Reference Stock that an investor (including a Non-U.S. Holder, as defined below) may receive at maturity. You should consult your tax adviser regarding the potential U.S. federal tax consequences of owning and disposing of shares of the Reference Stock.

## **Tax Consequences to U.S. Holders**

You are a "U.S. Holder" if for U.S. federal income tax purposes you are a beneficial owner of a note that is:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

## **Notes with a Term of Not More than One Year**

We intend to take the position that if the term of the notes is not more than one year, the notes will be "short-term obligations." Generally, a short-term obligation is treated for U.S. federal income tax purposes as issued at a discount equal to the difference between the payments due thereon, including the value of any Reference Stock received, and the instrument's issue price, and this discount is treated as interest income when received or accrued, in accordance with the owner's method of tax accounting. There is no authority, however, regarding the accrual of discount on short-term obligations, such as the notes, that provide for contingent payments, and no ruling will be requested from the IRS with respect to the notes. As a result, several aspects of the U.S. federal income tax consequences of an investment in these notes are uncertain, as discussed below.

### ***Tax Treatment Prior to Maturity***

In general, amounts payable on a short-term debt obligation in excess of its issue price are treated as interest income when received or accrued, in accordance with the investor's method of tax accounting. However, because the aggregate amount that will be paid on the notes is uncertain and you may ultimately receive amounts aggregating less than the notes' issue price, several aspects of the tax treatment of the notes are not clear, including whether stated interest on the notes should in all cases be treated as interest income. Nonetheless, we intend to report all stated interest as interest income when paid to you.

If you are a cash-method taxpayer, you may elect to accrue interest on your notes into income on a current basis, in which case you would generally be treated as an accrual-method taxpayer, as described below. If you do not make this election, while as discussed above the matter is not clear, you could be required to treat all stated interest on your notes as income when paid. In addition, you could be required to defer deductions with respect to any interest paid on indebtedness incurred to purchase or carry your notes, to the extent of accrued interest that you have not yet included in income, until you dispose of the notes in a taxable transaction. You should consult your tax adviser regarding these issues.

Although accrual-method taxpayers and certain other investors (including electing cash-method taxpayers) are generally required to accrue discount on the obligation into income on short-term indebtedness on a straight-line basis, both the timing of accruals and in some cases the amount that must ultimately be accrued with respect to the notes are uncertain, and it is therefore not clear how these accruals should be determined. You should consult your tax adviser regarding the application of these rules with respect to your notes.

### ***Tax Treatment upon Sale or Exchange***

Upon a sale or exchange of a note (including redemption at maturity), you should recognize gain or loss in an amount equal to the difference between the amount you receive (including the value of any Reference Stock you receive at maturity) and your adjusted basis in the note. Your adjusted basis in the note should equal the amount you paid to acquire the note increased by any amounts that you

have previously included in income but not received and reduced by any stated interest previously paid to you that was not treated as interest income. The amount of any resulting loss will be treated as a capital loss, which may be subject to special reporting requirements if it exceeds certain thresholds. Gain resulting from redemption at maturity should be treated as ordinary interest income. It is not clear whether or to what extent gain from a sale or exchange prior to maturity should be treated as capital gain or ordinary income. You should consult your tax adviser regarding the proper treatment of any gain or loss recognized upon a sale or exchange of a note.

Your basis in any Reference Stock you receive will equal its fair market value on the day you receive it, and your holding period in that stock will begin on the day after receipt.

### ***Possible Alternative Treatments of the Notes***

There are other possible treatments that the IRS or a court may adopt, in which case the tax consequences of owning and disposing of the notes could be materially and adversely affected. For example, it is possible that the notes could be treated as contingent payment debt instruments that are subject to the Code provisions and Treasury regulations discussed below under “—Notes with a Term of More than One Year.”

### **Notes with a Term of More than One Year**

If the term of the notes is more than one year, we expect to treat the notes as “contingent payment debt instruments” for U.S. federal income tax purposes, and the remainder of this discussion assumes that this treatment is respected. These notes will be subject to the original issue discount (“OID”) provisions of the Code and the Treasury regulations issued thereunder, and you will be required to accrue as interest income the OID on the notes as described below.

We are required to determine a “comparable yield” for the notes. The comparable yield is the yield at which we could issue a fixed-rate debt instrument with terms similar to those of the notes, including the level of subordination, term, timing of payments and general market conditions, but excluding any adjustments for the riskiness of the contingencies or the liquidity of the notes. Solely for purposes of determining the amount of interest income that you will be required to accrue, we are also required to construct a “projected payment schedule” in respect of the notes representing a payment or a series of payments the amount and timing of which would produce a yield to maturity on the notes equal to the comparable yield.

Unless otherwise provided in the relevant terms supplement, we will provide, and you may obtain, the comparable yield for a particular offering of notes, and the related projected payment schedule, in the final terms supplement for these notes, which we will file with the SEC. **Neither the comparable yield nor the projected payment schedule constitutes a representation by us regarding the actual amount(s), if any, that we will pay on the notes.**

For U.S. federal income tax purposes, you are required to use our determination of the comparable yield and projected payment schedule in determining interest accruals and adjustments in respect of your notes, unless you timely disclose and justify the use of other estimates to the IRS. Regardless of your method of tax accounting, you will be required to accrue as interest income OID on your notes in each taxable year at the comparable yield, adjusted upward or downward to reflect the difference, if any, between the actual and the projected amount of the contingent payment(s) on the notes during the year (as described below).

In addition to interest accrued based upon the comparable yield as described above, you will be required to recognize interest income equal to the amount of any net positive adjustment, *i.e.*, the excess of actual payments over projected payments, in respect of a note for a taxable year. A net negative adjustment, *i.e.*, the excess of projected payments over actual payments, in respect of a note for a taxable year:

- will first reduce the amount of interest in respect of the note that you would otherwise be required to include in income in the taxable year; and
- to the extent of any excess, will give rise to an ordinary loss, but only to the extent that the amount of all previous interest inclusions under the note exceeds the total amount of your net negative adjustments treated as ordinary loss on the note in prior taxable years.

A net negative adjustment is not subject to the limitation imposed on miscellaneous itemized deductions under Section 67 of the Code. Any net negative adjustment in excess of the amounts described above will be carried forward to offset future interest income in respect of the note or to reduce the amount realized on a sale or exchange of the note (including redemption at maturity).

Upon a sale or exchange of a note, you generally will recognize taxable income or loss equal to the difference between the amount received from the sale, exchange or redemption, including the value of any Reference Stock received, and your adjusted tax basis in the note. Your adjusted tax basis in the note will equal the amount you paid to acquire the note, increased by the amount of interest income previously accrued by you in respect of the note (determined without regard to any of the positive or negative adjustments to interest accruals described above) and decreased by the amount of any prior projected payments in respect of the note. You generally must treat any income as interest income and any loss as ordinary loss to the extent of previous interest inclusions (reduced by the total amount of net negative adjustments previously taken into account as ordinary losses), and the balance as capital loss. As with net negative adjustments, these ordinary losses are not subject to the limitation imposed on miscellaneous itemized deductions under Section 67 of the Code. The deductibility of capital losses, however, is subject to limitations. Additionally, if you recognize a loss above certain thresholds, you might be required to file a disclosure statement with the IRS, although this is uncertain.

### **Tax Consequences to Non-U.S. Holders**

You are a “Non-U.S. Holder” if for U.S. federal income tax purposes you are a beneficial owner of a note that is:

- a nonresident alien individual;
- a foreign corporation; or
- a foreign estate or trust.

You are not a “Non-U.S. Holder” for purposes of this discussion if you are an individual present in the United States for 183 days or more in the taxable year of disposition. In this case, you should consult your tax adviser regarding the U.S. federal income tax consequences of the sale or exchange of a note.

Assuming the notes are treated as indebtedness, subject to the discussions below under “Section 871(m)” and “FATCA,” any income and gain from a note will be exempt from U.S. federal income tax (including withholding tax) if you provide a properly completed IRS Form W-8BEN and these amounts are not effectively connected with your conduct of a U.S. trade or business. While we and our affiliates intend to treat the notes as indebtedness for withholding tax purposes, others may not and so may withhold on payments to you unless you claim an exemption or reduction under an applicable income tax treaty. You should consult your tax adviser regarding the possibility of withholding, including the possibility of obtaining a refund of withheld amounts.

If you are engaged in a U.S. trade or business and if income or gain from a note is effectively connected with your conduct of that trade or business (and, if an applicable treaty so requires, is attributable to a permanent establishment in the United States), although exempt from the withholding tax discussed above, you generally will be taxed in the same manner as a U.S. Holder. You will not be subject to withholding if you provide a properly completed IRS Form W-8ECI. If this paragraph applies to you, you should consult your tax adviser with respect to other U.S. tax consequences of owning and disposing of notes, including the possible imposition of a 30% branch profits tax if you are a corporation.

### ***Section 871(m)***

Section 871(m) imposes a 30% withholding tax on certain “dividend equivalents” paid or deemed paid with respect to U.S. equities or equity indices under certain circumstances. Several recent Treasury proposals could apply Section 871(m) in the future to notes linked to U.S. equities or equity indices offered under this product supplement, under certain circumstances, even in cases where no current payment is made under the notes. No assurances can be given as to whether or how Section 871(m) will be applied to notes linked to U.S. equities or equity indices. If withholding is required, we will not be required to pay any additional amounts with respect to amounts withheld. Non-U.S. Holders should consult their tax advisers regarding the potential application of Section 871(m). Where warranted, we will disclose further information regarding the possible application of Section 871(m) in the relevant terms supplement.

### ***FATCA***

Legislation enacted in 2010, commonly referred to as “FATCA” and regulations promulgated thereunder generally will impose a withholding tax of 30% on payments to certain foreign entities (including financial intermediaries) unless various U.S. information reporting and due diligence requirements have been satisfied. Accordingly, if the notes (1) are issued after June 30, 2014 or (2) are issued after the date that is six months after the date on which instruments such as the notes are first treated as giving rise to dividends equivalents, this regime may apply to amounts treated as interest and dividend equivalents on your notes, and to amounts treated as proceeds of the sale or exchange of the notes after December 31, 2016.

### ***Federal Estate Tax***

If you are an individual Non-U.S. Holder and if your notes are properly treated as indebtedness for U.S. federal income tax purposes, they will not be treated as U.S.-situs property subject to U.S. federal estate tax, *provided* that your income from the notes is not then effectively connected with your conduct of a U.S. trade or business.

### **Backup Withholding and Information Reporting**

Interest (including OID) accrued or paid on your notes and the proceeds received from a sale or exchange of your notes will generally be subject to information reporting unless you are an “exempt recipient.” You may also be subject to backup withholding on payments in respect of your notes unless you provide proof of an applicable exemption or a correct taxpayer identification number and otherwise satisfy the applicable requirements of the backup withholding rules. If you are a Non-U.S. Holder, you will not be subject to backup withholding if you provide a properly completed IRS Form W-8 appropriate to your circumstances. Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against your U.S. federal income tax liability, provided the required information is furnished to the IRS.

**THE TAX CONSEQUENCES TO YOU OF OWNING AND DISPOSING OF NOTES ARE UNCERTAIN. YOU SHOULD CONSULT YOUR TAX ADVISER REGARDING THE TAX CONSEQUENCES OF OWNING AND DISPOSING OF NOTES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN U.S. FEDERAL OR OTHER TAX LAWS.**

## **PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)**

Under the terms and subject to the conditions contained in the Master Agency Agreement entered into between JPMorgan Chase & Co. and J.P. Morgan Securities LLC, as agent (an "Agent" or "JPMS"), and certain other agents that are or may become party to the Master Agency Agreement, as amended or supplemented, from time to time (each an "Agent" and collectively with JPMS, the "Agents"), JPMS has agreed and any additional Agents will agree to use reasonable efforts to solicit offers to purchase the principal amount of notes set forth in the cover page of the relevant terms supplement. We will have the sole right to accept offers to purchase the notes and may reject any offer in whole or in part. Each Agent may reject, in whole or in part, any offer it solicited to purchase notes. We will pay an Agent, in connection with sales of these notes resulting from a solicitation that Agent made or an offer to purchase the Agent received, a commission as set forth in the relevant terms supplement. An Agent will allow a concession to other dealers, or we may pay other fees, in the amount set forth on the cover page of the relevant terms supplement.

We may also sell notes to an Agent as principal for its own account at discounts to be agreed upon at the time of sale as disclosed in the relevant terms supplement. That Agent may resell notes to investors and other purchasers at a fixed offering price or at prevailing market prices, or prices related thereto at the time of resale or otherwise, as that Agent determines and as we will specify in the relevant terms supplement. An Agent may offer the notes it has purchased as principal to other dealers. That Agent may sell the notes to any dealer at a discount and, unless otherwise specified in the relevant terms supplement, the discount allowed to any dealer will not be in excess of the discount that Agent will receive from us. After the initial public offering of notes that the Agent is to resell on a fixed public offering price basis, the Agent may change the public offering price, concession and discount.

Our affiliates, including JPMS, may use this product supplement no. 33-II and the accompanying prospectus supplement, prospectus or terms supplement in connection with offers and sales of the notes in the secondary market. JPMS or another Agent may act as principal or agent in connection with offers and sales of the notes in the secondary market. Secondary market offers and sales will be made at prices related to market prices at the time of such offer or sale; accordingly, the Agents or a dealer may change the public offering price, concession and discount after the offering has been completed.

Unless otherwise specified in the relevant terms supplement, there is currently no public trading market for the notes. In addition, unless otherwise specified in the relevant terms supplement, we have not applied and do not intend to apply to list the notes on any securities exchange or to have the notes quoted on a quotation system. JPMS may act as a market maker for the notes. However, JPMS is not obligated to do so and may discontinue any market-making in the notes at any time in its sole discretion. Therefore, we cannot assure you that a liquid trading market for the notes will develop, that you will be able to sell your notes at a particular time or that the price you receive if you sell your notes will be favorable.

In connection with an offering of the notes, JPMS may engage in overallotment, stabilizing transactions and syndicate covering transactions in accordance with Regulation M under the Securities Exchange Act of 1934. Overallotment involves sales in excess of the offering size, which create a short position for JPMS. Stabilizing transactions involve bids to purchase the notes in the open market for the purpose of pegging, fixing or maintaining the price of the notes. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions and syndicate covering transactions may cause the price of the notes to be higher than it would otherwise be in the absence of those transactions. If JPMS engages in stabilizing or syndicate covering transactions, it may discontinue them at any time.

Certain of the Agents engage in transactions with and perform services for us and our subsidiaries in the ordinary course of business.



No action has been or will be taken by us, JPMS or any dealer that would permit a public offering of the notes or possession or distribution of this product supplement no. 33-II or the accompanying prospectus supplement, prospectus or terms supplement, other than in the United States, where action for that purpose is required. No offers, sales or deliveries of the notes, or distribution of this product supplement no. 33-II or the accompanying prospectus supplement, prospectus or terms supplement or any other offering material relating to the notes, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on us, the Agents or any dealer.

Each Agent has represented and agreed that it will not offer or sell the notes in any non-U.S. jurisdiction (i) if that offer or sale would not be in compliance with any applicable law or regulation or (ii) if any consent, approval or permission is needed for that offer or sale by that Agent or for or on our behalf, unless the consent, approval or permission has been previously obtained. We will have no responsibility for, and the applicable Agent will obtain, any consent, approval or permission required by that Agent for the subscription, offer, sale or delivery by that Agent of the notes, or the distribution of any offering materials, under the laws and regulations in force in any non-U.S. jurisdiction to which that Agent is subject or in or from which that Agent makes any subscription, offer, sale or delivery. For additional information regarding selling restrictions, please see "Notice to Investors" in this product supplement.

Unless otherwise specified in the relevant terms supplement, the settlement date for the notes will be the third business day following the pricing date (which is referred to as a "T+3" settlement cycle).

### **Conflicts of Interest**

We own, directly or indirectly, all of the outstanding equity securities of JPMS. The net proceeds received from the sale of the notes will be used, in part, by JPMS or its affiliates in connection with hedging our obligations under the notes. The underwriting arrangements for an offering of the notes will comply with the requirements of FINRA Rule 5121 regarding a FINRA member firm's underwriting of securities of an affiliate. In accordance with FINRA Rule 5121, neither JPMS nor any other affiliated Agent of ours may make sales in an offering of the notes to any of its discretionary accounts without the specific written approval of the customer.

## NOTICE TO INVESTORS

We will offer to sell, and will seek offers to buy, the notes only in jurisdictions where offers and sales are permitted. None of the accompanying prospectus supplement and prospectus, this product supplement no. 33-II and the terms supplement (each, a "Disclosure Document" and, collectively, the "Disclosure Documents") will constitute an offer to sell, or a solicitation of an offer to buy, the notes by any person in any jurisdiction in which it is unlawful for that person to make an offer or solicitation. Neither the delivery of any Disclosure Document nor any sale made thereunder implies that our affairs have not changed or that the information in any Disclosure Document is correct as of any date after the date thereof.

You must (i) comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of the Disclosure Documents and the purchase, offer or sale of the notes and (ii) obtain any consent, approval or permission required to be obtained by you for the purchase, offer or sale by you of the notes under the laws and regulations applicable to you in force in any jurisdiction to which you are subject or in which you make those purchases, offers or sales.

### Argentina

The notes have not been and will not be authorized by the *Comisión Nacional de Valores* (the "CNV") for public offer in Argentina and therefore may not be offered or sold to the public at large or to sectors or specific groups thereof by any means, including, but not limited to, personal offerings, written materials, advertisements, the internet or the media, in circumstances that constitute a public offering of securities under Argentine Law No. 17,811, as amended (the "Argentine Public Offering Law").

The Argentine Public Offering Law does not expressly recognize the concept of private placement. Notwithstanding the foregoing, pursuant to the general rules on public offering and the few existing judicial and administrative precedents, the following private placement rules have been outlined:

- (i) Targeted investors should be qualified or sophisticated investors, capable of understanding the risk of the proposed investment.
- (ii) Investors should be contacted on an individual, direct and confidential basis, without using any type of massive means of communication.
- (iii) The number of contacted investors should be relatively small.
- (iv) Investors should receive complete and precise information on the proposed investment.
- (v) Any material, brochures, documents, etc, regarding the investment should be delivered in a personal and confidential manner, identifying the name of the recipient.
- (vi) The documents or information mentioned in item (v) should contain a legend or statement expressly stating that the offer is a private offer not subject to the approval or supervision of the CNV, or any other regulator in Argentina.
- (vii) The aforementioned documents or materials should also contain a statement prohibiting the re-sale or re-placement of the relevant securities within the Argentine territory or their sale through any type of transaction that may constitute a public offering of securities pursuant to Argentine law.

## **The Bahamas**

The notes will not be offered or sold in or into The Bahamas except in circumstances that do not constitute a “public offering” according to the Securities Industry Act, 1999. The offer of the notes, directly or indirectly, in or from within The Bahamas may only be made by an entity or person who is licensed as a Broker Dealer by the Securities Commission of The Bahamas. Persons deemed “resident” in The Bahamas pursuant to the Exchange Control Regulations, 1956 must receive the prior approval of the Central Bank of The Bahamas prior to accepting an offer to purchase any notes.

## **Bermuda**

The Disclosure Documents have not been and will not be registered or filed with any regulatory authority in Bermuda. The offering of the notes pursuant to the Disclosure Documents to persons resident in Bermuda is not prohibited, *provided* we are not thereby carrying on business in Bermuda.

## **Brazil**

The notes have not been and will not be registered with the “*Comissão de Valores Mobiliários*” — the Brazilian Securities and Exchange Commission (“CVM”) and accordingly, the notes may not and will not be sold, promised to be sold, offered, solicited, advertised and/or marketed within the Federal Republic of Brazil, except in circumstances that cannot be construed as a public offering or unauthorized distribution of securities under Brazilian laws and regulations. The notes are not being offered into Brazil. Documents relating to an offering of the notes, including the Disclosure Documents, as well as the information contained therein, may not be supplied or distributed to the public in Brazil nor be used in connection with any offer for subscription or sale of the notes to the public in Brazil.

## **British Virgin Islands**

The notes may not be offered in the British Virgin Islands unless we or the person offering the notes on our behalf is licensed to carry on business in the British Virgin Islands. We are not licensed to carry on business in the British Virgin Islands. The notes may be offered to British Virgin Islands “business companies” (from outside the British Virgin Islands) without restriction. A British Virgin Islands “business company” is a company formed under or otherwise governed by the BVI Business Companies Act, 2004 (British Virgin Islands).

## **Cayman Islands**

The Disclosure Documents and the notes have not been and will not be registered under the laws and regulations of the Cayman Islands, nor has any regulatory authority in the Cayman Islands passed comment upon or approved the accuracy or adequacy of the Disclosure Documents. The notes will not be offered or sold, directly or indirectly, in the Cayman Islands.

## **Chile**

The Agents, we and the notes have not been and will not be registered with the *Superintendencia de Valores y Seguros de Chile* (Chilean Securities and Insurance Commission) pursuant to *Ley No. 18,045 de Mercado de Valores* (the “Chilean Securities Act”), as amended, of the Republic of Chile and, accordingly, the notes will not be offered or sold within Chile or to, or for the account of benefit of, persons in Chile, except in circumstances that will not result in a public offering and/or securities intermediation in Chile within the meaning of the Chilean Securities Act.

None of the Agents is a bank or a licensed broker in Chile, and therefore each Agent has not and will not conduct transactions or any business operations in any of such qualities, including the marketing, offer and sale of the notes, except in circumstances that will not result in a “public offering” as such term is defined in Article 4 of the Chilean Securities Act, and/or will not result in the

intermediation of securities in Chile within the meaning of Article 24 of the Chilean Securities Act and/or the breach of the brokerage restrictions set forth in Article 39 of Decree with Force of Law No. 3 of 1997.

The notes will be sold only to specific buyers, each of which will be deemed upon purchase:

- (i) to be a financial institution and/or an institutional investor or a qualified investor with such knowledge and experience in financial and business matters as to be capable of evaluating the risks and merits of an investment in the notes;
- (ii) to agree that it will only resell the notes in the Republic of Chile in compliance with all applicable laws and regulations; and that it will deliver to each person to whom the notes are transferred a notice substantially to the effect of this selling restriction;
- (iii) to acknowledge receipt of sufficient information required to make an informed decision whether or not to invest in the notes; and
- (iv) to acknowledge that it has not relied upon advice from any Agent and/or us, or our respective affiliates, regarding the determination of the convenience or suitability of notes as an investment for the buyer or any other person; and that it has taken and relied upon independent legal, regulatory, tax and accounting advice.

## **Colombia**

The notes have not been and will not be registered in the National Securities Registry of Colombia (*Registro Nacional de Valores y Emisores*) kept by the Colombian Financial Superintendency (*Superintendencia Financiera de Colombia*) or in the Colombian Stock Exchange (*Bolsa de Valores de Colombia*). Therefore, the notes will not be marketed, offered, sold or distributed in Colombia or to Colombian residents in any manner that would be characterized as a public offering, as such is defined in article 1.2.1.1 of Resolution 400, issued on May 22, 1995 by the Securities Superintendency General Commission (*Sala General de la Superintendencia de Valores*), as amended from time to time.

If the notes are to be marketed within Colombian territory or to Colombian residents, regardless of the number of persons to which said marketing is addressed to, any such promotion or advertisement of the notes must be made through a local financial entity, a representative's office, or a local correspondent, in accordance with Decree 2558, issued on June 6, 2007 by the Ministry of Finance and Public Credit of Colombia, as amended from time to time.

Therefore, the notes should not be marketed within Colombian territory or to Colombian residents, by any given means, that may be considered as being addressed to an indeterminate number of persons or to more than ninety-nine (99) persons, including but not limited to:

- (i) any written material or other means of communication, such as subscription lists, bulletins, pamphlets or advertisements;
- (ii) any offer or sale of the notes at offices or branches open to the public;
- (iii) use of any oral or written advertisements, letters, announcements, notices or any other means of communication that may be perceived to be addressed to an indeterminate number of persons for the purpose of marketing and/or offering the notes; or
- (iv) use (a) non-solicited emails or (b) email distribution lists to market the notes.

The Disclosure Documents are for your sole and exclusive use, including any of your shareholders, administrators or employees, as applicable. You acknowledge the Colombian laws and regulations (specifically foreign exchange and tax regulations) applicable to any transaction or investment consummated pursuant thereto and represent that you are the sole liable party for full compliance with those laws and regulations.

## **Costa Rica**

The notes may not be offered or sold, directly or indirectly, to any person within the Republic of Costa Rica, in circumstances that require the issuer or offeror and the notes to be authorised by the Superintendencia General de Valores. Any offering, express or implicit, that seeks to issue, negotiate or sell securities among public investors, is deemed under Costa Rican law (Ley Reguladora del Mercado de Valores, N° 7732, and its Regulations) as a public offering, which requires the issuer or offeror and the notes to be authorised by the Superintendencia General de Valores. A public offering is any invitation or transmission by any means to the public or determined groups of persons exceeding 50 potential investors. A public offering is presumed when made through public or collective means of communication (mass media), such as press, radio, television and internet, or when the offering includes standardized securities.

Accordingly, each Agent has represented and agreed that (i) it is appropriately registered with the Superintendencia General de Valores, (ii) it has not offered or sold and will not offer or sell, directly or indirectly, any notes to the public in Costa Rica and (iii) that sales of the notes in Costa Rica will be placed or negotiated only on an individual basis with private investors, limited to a maximum 50 investors. Each Agent will evidence in writing, for each offering, compliance with the above requirements by means of an affidavit, a party declaration or any form of express acknowledgement. Each Agent has acknowledged that it is registered as a financial intermediary with the Superintendencia General de Valores, and that the Disclosure Documents have not been filed with the Superintendencia General de Valores and, therefore, it is not intended for any public offering of the notes in Costa Rica within the meaning of Costa Rican law.

## **El Salvador**

The notes may not be offered to the general public in El Salvador, and according to Article 2 of the *Ley de Mercado de Valores* (Securities Market Law) of the Republic of El Salvador, Legislative Decree number 809 dated 16 February 1994, published on the *Diario Oficial* (Official Gazette) number 73-BIS, Number 323, dated 21 April 1994, and in compliance with the aforementioned regulation, each Agent has represented and agreed that it will not make an invitation for subscription or purchase of the notes to indeterminate individuals, nor will it make known any Disclosure Document in the territory of El Salvador through any mass media communication such as television, radio, press or any similar medium, other than publications of an international nature that are received in El Salvador, such as internet access or foreign cable advertisements, that are not directed to the Salvadoran public. The offering of the notes will not be registered with an authorized stock exchange in the Republic of El Salvador. Any negotiation for the purchase or sale of notes in the Republic of El Salvador will be negotiated only on an individual basis with determinate individuals or entities in strict compliance with the aforementioned Article 2 of the Salvadoran Securities Market Law, and will, in any event, be effected in accordance with all securities, tax and exchange control of the Dominican Republic, Central America, and United States Free Trade Agreements, and other applicable laws or regulations of the Republic of El Salvador.

## **European Economic Area**

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each, a "Relevant Member State"), each Agent has represented and agreed, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it will not make an offer of the notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of the notes to the public in that Relevant Member State:

- (i) at any time to any legal entity that is a qualified investor as defined in the Prospectus Directive;

- (ii) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Agent; or

- (iii) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

*provided* that no offer of notes will require us or any Agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of the notes to the public” in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

This European Economic Area selling restriction is in addition to any other selling restrictions set out herein.

### **Hong Kong**

Each Agent has represented and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, the notes (except for notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (a) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (b) in other circumstances that do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or that do not constitute an offer to the public within the meaning of that Ordinance; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

### **Jersey**

Each Agent has represented to and agreed with us that it will not circulate in Jersey any offer for subscription, sale or exchange of the notes that would constitute an offer to the public for the purposes of Article 8 of the Control of Borrowing (Jersey) Order 1958.

### **Mexico**

The notes have not been and will not be registered with the Mexican National Registry of Securities maintained by the Mexican National Banking and Securities Commission nor with the Mexican Stock Exchange and therefore, may not be offered or sold publicly in the United Mexican States. The Disclosure Documents may not be publicly distributed in the United Mexican States. The notes may be privately placed in Mexico among institutional and qualified investors, pursuant to the private placement exemption set forth in Article 8 of the Mexican Securities Market Law.

## **The Netherlands**

Each Agent has represented and agreed that with effect from and including January 1, 2012, it will not make an offer of notes that are the subject of the offering contemplated by the Disclosure Documents to the public in The Netherlands in reliance on Article 3(2) of the Prospectus Directive if and to the extent article 5:20(5) of the Dutch Financial Supervision Act (Wet op het financieel toezicht, the "DFSA") will be applied, unless such offer is made exclusively to qualified investors in The Netherlands as defined in the Prospectus Directive, *provided* that no offer of the notes will require us or any Agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive. For the purposes of this provision, the expressions (i) an "offer of notes to the public" in The Netherlands; and (ii) "Prospectus Directive" have the meaning given to them above under the section entitled "European Economic Area."

## **Panama**

The notes have not been and will not be registered with the National Securities Commission of the Republic of Panama under Decree Law No. 1 of July 8, 1999 (the "Panamanian Securities Law") and may not be publicly offered or sold within Panama, except in certain limited transactions exempt from the registration requirements of the Panamanian Securities Law. The notes do not benefit from the tax incentives provided by the Panamanian Securities Law and are not subject to regulation or supervision by the National Securities Commission of the Republic of Panama.

## **Peru**

The notes have not been and will not be registered with or approved by the regulator of the Peruvian securities market or the stock exchange. Accordingly, the notes will be offered only to institutional investors (as defined by the Peruvian Securities Market Law — "*Ley de Mercado de Valores*" enacted by Legislative Decree No. 861 — Unified Text of the Law approved by Supreme Decree No. 093-2002-EF) and not to the public in general or a segment of it. The placement of the notes shall comply with article 5 of the Peruvian Securities Market Law.

## **Singapore**

None of the Disclosure Documents has been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Disclosure Documents and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 of the SFA by a relevant person, which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust will not be transferred within six months after that corporation or that trust has acquired the notes pursuant to an offer made under Section 275 of the SFA except: (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; (2) where no consideration is or will be given for the transfer; (3) where the transfer is by operation of law; or (4) as specified in Section 276(7) of the SFA.

## **Switzerland**

The Disclosure Documents are not intended to constitute an offer or solicitation to purchase or invest in the notes described therein. The notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither the Disclosure Documents nor any other offering or marketing material relating to the notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or the Swiss Collective Investment Scheme Act, and neither the Disclosure Documents nor any other offering or marketing material relating to the notes may be publicly distributed or otherwise made publicly available in Switzerland.

Neither the Disclosure Documents nor any other offering or marketing material relating to us, the offering or the notes have been or will be filed with or approved by any Swiss regulatory authority. The notes are not subject to the supervision by any Swiss regulatory authority, e.g., the Swiss Financial Markets Supervisory Authority (FINMA), and investors in the notes will not benefit from protection or supervision by any such authority.

## **United Kingdom**

Each Agent has represented and agreed that:

- (a) in relation to any notes that have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell the notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

## **Uruguay**

The offering of notes in Uruguay constitutes a private offering and each Agent has agreed that the notes and we will not be registered with the Central Bank of Uruguay pursuant to section 2 of Uruguayan law 16.749.

## **Venezuela**

The notes will not be registered with the Venezuelan National Securities Commission (*Comisión Nacional de Valores*) and will not be publicly offered in Venezuela. No document related to the offering of the notes shall be interpreted to constitute a public offer of securities in Venezuela. This document has been sent exclusively to clients of the Agents and the information contained herein is private, confidential and for the exclusive use of the addressee. Investors wishing to acquire the notes may use only funds located outside of Venezuela, which are not of mandatory sale to the Central Bank of Venezuela (*Banco Central de Venezuela*) or are not otherwise subject to restrictions or limitations under the exchange control regulation currently in force in Venezuela.



## **BENEFIT PLAN INVESTOR CONSIDERATIONS**

A fiduciary of a pension, profit-sharing or other employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), including entities such as collective investment funds, partnerships and separate accounts whose underlying assets include the assets of such plans (collectively, "ERISA Plans") should consider the fiduciary standards of ERISA in the context of the ERISA Plan's particular circumstances before authorizing an investment in the notes. Among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the ERISA Plan.

Section 406 of ERISA and Section 4975 of the Internal Revenue Code of 1986, as amended, (the "Code") prohibit ERISA Plans, as well as plans (including individual retirement accounts and Keogh plans) subject to Section 4975 of the Code (together with ERISA Plans, "Plans"), from engaging in certain transactions involving the "plan assets" with persons who are "parties in interest" under ERISA or "disqualified persons" under Section 4975 of the Code (in either case, "Parties in Interest") with respect to such Plans. As a result of our business, we, and our current and future affiliates, may be Parties in Interest with respect to many Plans. Where we (or our affiliate) are a Party in Interest with respect to a Plan (either directly or by reason of our ownership interests in our directly or indirectly owned subsidiaries), the purchase and holding of the notes by or on behalf of the Plan could be a prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless statutory or administrative exemptive relief were available.

Certain prohibited transaction class exemptions ("PTCEs") issued by the U.S. Department of Labor may provide exemptive relief for direct or indirect prohibited transactions resulting from the purchase or holding of the notes. Those class exemptions are PTCE 96-23 (for certain transactions determined by in-house asset managers), PTCE 95-60 (for certain transactions involving insurance company general accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 90-1 (for certain transactions involving insurance company separate accounts) and PTCE 84-14 (for certain transactions determined by independent qualified asset managers). In addition, ERISA Section 408(b)(17) and Section 4975(d)(20) of the Code may provide a limited exemption for the purchase and sale of the notes and related lending transactions, provided that neither the issuer of the notes nor any of its affiliates have or exercise any discretionary authority or control or render any investment advice with respect to the assets of the Plan involved in the transaction and provided further that the Plan pays no more, and receives no less, than adequate consideration in connection with the transaction (the so-called "service provider exemption"). There can be no assurance that any of these statutory or class exemptions will be available with respect to transactions involving the notes.

Accordingly, the notes may not be purchased or held by any Plan, any entity whose underlying assets include "plan assets" by reason of any Plan's investment in the entity (a "Plan Asset Entity") or any person investing "plan assets" of any Plan, unless such purchaser or holder is eligible for the exemptive relief available under PTCE 96-23, 95-60, 91-38, 90-1 or 84-14 or the service-provider exemption or there is some other basis on which the purchase and holding of the notes will not constitute a non-exempt prohibited transaction under ERISA or Section 4975 of the Code. Each purchaser or holder of the notes or any interest therein will be deemed to have represented by its purchase or holding of the notes that (a) it is not a Plan and its purchase and holding of the notes is not made on behalf of or with "plan assets" of any Plan or (b) its purchase and holding of the notes will not result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Certain governmental plans (as defined in Section 3(32) of ERISA), church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) ("Non-ERISA Arrangements") are not subject to these "prohibited transaction" rules of ERISA or Section 4975 of the Code, but may be subject to similar rules under other applicable laws or regulations ("Similar Laws"). Accordingly, each such purchaser or holder of the notes shall be required to represent (and deemed to have represented by its purchase of the notes) that such purchase and holding is not prohibited under applicable Similar Laws.

Due to the complexity of these rules, it is particularly important that fiduciaries or other persons considering purchasing the notes on behalf of or with “plan assets” of any Plan consult with their counsel regarding the relevant provisions of ERISA, the Code or any Similar Laws and the availability of exemptive relief under PTCE 96-23, 95-60, 91-38, 90-1, 84-14, the service provider exemption or some other basis on which the acquisition and holding will not constitute a non-exempt prohibited transaction under ERISA or Section 4975 of the Code or a violation of any applicable Similar Laws.

The notes are contractual financial instruments. The financial exposure provided by the notes is not a substitute or proxy for, and is not intended as a substitute or proxy for, individualized investment management or advice for the benefit of any purchaser or holder of the notes. The notes have not been designed and will not be administered in a manner intended to reflect the individualized needs and objectives of any purchaser or holder of the notes.

Each purchaser or holder of any notes acknowledges and agrees that:

- (i) the purchaser or holder or its fiduciary has made and shall make all investment decisions for the purchaser or holder and the purchaser or holder has not relied and shall not rely in any way upon us or our affiliates to act as a fiduciary or adviser of the purchaser or holder with respect to (A) the design and terms of the notes, (B) the purchaser or holder’s investment in the notes, or (C) the exercise of or failure to exercise any rights we have under or with respect to the notes;
- (ii) we and our affiliates have acted and will act solely for our own account in connection with (A) all transactions relating to the notes and (B) all hedging transactions in connection with our obligations under the notes;
- (iii) any and all assets and positions relating to hedging transactions by us or our affiliates are assets and positions of those entities and are not assets and positions held for the benefit of the purchaser or holder;
- (iv) our interests are adverse to the interests of the purchaser or holder; and
- (v) neither we nor any of our affiliates is a fiduciary or adviser of the purchaser or holder in connection with any such assets, positions or transactions, and any information that we or any of our affiliates may provide is not intended to be impartial investment advice.

Each purchaser and holder of the notes has exclusive responsibility for ensuring that its purchase, holding and subsequent disposition of the notes does not violate the fiduciary or prohibited transaction rules of ERISA, the Code or any applicable Similar Laws. The sale of any notes to any Plan is in no respect a representation by us or any of our affiliates or representatives that such an investment is appropriate for, or meets all relevant legal requirements with respect to investments by, Plans or Non-ERISA Arrangements generally or any particular Plan or Non-ERISA Arrangement.