

Offering Circular



JPMORGAN CHASE & CO.

(incorporated in the State of Delaware, United States of America)

U.S. \$15,000,000,000

Euro Medium Term Note Programme

Under the Euro Medium Term Note Programme described in this Offering Circular (the "Programme"), JPMorgan Chase & Co. ("JPMorgan Chase" or the "Issuer"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue debt securities (the "Notes"). The aggregate principal amount of Notes issued under the Programme may be up to U.S.\$15,000,000,000 (or the equivalent in other currencies) outstanding at any one time as of the date hereof. This Offering Circular replaces the Offering Circular dated April 7, 2004 and increases the aggregate principal amount of Notes that may be issued under the Programme to U.S.\$15,000,000,000 from U.S.\$5,000,000,000.

Application has been made to list the Notes issued under the Programme on the Luxembourg Stock Exchange. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein that are applicable to each Tranche (as defined on page 7) of Notes will be set forth in a pricing supplement (the "Pricing Supplement") that will be delivered to the Luxembourg Stock Exchange before the date of issue of such Notes. The Programme provides that Notes may be listed by such further listing authorities or listed or admitted to trading and/or quotation on such other or further stock exchanges as may be agreed between the Issuer and the relevant Dealer in relation to each issue. The Issuer may also issue unlisted Notes.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may include Notes in bearer form that are subject to U.S. tax law requirements. Notes may not be offered, sold or delivered within the United States or to or for the account of U.S. persons unless registered under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act and applicable U.S. tax law requirements are satisfied. For a description of certain restrictions on offers and sales of Notes and on distribution of this Offering Circular, see "Subscription and Sale".

For a discussion of "Certain Investment Considerations," see page 11.

Each Series (as defined on page 7) of Notes in bearer form will initially be represented on issue by a temporary global Note in bearer form (each, a "temporary Global Note"). Notes in registered form will be represented by registered certificates (each a "Certificate"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. The temporary Global Notes and Certificates may be deposited on the issue date with a common depository on behalf of Euroclear Bank S.A./N.V. as operator of the Euroclear System ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream, Luxembourg"), as further described herein. Beneficial interests in a temporary Global Note will be exchangeable for either (i) a permanent global Note in bearer form (a "Permanent Global Note") or (ii) definitive Notes in bearer form ("Bearer Notes"), in each case not earlier than 40 days after the issue date upon certification of non-U.S. beneficial ownership. The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in "Summary of Provisions Relating to the Notes While in Global Form".

This Offering Circular may be used only for a period of one year from the date hereof.

The Notes are not savings accounts, deposits or other obligations of any bank or non-bank subsidiary of JPMorgan Chase and are not insured by the United States Federal Deposit Insurance Corporation, the Bank Insurance Fund or any other governmental agency or instrumentality.

Arranger

JPMorgan

Dealer

JPMorgan

JPMorgan Chase, having made all reasonable enquiries, confirms that this Offering Circular (as defined below) contains all information with regard to the Notes, JPMorgan Chase, and JPMorgan Chase and its subsidiaries taken as a whole (the “JPMorgan Chase Group”) that is material in the context of the issue and offering of the Notes and the Programme, that the information contained in this Offering Circular is true and accurate in all material respects as of the date hereof and is not misleading, and that there are no other facts the omission of which makes this Offering Circular as a whole or any such information misleading.

This Offering Circular is to be read in conjunction with all the documents incorporated by reference herein (see “Documents Incorporated by Reference”) including supplements hereto and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement. References to the “Offering Circular” shall mean this Offering Circular and all documents incorporated by reference herein.

No person is or has been authorised to give any information or to make any representation other than those contained in this Offering Circular or incorporated by reference herein in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger (as defined in “Summary of the Programme”). Neither the delivery of this Offering Circular nor any offer or sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the JPMorgan Chase Group since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the JPMorgan Chase Group since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restrictions.

This Offering Circular does not constitute an offer of, or an invitation or recommendation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes. Each recipient of this Offering Circular shall be assumed to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

The Arranger and the Dealers have not independently verified the information contained in this Offering Circular. Neither any of the Dealers nor the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Circular or any other information provided by the Issuer in connection with the Programme. Neither this Offering Circular or any document incorporated by reference nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Arranger or any of the Dealers that any recipient of this Offering Circular or any other financial statements or any document incorporated by reference should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. Neither any of the Dealers nor the Arranger undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

This Offering Circular does not describe all of the risks and investment considerations (including those relating to each investor’s particular circumstances) of an investment in Notes of a particular structure, including the interest rate, exchange rate or other indices, relevant specified currencies, calculation formulae, and redemption, option and other rights associated with such Notes or where the investor’s currency is other than the Relevant Currency of issue or in which payment of such Notes will be made. The risks and investment considerations identified in this Offering Circular are provided as general information only. Investors should consult their own financial, legal, tax, and other professional advisors as to the risks and investment considerations arising from an investment in an issue of Notes and should possess the appropriate resources to analyse such investment and the suitability of such investment in such investor’s particular circumstances. See “Certain Investment Considerations” for a discussion of certain risks that should be considered in connection with any investment in the Notes.

In this Offering Circular, unless otherwise specified or the context otherwise requires, references to “\$”, “U.S.\$” and “U.S. dollars” are to United States dollars, references to “euro” or “€” are to the currency

introduced at the start of the third stage of the European Economic and Monetary Union (the “EMU”), pursuant to the Treaty establishing the European Community, as amended, including as amended by the Treaty on European Union, references to “yen” are to Japanese yen, references to “CAN.\$” are to Canadian dollars and references to “sterling” and “£” are to pounds sterling.

In connection with the issue and distribution of any Tranche of Notes (as defined in “Summary of the Programme”), one of the Dealers (or any person acting for such Dealer) may act as a stabilising manager (the “Stabilising Manager”). The identity of the Stabilising Manager will be disclosed in the relevant Pricing Supplement. References in the next paragraph to “this issue” are to each Tranche in relation to which a Stabilisation Manager is appointed.

In connection with this issue, the Stabilising Manager or any agent of his may over-allot or effect transactions with a view to stabilizing or supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there is no obligation on the Stabilising Manager or any agent of his to do this. Such stabilising, if commenced, may be discontinued at any time, must be brought to an end after a limited period and shall be in compliance with all applicable laws, regulations and rules.

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DOCUMENTS INCORPORATED BY REFERENCE

The following documents are hereby incorporated by reference in this Offering Circular and deemed to be a part hereof: JPMorgan Chase & Co.'s most recently filed Annual Report on Form 10-K, and all documents filed by JPMorgan Chase pursuant to Section 13 and Section 14 or Section 15(d) of the Securities Exchange Act of 1934 subsequent to the end of the period covered by such Annual Report and prior to termination of the offering of the Notes (but excluding portions thereof not deemed to be filed) and solely during the period prior to the filing of JPMorgan Chase's Annual Report for the year ended December 31, 2005, JPMorgan Chase's Current Reports on Form 8-K filed on March 1, 2004 and May 14, 2004 and JPMorgan Chase's Current Reports on Form 8-K/A filed on August 13, 2004 (with respect to Exhibit 99.4 only) and January 19, 2005. Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Offering Circular to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Offering Circular.

Investors who have not previously reviewed the information contained in the above documents should do so in connection with their evaluation of the Notes. Copies of the documents incorporated by reference in this Offering Circular will be available free of charge at the office of J.P. Morgan Bank Luxembourg S.A. (the "Listing Agent"), 6, route de Trèves L-2633, Senningerberg, Luxembourg. Any person receiving a copy of this Offering Circular may obtain, without charge, upon written or oral request, a copy of any document incorporated by reference herein, except for the exhibits to such documents (unless such exhibits are specifically incorporated by reference). Written requests should be addressed to JPMorgan Chase Bank, National Association, Manager – Institutional Trust Services, Trinity Tower, 9 Thomas More Street, London E1W 1YT.

The Issuer has given an undertaking to the Dealers and to the Luxembourg Stock Exchange that if, while Notes are outstanding and listed on the Luxembourg Stock Exchange, there shall occur any material adverse change in the business or financial condition of, or other material adverse change affecting, JPMorgan Chase or the JPMorgan Chase Group which is not reflected in this Offering Circular, or the terms of the Programme are modified or amended in a manner which would make the Offering Circular, as supplemented, inaccurate or misleading, the Issuer will prepare and deliver an amendment or supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent offering by the Issuer of Notes to be listed on the Luxembourg Stock Exchange.

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement. Words and expressions defined in “Terms and Conditions of the Notes” below shall have the same meanings in this summary. The Issuer may agree with any Dealer that Notes may be issued in a form other than that contemplated in “Terms and Conditions of the Notes” herein, in which event (in the case of listed Notes only) a supplement to the Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

- Issuer:** JPMorgan Chase & Co.
- Description:** Euro Medium Term Note Programme. Up to U.S.\$15,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any one time may be issued as of the date hereof under this Programme. The Issuer will have the option at any time to increase the aggregate principal amount of the Programme, subject to the satisfaction of certain conditions, in accordance with the Programme Agreement.
- Arranger:** J.P. Morgan Securities Ltd.
- Dealer:** J.P. Morgan Securities Ltd. The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to the “Permanent Dealers” are to the person listed above as a Dealer and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and to “Dealers” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
- Issuing and Paying Agent:** JPMorgan Chase Bank, N.A., London branch.
- Paying Agents:** JPMorgan Chase Bank, N.A., London branch, and J.P. Morgan Bank Luxembourg S.A.
- Registrar:** J.P. Morgan Bank Luxembourg S.A.
- Transfer Agents:** JPMorgan Chase Bank, N.A., London branch, and J.P. Morgan Bank Luxembourg S.A.
- Currencies:** Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in U.S. dollars, Australian dollars, Canadian dollars, Danish kroner, euro, Japanese yen, United Kingdom sterling, New Zealand dollars, Norwegian kroner, Swedish kronor or Swiss francs or in other currencies if the Issuer and the relevant Dealers so agree.
- Issues of Notes denominated in Swiss francs or carrying a Swiss franc-related element with a maturity of more than one year (other than Notes privately placed with a single investor with no publicity) will be effected in compliance with the relevant regulations of the Swiss National Bank based on article 7 of the Federal Law on Banks and Savings Banks of November 8, 1934 (as amended) and article 15 of the Federal Law on Stock Exchanges and Securities Trading of March 24, 1995 in connection with article 2, paragraph 2 of the Ordinance of the Federal Banking Commission on Stock Exchanges and Securities Trading of June 25, 1997. Under the said regulations, the relevant Dealer or, in the case of a syndicated issue, the lead manager (the “Swiss Dealer”), must be a bank domiciled in Switzerland (which includes branches or subsidiaries of a foreign bank located in Switzerland) or a securities dealer duly licensed by the Swiss Federal Banking Commission pursuant to the Federal Law on Stock Exchanges and Securities Trading of March 24, 1995. The Swiss Dealer must report certain details of the relevant

transaction to the Swiss National Bank no later than the Issue Date (as such term is defined in the applicable Pricing Supplement) of the relevant Notes.

**Redenomination,
Renominalisation
Reconventioning and/or
Consolidation:**

If so specified in the relevant Pricing Supplement, Notes denominated in the national currency of a Member State that may, after the start of the third stage of the EMU, be redenominated into euro may, following the giving of notice by the Issuer to the Noteholders, the Issuing and Paying Agent, Euroclear and Clearstream, Luxembourg, be subject to redenomination (if so specified in the relevant Pricing Supplement, in accordance with Condition 6(d)), renominalisation, reconventioning and/or consolidation with other Notes then denominated in euro.

Denomination:

Other than as may be specified in the relevant Pricing Supplement, Notes will have a denomination of at least €1,000 (or its equivalent in other currencies), provided that (i) the minimum denomination of Bearer Notes and Exchangeable Bearer Notes with maturities of 183 days or less will be not less than U.S.\$500,000 (or its equivalent in other currencies) and such Bearer Notes will contain special certification by the holders of their connection with the United States and (ii) unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) in respect of which the issue proceeds are received by the Issuer in the United Kingdom and which have a maturity of less than one year (A) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to (1) persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or (2) persons who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses or (B) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Issuer.

Form of Notes:

The Notes may be issued in bearer form only (“Bearer Notes”), in bearer form exchangeable for Registered Notes (“Exchangeable Bearer Notes”), or in registered form only (“Registered Notes”). Each Tranche of Bearer Notes or Exchangeable Bearer Notes will initially be represented by one or more temporary Global Notes. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as “Global Certificates”. Global Notes and Certificates may be deposited on the relevant issue date with a common depositary for Euroclear and Clearstream and/or any other agreed clearance system. Temporary Global Notes will be exchangeable, only in the manner and upon compliance with the procedures described herein, (i) for permanent Global Notes or (ii) for definitive Notes, in each case not earlier than 40 days after the Issue Date, upon certification of non-U.S. beneficial ownership. In the case of Bearer Notes and Exchangeable Bearer Notes that have not been exchanged with an original maturity of more than 183 days, the applicable Permanent Global Note may be exchanged, in whole but not in part, for definitive Bearer Notes with coupons attached. No interest will be payable in respect of a temporary Global Note except as described under “Summary of Provisions Relating to the Notes While in Global Form”. “Definitive Notes” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Installment Amounts that have not already been paid on the Global Note and a Talon).

Method of Issue:	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “Series”), having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “Tranche”), on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and principal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a Pricing Supplement to this Offering Circular.
Clearing Systems:	Euroclear and Clearstream, Luxembourg and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Agent, and the relevant Dealer.
Initial Delivery of Notes:	On or before the issue date for each Tranche, the temporary Global Note representing Bearer Notes or Exchangeable Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Global Notes or Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.
Fixed Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement.
Floating Rate Notes:	Floating Rate Notes will bear interest set separately for each Series by reference to EURIBOR, EURO-LIBOR, LIBOR, LIBID or LIMEAN (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin. Interest periods will be specified in the relevant Pricing Supplement.
Zero Coupon Notes:	Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest except in the case of late payment as described in “Terms and Conditions of the Notes — Interest”.
Variable Coupon Amount Notes:	The Pricing Supplement issued in respect of each issue of variable coupon amount Notes will specify the basis for calculating the amounts of interest payable, which may be by reference to a stock index or formula or as otherwise provided in the relevant Pricing Supplement.
Interest Periods and Interest Rates:	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.
Variable Redemption Amount Notes:	The Pricing Supplement issued in respect of each issue of variable redemption amount Notes will specify the basis for calculating the redemption amounts payable, which may be by reference to a stock index or formula or as otherwise provided in the relevant Pricing Supplement.
Other Notes:	Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, dual currency Notes, reverse dual currency Notes, optional dual currency Notes, partly-paid Notes and any other type of Note that the Issuer and any Dealer or Dealers may agree to

issue under the Programme will be set out in the relevant Pricing Supplement.

Structured Note Risks:

The following paragraph does not describe all the risks of an investment in structured Notes. Prospective purchasers should consult their own financial, legal, tax and other professional advisors about risks associated with investment in a particular series of Notes and the suitability of investing in such Notes in light of the particular circumstances of such prospective purchaser.

An investment in Notes, the premium and/or the interest on or principal of which is determined by reference to one or more values of currencies, commodities, interest rates, stock indices or other indices or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security, including the risks that the resulting interest rate will be less than that payable on a conventional debt security at the same time, and/or that an investor could lose all or a substantial portion of the principal of its Notes. Neither the current nor the historical value of the relevant currencies, commodities, interest rates, stock indices or other indices or formulae should be taken as an indication of future performance of such currencies, commodities, interest rates, stock indices or other indices or formulae during the term of any Note. See “Certain Investment Considerations”.

Optional Redemption:

The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders and, if so, the terms applicable to such redemption.

Early Redemption:

Except as provided in “Optional Redemption” above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See “Terms and Conditions of the Notes — Redemption, Purchase and Options”.

Redemption by Instalments:

The Pricing Supplement issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

Withholding Tax:

All payments with respect to the Notes will be made free and clear of withholding or deduction for or on account of any taxes or other charges imposed by any governmental authority or agency in the United States, except as provided in “Terms and Conditions of the Notes — Taxation”. The relevant Pricing Supplement will state if any payments made with respect to Dual Currency Notes or Indexed Notes are subject to such deduction or withholding. See “Taxation of the Notes — United States Taxation”.

Status of Notes:

The Senior Notes will constitute unsubordinated and unsecured obligations of the Issuer, and the Subordinated Notes will constitute subordinated and unsecured obligations of the Issuer, all as described in “Terms and Conditions of the Notes — Status of the Notes” and “Terms and Conditions of the Notes — Subordination”. No series of the Issuer’s subordinated debt securities (except for any junior subordinated indebtedness issued in connection with the issuance of securities by the Issuer’s capital trust subsidiaries) is subordinated to any other series of subordinated debt securities or to any other subordinated indebtedness of JPMorgan Chase referred to herein. However, due to the subordination provisions of the various series of subordinated indebtedness issued by the Issuer and its predecessor institutions, and, in particular the fact that some, but not all, of the Issuer’s outstanding subordinated indebtedness is subordinated in some circumstances to Derivative Obligations (or to the Issuer’s additional senior obligations or general obligations, as de-

financed in the relevant indentures), in the event of a dissolution, winding-up, liquidation or reorganization of the Issuer, holders of certain of the Issuer's subordinated debt securities referred to herein may recover less, ratably, than holders of some of the Issuer's other series of outstanding subordinated indebtedness and more ratably than holders of other series of the Issuer's outstanding subordinated indebtedness. See "Terms and Conditions of the Notes — Subordination".

The Notes are not savings accounts, deposits or other obligations of any bank or non-bank subsidiary of JPMorgan Chase and are not insured by the United States Federal Deposit Insurance Corporation, the Bank Insurance Fund or any other governmental agency or instrumentality.

Negative Pledge:

None.

Cross Default:

None.

Listing:

The Luxembourg Stock Exchange or as otherwise specified in the relevant Pricing Supplement. As specified in the relevant Pricing Supplement, a Series of Notes may also be unlisted. The proposed Directive of the European Parliament and of the Council on the harmonization of transparency requirements with regard to information about issuers whose securities are admitted to trading on a regulated market, the EU Transparency Directive, may be implemented in Luxembourg and other member states of the European Union in a manner that is unduly burdensome for the Issuer. In particular, the Issuer may be required to publish financial statements in the EU prepared in accordance with, or reconciled to, International Financial Reporting Standards. In such circumstances the Issuer may decide to seek an alternative listing for the Notes on a stock exchange outside the European Union.

Governing Law:

The Notes will be governed by and construed in accordance with the laws of the State of New York, United States of America.

Selling Restrictions:

United States, United Kingdom, Japan and such other restrictions as may be required in connection with a particular issue of Notes. See "Subscription and Sale".

JPMorgan Chase is a Category 2 issuer for the purposes of Regulation S under the Securities Act.

All Bearer and Exchangeable Bearer Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "D Rules").

CERTAIN INVESTMENT CONSIDERATIONS

The following section does not describe all of the risks and investment considerations (including those relating to each prospective investor's particular circumstances) with respect to an investment in the Notes. Prospective investors should consult their own financial, legal, tax and other professional advisors as to the risk and investment considerations arising from an investment in an issue of Notes, the appropriate resources to analyse such investment (in particular, to evaluate the sensitivity of such investment to changes in economic conditions, interest rates, exchange rates or other indices, and other factors which may have a bearing on the merits and risk of an investment), and the suitability of such investment to such investor's particular circumstances. Investors in the Notes should have knowledge of and access to appropriate analytical resources to analyse quantitatively the effect (or value) of any redemption, cap or floor, or certain other features of the Notes, and the resulting impact upon the value of the Notes. Words and expressions defined or used in "Terms and Conditions of the Notes" shall have the same meaning in this Section.

Structured Note Risks

An investment in Notes with principal or interest determined by reference to multiple interest rates, currencies (including exchange rates and swap indices between currencies or currency units), or other indices, either directly or inversely, entails significant risks not associated with an investment in a conventional fixed rate or floating rate debt security. Such risks may include, without limitation, the possibility that such index or indices may be subject to significant changes, that the resulting interest rate will be less than that payable on a conventional fixed rate or floating rate debt security issued by the Issuer at the same time or that no interest will be payable, that the repayment of principal can occur at times other than expected by the investor, and that the investor could lose all or a substantial portion of the principal of its Note (whether payable at maturity or upon redemption). Such risks may depend on a number of interrelated factors, including financial, economic and political events, over which the Issuer has no control. In addition, if the formula used to determine the amount of principal or interest payable with respect to a Note contains a leverage factor, the effect of any change in such index or indices will be magnified, while, if the formula contains a deleverage factor, the effect of any such change will be diminished. In recent years, certain interest rates and other indices have been highly volatile and such volatility may be expected to continue in the future. Fluctuations in any particular interest rate or other index that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur in the future.

Exchange Rate Risks and Exchange Controls

As described in this Offering Circular, Notes may be denominated or payable in one of a number of currencies. For investors whose financial activities are denominated principally in a currency (the "Investor's Currency") other than the Relevant Currency or where principal or interest on Notes is payable by reference to a Relevant Currency index other than an index relating to the Investor's Currency, an investment in the Notes entails significant risks that are not associated with a similar investment in a security denominated in that Investor's Currency. Such risks include, without limitation, the possibility of significant changes in the rate of exchange between the Relevant Currency and the Investor's Currency and the possibility of the imposition or modification of exchange controls by the country of the Relevant Currency or the Investor's Currency. Such risks generally depend on economic and political events over which the Issuer has no control. In recent years, rates of exchange have been highly volatile and such volatility may be expected to continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur in the future. Depreciation of the Relevant Currency against the Investor's Currency would result in a decrease in the Investor's Currency equivalent yield on a Note denominated in that Relevant Currency, in the Investor's Currency equivalent value of the principal payable at maturity of such Note and generally in the Investor's Currency equivalent market value of such Note. An appreciation of the Relevant Currency against the Investor's Currency would have the opposite effect. In addition, depending on the specific terms of a Note denominated in, or the payment of which is related to the value of, one or more foreign currencies, changes in exchange rates relating to any of the currencies involved may result in a decrease of such Note's effective yield and, in certain circumstances, could result in a loss of all or a substantial portion of the principal of a Note to the investor.

Governments have imposed from time to time, and may in the future impose or modify, exchange controls which could affect exchange rates as well as the availability of a specified foreign currency at the time of payment of principal of, premium, if any, or interest on a Note. Even if there are no actual exchange controls, it is possible that the Relevant Currency for any particular Note may not be available when payments on such Note are due.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be attached to each Global Note in temporary or permanent form or endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be attached to or endorsed on each Global Note, definitive Note or Certificate, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued by JPMorgan Chase pursuant to an Amended and Restated Agency Agreement dated April 7, 2004 (as amended or supplemented as at the Issue Date, the “Agency Agreement”) between the Issuer, JPMorgan Chase Bank, N.A., London branch, as initial issuing and paying agent, transfer agent and calculation agent and the registrars and other paying agents named therein. The issuing and paying agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “Agent”, the “Paying Agents” (which expression shall include the Agent), the “Registrar”, the “Transfer Agents” (which expression shall include the Registrar) and the “Calculation Agent(s)”. Copies of the Agency Agreement are available for inspection during usual business hours at the principal office of the Agent (presently at Trinity Tower, 9 Thomas More Street, London E1W 1YT) and at the specified offices of the Paying Agents and the Transfer Agents.

The Noteholders, the holders (the “Couponholders”) of the interest coupons (the “Coupons”) appertaining to interest-bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “Talons”), and the holders of the receipts for the payment of instalments of principal (the “Receipts”) relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement.

1. Form, Denomination and Title

The Notes are issued in bearer form (“Bearer Notes”, which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form (“Registered Notes”), or in bearer form exchangeable for Registered Notes (“Exchangeable Bearer Notes”), in each case in the Specified Currencies and Denomination(s) shown hereon.

All Registered Notes shall have the same Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Denomination as the lowest denomination of Exchangeable Bearer Notes.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes that do not bear interest, in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Any Bearer Note the principal amount of which is redeemable in instalments is issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“Certificates”), and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “Register”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “Noteholder” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “holder” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them in the Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Notes.

2. Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes

(a) Exchange of Exchangeable Bearer Notes:

Except as otherwise provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same aggregate principal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Receipts, Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 6(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination may not be exchanged for Bearer Notes of another Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes:

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of only part of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(c) Exercise of Options or Partial Redemption in Respect of Registered Notes:

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

(d) Delivery of New Certificates:

Each new Certificate to be issued pursuant to Conditions 2(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice or surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar.

(e) Exchange Free of Charge:

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

(f) Closed Periods:

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on (and including) the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 5(d), (iii) after any such Note has been called for redemption or

(iv) during the period of 7 days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

3. Status

(a) *General:*

The Notes are not savings accounts, deposits or other obligations of any bank or non-bank subsidiary of JPMorgan Chase and are not insured by the United States Federal Deposit Insurance Corporation, the Bank Insurance Fund or any other governmental agency or instrumentality.

(b) *Status of the Senior Notes:*

If the Notes are specified to be Senior Notes, the obligations of the Issuer under the Notes, Receipts and Coupons will constitute unsecured and unsubordinated obligations of the Issuer and shall at all times rank *pari passu*, and without any preference, with all other senior unsecured and unsubordinated obligations of the Issuer. The payment obligations of the Issuer under such Notes and the Receipts and Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future. Since the Issuer is a holding company, the right of the Issuer to participate as a shareholder in any distribution of assets of any subsidiary upon its liquidation or reorganisation or otherwise (and thus the ability of holders of the Subordinated Notes to benefit as creditors of the Issuer from such distribution) is subject to the prior claims of creditors of any such subsidiary.

(c) *Status of Subordinated Notes:*

(i) If the Notes are specified to be Subordinated Notes, the obligations of the Issuer under the Notes, Receipts and Coupons will be unsecured and will be subordinated in right of payment to all Senior Indebtedness (as defined in Condition 10(k)) of the Issuer and, in certain circumstances relating to the dissolution, winding-up, liquidation or reorganization of the Issuer, the Derivative Obligations (as defined in Condition 10(k)), whether outstanding as of this date or hereafter incurred. In addition, since the Issuer is a holding company, the right of the Issuer to participate as a shareholder in any distribution of assets of any subsidiary upon its liquidation or reorganisation or otherwise (and thus the ability of holders of the Subordinated Notes to benefit as creditors of the Issuer from such distribution) is subject to the prior claims of creditors of any such subsidiary. The Issuer and its subsidiaries are subject to claims by creditors for long-term and short-term debt obligations, including substantial obligations for federal funds purchased and securities sold under repurchase agreements, as well as deposit liabilities. There are also various legal limitations on the extent to which subsidiaries of the Issuer may pay dividends or otherwise supply funds to the Issuer.

The Pricing Supplement will set forth the aggregate amount of outstanding indebtedness as of the most recent practicable date that by the terms of such debt securities would be senior to the Subordinated Notes and will set forth any limitation on the issuance of such additional Senior Indebtedness of the Issuer.

(ii) No payment pursuant to the Subordinated Notes may be made and no holder of the Subordinated Notes or any Receipt or Coupon appertaining thereto shall be entitled to demand or receive any such payment (A) unless all amounts of principal, premium, if any, and interest then due on all Senior Indebtedness of the Issuer shall have been paid in full or duly provided for or (B) if, at the time of such payment or immediately after giving effect thereto, there shall exist with respect to any given Senior Indebtedness of the Issuer any event of default permitting the holders thereof to accelerate the maturity thereof or any event which, with notice or lapse of time or both, will become such an event of default.

(iii) *Limited Right of Acceleration:*

Unless otherwise specified in the Pricing Supplement relating to any series of Subordinated Notes, payment of principal of the Subordinated Notes may be accelerated only in the case of the bankruptcy or reorganization of the Issuer. There is no right of acceleration in the case of a default in the payment of principal of, premium, if any, or interest on the Subordinated Notes or the performance of any other covenant of the Issuer contained in the Terms and Conditions. In the event of a default in the payment of principal of, premium, if any, or interest, or the performance of any other covenant in the Terms and Conditions, Noteholders may, subject to certain limitations and conditions, seek to enforce payment of such principal, premium, or interest or the performance of such covenant.

See “Terms and Conditions of the Notes — Subordination” for additional terms of Subordinated Notes.

4. Interest and Other Calculations

(a) Interest Rate and Accrual:

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

(b) Business Day Convention:

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

(c) Interest Rate on Floating Rate Notes:

If the Interest Rate is specified as being Floating Rate, the Interest Rate for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of each Interest Accrual Period in accordance with the following:

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

(x) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or

(y) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page, in each case appearing on such Page at the Relevant Time on the Interest Determination Date;

(ii) if the Page specified in the Pricing Supplement as a Primary Source permanently ceases to quote the Relevant Rate(s) but such quotation(s) is/are available from another page, section or other part of such information service selected by the Calculation Agent (the "Replacement Page"), the Replacement Page shall be substituted as the Primary Source for Interest Rate Quotations, and if no Replacement Page exists but such quotation(s) is/are available from a page, section or other part of a different information service selected by the Calculation Agent and approved by the Issuer (the "Secondary Replacement Page"), the Secondary Replacement Page shall be substituted as the Primary Source for Interest Rate Quotations;

(iii) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (i) (x) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (i) (y) above applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Interest Rate shall be the arithmetic mean of the Relevant Rates quoted by each of the Reference Banks to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent;

(iv) if, at or about the Relevant Time on any Interest Determination Date where the Interest Rate is ultimately determined pursuant to paragraph (iii) above in respect of a Note, only two or three of such Reference Banks provide such quotations, the Interest Rate for the relevant Interest Accrual Period shall, subject as provided below, be determined as aforesaid on the basis of the Relevant Rates quoted by such Reference Banks;

(v) if paragraph (iii) above applies, and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Interest Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark specified in the Pricing Supplement) in respect of a Representative Amount of the Relevant Currency that at least two out of five leading banks in the principal financial centre of the country of the Relevant Currency or, if the Relevant Currency is euro, in the Euro-zone (as defined in Condition 4(i)), (the "Principal Financial Centre"), as selected by the Calculation Agent, are

quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (x) to leading banks carrying on business in the Euro-zone, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in the Euro-zone) (y) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Interest Rate shall be the Interest Rate determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Interest Rate applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period);

(vi) if paragraph (iv) above applies and the Calculation Agent is unable to determine the Interest Rate for an Interest Period in accordance with that paragraph, the Interest Rate for such Interest Accrual Period shall be the Interest Rate in effect for the last preceding Interest Accrual Period to which paragraphs (i) or (ii) above shall have applied (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Interest Rate applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(d) Interest Rate on Zero Coupon Notes:

Where a Note the Interest Rate of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Redemption Amount of such Note as determined in accordance with Condition 5(b). As from the Maturity Date, the Interest Rate for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 5(b)).

(e) Margins and Rate Multipliers, Maximum/Minimum Interest Rates, Instalment Amounts and Redemption Amounts and Rounding:

(i) If any Margin or Rate Multiplier is specified in the Pricing Supplement (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Interest Rates, in the case of (x), or the Interest Rates for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.

(ii) If any Maximum or Minimum Interest Rate, Instalment Amount or Redemption Amount is specified in the Pricing Supplement, then any Interest Rate, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified in the Pricing Supplement), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes “unit” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(f) Calculations:

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Interest Rate and the outstanding principal amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

(g) Determination and Publication of Interest Rates, Interest Amounts, Redemption Amounts and Instalment Amounts:

As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any Redemption Amount or Instalment Amount, obtain any quote or make any determination or calculation, the Calculation Agent shall determine the Interest Rate and calculate the amount of interest payable (the “Interest Amounts”), in respect of each Denomination of the Notes for the relevant Interest Accrual Period, calculate the Redemption Amount or

Instalment Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount or any Instalment Amount to be notified to the Issuer, the Agent, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination, but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(b), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition, but no publication of the Interest Rate or the Interest Amount so calculated need be made. The determination of each Interest Rate, Interest Amount, Redemption Amount and Instalment Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(h) Calculation Agent and Reference Banks:

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the Pricing Supplement and for so long as any Note is outstanding (as defined in the Agency Agreement). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such, or if the Calculation Agent fails duly to establish the Interest Rate for an Interest Period or to calculate any Interest Amount, Instalment Amount or the Redemption Amount or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(i) Definitions:

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means (i) in the case of a specified currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency; and/or

(ii) in the case of euro, a day (other than a Saturday or Sunday) on which the TARGET System (as defined below) is operating (a “TARGET Business Day”); and/or

(iii) in the case of a specified currency and/or one or more specified financial centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the specified currency in the specified principal financial centre(s) or, if none is specified, generally in each of the financial centres so specified.

“Business Day Convention”, in relation to any particular date, has the meaning given it in the relevant Pricing Supplement and, if so specified in the relevant Pricing Supplement, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

(i) “Following Business Day Convention” means that the relevant date shall be postponed to the first following day that is a Business Day;

(ii) “Modified Following Business Day Convention” or “Modified Business Day Convention” means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(iii) “Preceding Business Day Convention” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

(iv) “FRN Convention”, “Floating Rate Convention” or “Euroclear Convention” means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:

- (a) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
- (b) if any such date would otherwise fall in a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
- (c) if the preceding such date occurred in the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month in which the preceding such date occurred; and

(v) “No Adjustment” means that the relevant date shall not be adjusted in accordance with any Business Day Convention.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (whether or not constituting an Interest Period, the “Calculation Period”):

(i) if “Actual/365” or “Actual/Actual — ISDA” is specified in the Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if “Actual/365 (Fixed)” is specified in the Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

(iii) if “Actual/360” is specified in the Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

(iv) if “30/360”, “360/360” or “Bond Basis” is specified in the Pricing Supplement, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));

(v) if “30E/360” or “Eurobond Basis” is specified in the Pricing Supplement, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month); and

(vi) if “Actual/Actual — ISMA” is specified in the Pricing Supplement:

- (a) if the Interest Accrual Period is the same as or shorter than the Calculation Period during which it falls, the number of days in the Interest Accrual Period divided by (x) the number of days in such Calculation Period times (y) the Number of Calculation Periods; or
- (b) if the Accrual Period starts in one Calculation Period and ends in another, the sum of (A) the number of days in such Interest Accrual Period falling within the first Calculation Period divided by (x) the number of days in such first Calculation Period times (y) the Number of Calculation Periods and (B) the calculation in (A), but substituting “second Calculation Period” for “first Calculation Period”.

“Effective Date” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the Pricing Supplement or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

“Euro-zone” means the Member States of the European Union that are participating in the third stage of the EMU.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“Interest Commencement Date” means the Issue Date or such other date as may be specified in the Pricing Supplement.

“Interest Determination Date” means, with respect to an Interest Rate and Interest Accrual Period, the date specified as such in the Pricing Supplement or, if none is so specified, (i) the first day of such Interest Accrual Period if the Relevant Currency is sterling or (ii) the day falling two Business Days in London for the Relevant Currency prior to the first day of such Interest Accrual Period if the Relevant Currency is neither sterling nor euro or, (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Relevant Currency is euro.

“Interest Period” means the period beginning on (and including) the Interest Commencement Date 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.

“Interest Period Date” means each Interest Payment Date unless otherwise specified in the Pricing Supplement.

“Interest Rate” means the rate of interest payable from time to time in respect of a Note and that is either specified or calculated in accordance with the provisions in the Pricing Supplement.

“Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Moneyline Telerate Service (“Telerate”)) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

“Reference Banks” means the institutions specified as such in the Pricing Supplement or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark specified in the Pricing Supplement.

“Relevant Currency” means the currency specified in the Pricing Supplement or, if none is specified, the currency in which the Notes are denominated.

“Relevant Financial Centre” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the financial centre as may be specified as such in the Pricing Supplement or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected, which in the case of euro shall be a financial centre in the Euro-zone or, if none is so connected, London.

“Relevant Rate” means the Benchmark for a Representative Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

“Relevant Time” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the Pricing Supplement or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre.

“Representative Amount” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the amount specified as such in the Pricing Supplement or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

“Specified Duration” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the duration specified in the Pricing Supplement or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 4(b).

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer System.

5. Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption:

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 5 or unless the relevant Instalment Date (being one of the dates so specified in the Pricing Supplement) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 5(d) or (e), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the Pricing Supplement. The outstanding principal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the principal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(ii) Unless previously redeemed, purchased and cancelled as provided below or unless its maturity is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 5(d) or (e), each Note shall be finally redeemed on the Maturity Date specified in the Pricing Supplement at its Redemption Amount (which, unless otherwise provided in the Pricing Supplement, shall be equal to 100% of its principal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) Early Redemption of Zero Coupon Notes:

(i) The Redemption Amount payable in respect of any Note that does not bear interest prior to the Maturity Date, the Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(c), (d) or (e) or upon it becoming due and payable as provided in Condition 9 shall be the Amortised Face Amount (calculated as provided below) of such Note.

(ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the Pricing Supplement, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date), compounded annually. Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the Pricing Supplement.

(iii) If the Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(c), (d) or (e) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the reference therein to the date on which the Note becomes due and payable were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(d).

(c) Redemption for Taxation Reasons:

(i) The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders at their early redemption amount ("Early Redemption Amount"), which, unless otherwise provided in the Pricing Supplement, shall be equal to 100% of the outstanding principal amount of the Notes, together with interest accrued to the date fixed for redemption and Additional Amounts, if any, if the Issuer determines that (A) as a result of any change in, or amendment to, the laws affecting taxation (or any regulations or rulings promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the official application or interpretation of such laws, regulations or rulings, it has or will become obliged to pay Additional Amounts on the Notes as described under Condition 7 or (B) any action (including any of those specified in (A) above) has been taken by any taxing authority of, or any action has been brought in a court of competent jurisdiction in, the United States, whether or not such action was taken or brought with respect to the Issuer, or any change, amendment, application or interpretation shall be officially proposed on or after the Issue Date, which, in any such case, in the written opinion of independent legal counsel of recognised standing results in a substantial probability that the Issuer will be required to pay Additional Amounts on the Notes as described under Condition 7, and in the case of (A) or (B) above, such obligation cannot be avoided by the

Issuer taking reasonable measures available to it which do not require undue effort or expense. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Agent (1) a certificate of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (2) if applicable, the written opinion of independent legal counsel referred to above.

(ii) If the Issuer shall determine, based upon a written opinion of independent legal counsel of recognised standing, that any payment made outside the United States by the Issuer or any of its Paying Agents of principal or interest due in respect of any Bearer or Exchangeable Bearer Note, Receipt or Coupon would, under any present or future laws or regulations of the United States affecting taxation or otherwise, be subject to any certification, information or other reporting requirement of United States law or regulation with regard to the nationality, residence or identity of a beneficial owner of such Bearer or Exchangeable Bearer Note, Receipt or Coupon who is a United States Alien (other than such a requirement (A) which would not be applicable to a payment made by the Issuer or any one of its Paying Agents (1) directly to the beneficial owner or (2) to any custodian, nominee or other agent of the beneficial owner, or (B) that can be satisfied by such custodian, nominee or other agent or the holder of such Bearer or Exchangeable Bearer Note, Receipt or Coupon certifying that the beneficial owner is not a United States person, provided that, in any case referred to in clause (A) (2) or (B), payment by the custodian, nominee or agent to the beneficial owner is not otherwise subject to any such requirement referred to in this sentence, or (C) would not be applicable to a payment made by at least one other Paying Agent), the Issuer shall redeem the Notes, as a whole but not in part, at a redemption price equal to the Early Redemption Amount together, if appropriate, with accrued interest to, but excluding, the date fixed for redemption. The Issuer shall make such determination as soon as practicable after it becomes aware of an event that would give rise to such determination, and publish prompt notice (the "Tax Notice") in accordance with Condition 15 stating in the notice the effective date of such requirement and (if applicable) the date on which the redemption of the Notes shall, subject to the last sentence of this paragraph, take place, which date shall not be later than one year after the publication of the Tax Notice. Prior to the publication of any notice of redemption of the Notes pursuant to the foregoing, the Issuer shall deliver to the Agent the opinion of independent legal counsel referred to above, together with a certificate of the Issuer setting forth a statement of the facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred. Notwithstanding the foregoing, the Issuer shall not so redeem the Notes if the Issuer shall subsequently determine, based upon the written opinion of independent legal counsel of recognised standing, not less than 30 days prior to the date fixed for redemption, that subsequent payments on the Notes, Receipts or Coupons would not be subject to any such requirement, in which case the Issuer shall give prompt notice of such subsequent determination in accordance with Condition 15 not less than 15 days prior to the date fixed for redemption and any earlier redemption notice shall be revoked and of no further effect. The term "United States person" means a beneficial owner of a Note that for United States federal income tax purposes is a citizen or resident of the United States, a corporation or partnership created or organised in or under the laws of the United States or any political subdivision thereof or therein, an estate the income of which is subject to United States federal income taxation regardless of its source, or a trust if it is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or it has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

(iii) Notwithstanding Condition 5(c)(ii), if and so long as all certification, information or other reporting requirements referred to in Condition 5(c)(ii) would be fully satisfied by payment of a United States backup withholding tax or similar charge, the Issuer may elect, in the Tax Notice, to pay as Additional Amounts (regardless of Condition 7(a)(ii)) such amounts as may be necessary so that every net payment made following the effective date of such certification, information or reporting requirements outside the United States by the Issuer or any of its Paying Agents of principal or interest on any Bearer or Exchangeable Bearer Note, Receipt or Coupon of which the beneficial owner is a United States Alien (but without the necessity of satisfying such certification, information or other reporting requirement), after deduction or withholding for or on account of such backup withholding tax or similar charge (other than a tax which (A) would not be applicable in the circumstances referred to in the parenthetical phrase of the first sentence of Condition 5(c)(ii), (B) is imposed as a result of presentation of such Bearer or Exchangeable Bearer Note, Receipt or Coupon for payment more than 10 days after the date on which such payment becomes due and payable or on which payment thereof was duly provided for, whichever occurs later, or (C) is imposed as a result of the fact that the Issuer or any of its Paying Agents has actual knowledge that the beneficial owner of such Bearer or Exchangeable Bearer Note, Receipt or Coupon is within the category of persons described in clause (a) (i) or (b) of Condition 7), will not be less than the amount provided for in such Bearer or Exchangeable Bearer Note, such Receipt or such Coupon to be then due and payable. If the Issuer elects to pay such Additional

Amounts and as long as it is obligated to pay such Additional Amounts, the Issuer will have the right, subject to the provisions of the fourth sentence of Condition 5(c)(ii), at its sole option to redeem the Notes, as a whole, but not in part, at a redemption price equal to their Early Redemption Amount, together, if appropriate, with accrued interest to the date fixed for redemption including any Additional Amounts required to be paid under this paragraph.

(iv) In the case of a redemption under the circumstances as described in Condition 5(c)(ii) and 5(c)(iii), notice of redemption of the Notes shall be given in accordance with Condition 15, not less than 30 nor more than 60 days prior to the date fixed for redemption, all as provided in the Agency Agreement. Notice having been given, the Notes shall (except as otherwise provided in the fourth sentence of Condition 5(c)(ii)) become due and payable on the date fixed for redemption and (upon presentation and surrender thereof, together with all Receipts and Coupons, if any, maturing subsequent to the Redemption Date) will be paid at the Redemption Price, together with Additional Amounts, if any, and accrued interest to the date fixed for redemption at the place or places of payment and in the manner specified herein.

(d) Redemption at the Option of the Issuer and Exercise of Issuer's Options:

If so provided in the Pricing Supplement, the Issuer may, on giving irrevocable notice to the Noteholders falling within the Issuer's Option Period, redeem, or exercise any Issuer's option in relation to, all or, if so provided, some of the Notes in the principal amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount together with interest accrued to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of Subordinated Notes, no repayment of principal hereof, including but not limited to, a payment pursuant to the acceleration of maturity, may be made without the prior written approval of the United States Federal Reserve, if so then required under applicable capital guidelines or policies of the United States Federal Reserve.

In the case of a partial redemption or a partial exercise of the Issuer's option, the notice to Noteholders shall also contain the serial or certificate numbers of the Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn by lot in such place as the Agent may determine and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange requirements. So long as the Notes are listed on the Luxembourg Stock Exchange or any other stock exchange and the relevant stock exchange and/or competent authority so requires, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper of general circulation in Luxembourg or as specified by such other stock exchange, a notice specifying the aggregate principal amount of the Notes outstanding and a list of the Notes drawn for redemption but not surrendered.

(e) Redemption at the Option of Noteholders and Exercise of Noteholders' Options:

If so provided in the Pricing Supplement, the Issuer shall, at the option of the holder of any such Note, redeem such Note on the date or dates so provided at its Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option or any other Noteholders' option that may be set out in the Pricing Supplement, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("Exercise Notice"), in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' Option Period. No Note or Certificate so deposited and option exercised may be withdrawn without the prior consent of the Issuer, except that such Note or Certificate will be returned to the relevant Noteholder by the Paying Agent, the Registrar or Transfer Agent with which it has been deposited if, prior to the due date for its redemption or the exercise of the option, the Note becomes immediately due and payable or if upon due presentation payment of the redemption moneys is not made or exercise of the option is denied.

(f) Purchases:

The Issuer and any of its subsidiaries will have the right at any time and from time to time, to purchase Notes in any manner, on the open market or otherwise, at any price.

(g) Cancellation:

All Notes redeemed by the Issuer shall be, and all Notes purchased by or on behalf of the Issuer or any of its subsidiaries may, at the Issuer's discretion, be surrendered for cancellation (in the case of Bearer or Exchangeable Bearer Notes, by surrendering to the Agent each such Note together with all unmatured Receipts and Coupons and unexchanged Talons appertaining thereto, or, in the case of Registered Notes, by surrendering to the Registrar the Certificate representing such Notes). Any Notes (together with all unmatured Receipts, Coupons and unexchanged Talons) so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes, Receipts, Coupons and Talons shall be discharged.

6. Payments and Talons

(a) Bearer Notes:

Payments of principal and interest in respect of Bearer Notes and Exchangeable Bearer Notes that have not been exchanged shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(h)(vi)) or Coupons (in the case of interest, save as specified in Condition 6(h)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by transfer to an account denominated in that currency with, a bank in the Principal Financial Centre for that currency; provided, however, that (i) in the case of euro, the transfer may be to, or the cheque drawn on, a euro account (or any other account to which euro may be credited or transferred), specified by the payee, (ii) in the case of Japanese yen, the transfer shall be to a non-resident Japanese yen account with a foreign exchange bank, except as otherwise specified in the applicable Pricing Supplement, and (iii) payment will not be made either by mail to an address in the United States (as defined in Condition 7) or by transfer to an account maintained in the United States.

(b) Registered Notes:

(i) Payments of principal (which for the purposes of this Condition 6(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest (which for the purpose of this Condition 6(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "Record Date"). Payments of interest on each Registered Note shall be made in the currency in which such payments are due by cheque drawn on a bank in the Principal Financial Centre and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date and subject as provided in paragraph (a) above, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre of the country or countries of that currency.

(c) Payments in the United States:

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

(d) Conversion, Substitution or Redenomination of Currency:

Unless otherwise specified in the applicable Pricing Supplement, in the event that the relevant currency (the "national currency unit") for payment of the Notes and/or any Receipts or Coupons is converted into, or there is substituted for the national currency unit, another currency (the "new currency") pursuant to law having general and direct applicability in the country of the national currency unit (including, for the avoidance of doubt, European Community laws) ("Relevant Law"), any amount payable in respect of the Notes and/or any Receipts or Coupons shall, subject to the following sentence, be made in the new currency at the

conversion rate prescribed by Relevant Law at the time of such payment. If any such substitution or conversion occurs and, pursuant to Relevant Law, payments to be made under legal instruments stipulating the use of or denomination in a national currency unit may be performed in such country in either the national currency unit or in the new currency, the Issuer shall be entitled, at its option, to pay any amount payable in respect of the Notes and/or any Receipts or Coupons either in the national currency unit or in the new currency at the conversion rate prescribed by Relevant Law at the time of such payment. The occurrence or non-occurrence of a currency conversion, replacement or introduction of a type described in this paragraph or any payment in a new currency in accordance with the terms of this provision shall not (i) constitute a default of the Issuer's obligations under the Notes and/or any Receipts or Coupons, (ii) require any consent of any party or be deemed to be a modification or amendment of the terms or provisions of the Notes and/or any Receipts or Coupons by the Issuer requiring any such consent, (iii) entitle the Issuer to avoid its obligations under the Notes and/or any receipts or Coupons or (iv) entitle the Issuer or any holder of a Note and/or any Receipt or Coupon to rescission of the purchase and sale thereof or to reformation of any of the terms or provisions thereof on the grounds of impossibility or impracticability of performance, frustration of purpose or otherwise. Further, in the event of an official redenomination with respect to the national currency unit for payment of the relevant Notes and/or any Receipts or Coupons by the government of the country of the national currency unit, the obligations of the Issuer with respect to payment on the Notes and/or any Receipts or Coupons in such redenominated currency shall, in all cases, be adjusted to equal an amount of redenominated currency thereafter representing the amount of such obligations in the national currency unit immediately before such redenomination. Any payment made in accordance with the foregoing shall be a complete discharge of the Issuer's payment obligations in respect of the amount of the national currency unit which has been paid in the new currency or in the new denomination. The Agent will give prompt notice to the holders of the Notes of any such redenomination, conversion or replacement in accordance with Condition 15.

(e) Impositions of Exchange Controls:

If the Issuer, after consultation with the Agent, reasonably determines that a payment on the Notes, Receipts or Coupons cannot be made in the Relevant Currency due to restrictions imposed by the government of such currency or any agency or instrumentality thereof or any monetary authority in such country (other than as contemplated in the preceding paragraph *(d)*), such payment will be made outside the United States in U.S. dollars by a cheque drawn on, or by credit or transfer to an account maintained by the holder with a bank located outside the United States. The Agent shall give prompt notice to the holders of the Notes if such a determination is made. The amount of U.S. dollars to be paid with respect to any such payment shall be the amount of U.S. dollars that could be purchased by the Agent with the amount of the Relevant Currency payable on the date the payment is due, at the rate for sale in financial transactions of U.S. dollars (for delivery in the Principal Financial Centre of the Relevant Currency two Business Days later) quoted by such bank at 10:00 a.m. local time in the principal financial centre of the Relevant Currency, on the second Business Day prior to the date the payment is due.

(f) Payments Subject to Fiscal Laws:

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(g) Appointment of Agents:

The Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent currently appointed under the Programme and their respective specified offices are listed on the back page of this Offering Circular. The Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with the holder of any Note, Coupon or Receipt. The Issuer reserves the right at any time to vary or terminate the appointment of the Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Agent, (ii) a Registrar (so long as there are Registered Notes outstanding), (iii) a Transfer Agent (so long as there are Registered Notes outstanding), (iv) so long as any Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, a Paying Agent and Transfer Agent having a specified office in Luxembourg or such other place, (v) a Paying Agent (which may be the Agent) with a specified office in a leading financial centre in Europe and (vi) such other agents in such city as may be required by the rules of any other Stock Exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 15.

(h) Unmatured Coupons and Receipts and Unexchanged Talons:

(i) Unless the Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Bearer Notes should be surrendered for payment together with all unmatured Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Redemption Amount due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

(ii) If the Notes so provide, upon the due date for redemption of any Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

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

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

(vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Zero Coupon Note in accordance with Condition 4(d) shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(i) Talons:

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).

(j) Non-Business Days:

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "business day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "Business Day Jurisdictions" in the Pricing Supplement and:

(i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of a payment in euro) which is a TARGET Business Day and banks are open for business and carrying out transactions in euro in the jurisdiction in which the euro account specified by the payee is located.

7. Taxation

All payments of principal and interest on the Notes, Receipts or Coupons will be made without deduction or withholding for or on account of any present or future tax, assessment or other governmental charge, of

whatever nature, imposed or levied by or within the United States or by or within any political subdivision or taxing authority thereof or therein, except as required by law. The Issuer will, subject to certain limitations and exceptions set forth below, pay to a Noteholder, Receiptholder or Couponholder who is a United States Alien (as defined below) such additional amounts (“Additional Amounts”) as may be necessary so that every net payment by the Issuer or any of its Paying Agents of principal or interest with respect to the Notes, Receipts or Coupons after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon such Noteholder, Receiptholder or Couponholder, or as a result of such payment by or within the United States (as defined below) (or any political subdivision or taxing authority thereof or therein), will not be less than the amount provided for in such Notes, Receipts or Coupons to be then due and payable. However, the Issuer will not be required to make any payment of Additional Amounts for or on account of:

(a) any tax, assessment or other governmental charge which would not have been so imposed but for (i) the existence of any present or former connection between such holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such holder, if such holder is an estate, a trust, a partnership or a corporation) and the United States, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) being or having been present therein, being or having been a citizen or resident thereof, being or having been engaged in a trade or business therein or having or having had a permanent establishment therein, (ii) the failure of such holder to comply with any certification, identification or information reporting requirements under the income tax laws and regulations of the United States, without regard to any tax treaty, or any political subdivision or taxing authority thereof or therein to establish entitlement to an exemption from withholding as a United States Alien or (iii) the presentation of a Note or Coupon for payment on a date more than 10 days after the Relevant Date or the date on which such payment is duly provided for, whichever occurs later;

(b) any withholding or deduction imposed on a payment to an individual and required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26th-27th November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(c) a holder who would have been able to avoid such withholding or deduction:

(i) by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union; or

(ii) by satisfying any statutory or procedural requirements including, without limitation, the provision of information;

(d) any estate, inheritance, gift, sales, transfer, personal property, or any similar tax, assessment or governmental charge;

(e) any tax, assessment or other governmental charge which is payable other than by withholding from payments of principal of or interest on such Note, Receipt or Coupon;

(f) any tax, assessment or other governmental charge imposed by reason of such holder’s past or present status as a personal holding company, private foundation or other tax exempt organisation, passive foreign investment company, foreign personal holding company or controlled foreign corporation with respect to the United States or as a corporation that accumulates earnings to avoid United States federal income tax;

(g) any tax, assessment or other governmental charge which is required to be withheld by any Paying Agent from payments of principal of or interest on any Note, if such payment can be made without such withholding by at least one other Paying Agent;

(h) any tax, assessment or other governmental charge imposed by reason of such holder’s past or present status as the actual or constructive owner of 10% or more of the total combined voting power of all classes of stock of the Issuer entitled to vote; or

(i) any combination of items (a), (b), (c), (d), (e), (f), (g) or (h)

nor shall Additional Amounts be paid with respect to a payment of principal of or interest on any Note, Receipt or Coupon to a holder that is not the beneficial owner of such Note, Receipt or Coupon to the extent that the beneficial owner thereof would not have been entitled to the payment of such Additional Amounts had such beneficial owner been the holder of such Note, Receipt or Coupon.

As used in these Conditions, the term “United States” means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction; the term “United States Alien” means any person who is, for United States federal income tax purposes, as to

the United States: (i) a foreign corporation; (ii) a foreign partnership any member of which is, as to the United States, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust; (iii) a non-resident alien individual; or (iv) a non-resident alien fiduciary of a foreign estate or trust.

As used in these Conditions, the term “Relevant Date” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any Additional Amounts that may be payable under this Condition.

8. Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

9. Events of Default

If one or more of the following events (herein referred to as “Events of Default”) shall have occurred and be continuing:

(a) failure on the part of the Issuer to pay when due the principal of any of the Notes as and when the same shall become due and payable, whether at maturity, upon redemption or otherwise;

(b) failure on the part of the Issuer to pay when due any instalment of interest or any Additional Amounts upon any Notes as and when the same shall become due and payable, and such failure shall have continued for a period of 30 days;

(c) failure on the part of the Issuer duly to observe or perform in any material respect any other term, covenant or agreement on its part contained in the Notes or the Agency Agreement for a period of 90 days after the date on which written notice of such failure requiring the Issuer to remedy the same shall have been given to the Issuer and the Agent by the holders of not less than 10% in aggregate principal amount of the Notes then outstanding;

(d) a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Issuer in an involuntary case under any applicable United States Federal or State bankruptcy, insolvency or other similar law now or hereafter in effect, and such decree or order shall remain unstayed and in effect for a period of 90 consecutive days; or

(e) the Issuer shall commence a voluntary case under any applicable United States Federal or State bankruptcy, insolvency or other similar law now or hereafter in effect or consent to the entry of an order for relief in an involuntary case under any such law;

then each Noteholder, at its option, may give written notice to the Issuer and the Agent declaring that any Notes held by such Noteholder are due and payable immediately upon the date written notice thereof is received by the Issuer, and unless all such defaults shall have been cured by the Issuer or waived prior to receipt of such written notice, such Notes shall become and be immediately due and payable. Notwithstanding the foregoing, Subordinated Notes may only be accelerated in the events specified in subclauses (d) or (e) above. The amount payable in respect of the Notes upon an Event of Default shall be an amount equal to their Redemption Amount, any Additional Amounts and all unpaid interest accrued to such date.

10. Subordination

(a) The Issuer, for itself, its successors and assigns, covenants and agrees, and each holder of Subordinated Notes likewise covenants and agrees, that any payment of principal of and interest (including Additional Amounts) on each and all of the Subordinated Notes is hereby expressly subordinated, to the extent and in the manner hereinafter set forth, to the prior payment in full of Senior Indebtedness of the Issuer and, under the circumstances described in 10(c), all rights of creditors in respect of Derivative Obligations.

References to Subordinated Notes in this Condition 10 shall also be references to any Coupons or Receipts which attach, appertain or otherwise correspond to such Subordinated Notes.

(b) No payment of principal of or interest (including Additional Amounts) on the Subordinated Notes shall be made and no holders of the Subordinated Notes shall be entitled to demand or receive any such payment (i) unless all amounts then due for principal of, premium, if any, and interest (including interest accruing subsequent to the commencement of any proceeding for the bankruptcy or reorganisation of the Issuer under any applicable bankruptcy, insolvency or similar law now or hereafter in effect) on all Senior Indebtedness of the Issuer have been paid in full or duly provided for, or (ii) if, at the time of such payment or immediately after giving effect thereto, there shall exist with respect to any such Senior Indebtedness any event of default permitting the holders thereof to accelerate the maturity thereof or any event which, with notice or lapse of time or both, would become such an event of default.

(c) (i) Upon any distribution of the assets of the Issuer in connection with dissolution, winding up, liquidation or reorganisation of the Issuer (whether in bankruptcy, insolvency or receivership proceedings or upon an assignment for the benefit of creditors or any other marshalling of the assets and liabilities of the Issuer or otherwise), the holders of Senior Indebtedness of the Issuer shall first be entitled to receive payment in full in accordance with the terms of such Senior Indebtedness of the principal thereof, premium, if any, and the interest due thereon (including interest accruing subsequent to the commencement of any proceedings for the bankruptcy or reorganisation of the Issuer under any applicable bankruptcy, insolvency or similar law now or hereafter in effect) before the holders of the Subordinated Notes are entitled to receive any payment of the principal thereof or interest (including Additional Amounts) thereon; and, upon any such dissolution, winding up, liquidation or reorganisation, any payment or distribution of assets of the Issuer of any kind or character, whether in cash, property or securities to which the holders of the Subordinated Notes would be entitled except for the provisions of this Condition 10, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of the Issuer being subordinated to the payment of the Subordinated Notes, shall be made by the liquidating trustee or agent or other person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or otherwise, directly to the holders of Senior Indebtedness of the Issuer or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued, rateably according to the aggregate amounts remaining unpaid on account of the principal of and premium, if any, and interest (including interest accrued subsequent to the commencement of any proceeding for the bankruptcy or reorganisation of the Issuer under any applicable bankruptcy, insolvency or similar law now or hereafter in effect) on the Senior Indebtedness of the Issuer held or represented by each, to the extent necessary to pay in full all such Senior Indebtedness remaining unpaid, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness.

(ii) In the event that, notwithstanding the foregoing, upon any such dissolution, winding up, liquidation or reorganisation, any payment or distribution of assets of the Issuer of any kind or character, whether in cash, property or securities, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of the Issuer being subordinated to the payment of the Subordinated Notes and interest coupons, shall be received by the holders of the Subordinated Notes before all Senior Indebtedness of the Issuer is paid in full, such payment or distribution shall be held in trust for the benefit of and shall be paid over to the holders of such Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued, rateably as aforesaid for application to the payment of all Senior Indebtedness of the Issuer remaining unpaid until all such Senior Indebtedness shall have been paid in full, after giving effect to any concurrent payment or distribution to the holder of such Senior Indebtedness.

(iii) Subject to the payment in full of all Senior Indebtedness of the Issuer, the holders of the Subordinated Notes shall be subrogated (equally and rateably with the holders of all indebtedness of the Issuer which by its express terms is subordinated to indebtedness of the Issuer to substantially the same extent as the Subordinated Notes are subordinated and which is entitled to like rights of subrogation) to the rights of the holders of such Senior Indebtedness to receive payments or distributions of assets of the Issuer applicable to such Senior Indebtedness until the Subordinated Notes and interest coupons shall be paid in full and none of the payments or distributions to the holders of such Senior Indebtedness to which the holders of the Subordinated Notes would be entitled except for the provisions of this Condition 10 or of payments over, pursuant to the provisions of this Condition 10, to the holders of such Senior Indebtedness by the holders of the Subordinated Notes shall, as between the Issuer and its creditors other than the holders of such Senior Indebtedness and the holders of the Subordinated Notes, be deemed to be a payment by the Issuer to or on account of such Senior Indebtedness; it being understood that the provisions of this Condition 10 are and are

intended solely for the purpose of defining the relative rights of the holders of the Subordinated Notes, on the one hand, and the holders of the Senior Indebtedness of the Issuer (and, in the case of Condition 10(j) below, creditors in respect of Derivative Obligations), on the other hand.

(iv) The Issuer shall give prompt written notice by publication pursuant to Condition 15 hereof of any dissolution, winding up, liquidation or reorganisation of the Issuer within the meaning of this Condition 10. The Agent shall be entitled to assume that no such event has occurred unless the Issuer or any one or more holders of the Senior Indebtedness of the Issuer or any trustee therefor or any creditors in respect of Derivative Obligations has given written notice thereof to the Agent at its Global Trust and Agency Services office. Upon any distribution of assets of the Issuer referred to in this Condition 10, the holders of the Subordinated Notes shall be entitled to rely upon any order or decree of a court of competent jurisdiction in which such dissolution, winding up, liquidation or reorganisation proceedings are pending for the purpose of ascertaining the persons entitled to participate in such distribution, the holders of the Senior Indebtedness of the Issuer, the creditors in respect of Derivative Obligations, the amounts thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Condition 10, and the holders of the Subordinated Notes shall be entitled to rely upon a certificate of the liquidating trustee or agent or other person making any distribution to the holders of the Subordinated Notes for the purpose of ascertaining the persons entitled to participate in such distribution, the holders of the Senior Indebtedness of the Issuer, the creditors in respect of Derivative Obligations, the amounts thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Condition 10.

(d) Nothing contained in this Condition 10 or elsewhere in the Subordinated Notes is intended to or shall impair as between the Issuer and the holders of the Subordinated Notes, the obligation of the Issuer, which is absolute and unconditional (and which, subject to the rights under this paragraph of the holders of the Senior Indebtedness and the rights under Condition 10(j) below of creditors in respect of Derivative Obligations, is intended to rank *pari passu* with all other general obligations of the Issuer) to pay to the holders of the Subordinated Notes the principal of and interest (including Additional Amounts and interest accruing subsequent to the commencement of any proceeding for the bankruptcy or reorganisation of the Issuer under any applicable bankruptcy, insolvency or similar law now or hereafter in effect) on the Subordinated Notes as and when the same shall become due and payable in accordance with the terms thereof, or is intended to or shall affect the relative rights of the holders of the Subordinated Notes and creditors of the Issuer other than the holders of the Senior Indebtedness of the Issuer and creditors in respect of Derivative Obligations of the Issuer, nor shall anything herein or therein prevent any holder of Subordinated Notes from exercising all remedies otherwise permitted by applicable law upon default under the Terms and Conditions of the Subordinated Notes, subject to the rights, if any, under this Condition 10 of the holders of the Senior Indebtedness of the Issuer, and under Condition 10(j) below of creditors in respect of Derivative Obligations of the Issuer, in respect of cash, property or securities of the Issuer received upon the exercise of any such remedy.

(e) Notwithstanding any of the provisions of this Condition 10, the Agent shall not at any time be charged with knowledge of the existence of any facts which would prohibit the making of any payment of moneys to or by the Agent, unless and until the Agent shall have received at its Global Trust and Agency Services office written notice thereof from the Issuer or from one or more holders of the Senior Indebtedness of the Issuer or from any trustee therefor or from any creditor in respect of Derivative Obligations who shall have been certified by the Issuer or otherwise established to the reasonable satisfaction of the Agent to be such a holder, trustee or creditor, and, prior to the receipt of any such written notice, the Agent shall be entitled in all respects to assume that no such facts exist; provided that, if prior to the fifth Business Day preceding the date upon which by the terms hereof any such moneys may become payable for any purpose, the Agent shall not have received with respect to such moneys the notice provided for in this paragraph, then, anything herein contained to the contrary notwithstanding, the Agent may receive such moneys and apply the same to the purpose for which they were received, and shall not be affected by any notice to the contrary which may be received by it on or after such date; *provided, however*, that no such application shall affect the obligations under this paragraph of the persons receiving such moneys from the Agent. In any case, the Agent shall have no responsibility to holders of the Senior Indebtedness or creditors in respect of Derivative Obligations for payments made to holders of the Subordinated Notes by the Issuer or any Paying Agent.

(f) Any deposit of moneys by the Issuer with the Agent or any other Paying Agent for the payment of the principal except as provided in Condition 10(e), shall be subject to the provisions of Condition 10(a), (b), (c), (d) and (j).

(g) No right of any present or future holders of any Senior Indebtedness of the Issuer or creditors in respect of Derivative Obligations to enforce subordination as herein provided shall at any time in any way be

prejudiced or impaired by any act or failure to act, in good faith, by any such holder or creditor, or by any non-compliance by the Issuer with the provisions hereof, regardless of any knowledge thereof which any such holder or creditor may have or be otherwise charged with. The holders of the Senior Indebtedness of the Issuer and the creditors in respect of Derivative Obligations may at any time or from time to time and in their absolute discretion, change the manner, place or terms of payment, change or extend the time of payment of, or renew or alter, any such Senior Indebtedness or Derivative Obligations, or amend or supplement any instrument pursuant to which any such Senior Indebtedness or Derivative Obligation is issued or by which it may be secured, or release any security therefor, or exercise or refrain from exercising any other of their rights under the Senior Indebtedness or Derivative Obligations including, without limitation, the waiver of default thereunder, all without notice to or assent from the holders of the Subordinated Notes and without affecting the obligations of the Issuer to the holders of the Subordinated Notes under this Condition 10.

(h) If, in the event of any dissolution, winding up, liquidation or reorganisation of the Issuer (whether in bankruptcy, insolvency or receivership proceedings or upon an assignment for the benefit of creditors or otherwise) tending toward liquidation of the business and assets of the Issuer, a proper claim or proof of debt in the form required in such proceeding is not filed by all of the holders of the Subordinated Notes prior to 30 days before the expiration of the time to file such claim or claims, and is not filed by the Agent pursuant to the authority granted pursuant to the provisions contained herein prior to 15 days before such expiration, then the holder or holders of the Senior Indebtedness and creditors in respect of Derivative Obligations are thereby authorised to, and have the right to, file an appropriate claim for and on behalf of the holders of the Subordinated Notes in the form required in any such proceeding.

(i) The failure to make a payment pursuant to the Subordinated Notes by reason of any provision in this Condition 10 shall not be construed as preventing the occurrence of any Event of Default under sub-clauses (d) or (e) of Condition 9.

(j) (i) Subject to the provisions of this paragraph, the Subordinated Notes shall rank *pari passu* in right of payment with the Issuer Subordinated Indebtedness.

(ii) Upon the occurrence of any of the events specified in Condition 10(c) herein, the provisions of that Condition 10(c) and the corresponding provisions of each indenture or other instrument or document establishing or governing the terms of any indebtedness of the Issuer which by its terms is subordinated to indebtedness of the Issuer substantially to the same extent as the Subordinated Notes, shall be given effect to determine the amount of cash, property or securities which may be payable or deliverable as between the holders of the Senior Indebtedness, on the one hand, and the holders of such other subordinated indebtedness on the other hand.

(iii) If, after giving such effect to the provisions of Condition 10(c) herein, and the respective corresponding provisions of each indenture or other instrument or document establishing or governing the terms of any indebtedness of the Issuer which by its terms is subordinated to indebtedness of the Issuer substantially to the same extent as the Subordinated Notes, any amount of cash, property or securities shall be available for payment or distribution in respect of the Subordinated Notes (“Excess Proceeds”), and any creditors in respect of Derivative Obligations shall not have received payment in full of all amounts due or to become due on or in respect of such Derivative Obligations (and provision shall not have been made for such payment in money or money’s worth), then such Excess Proceeds shall first be applied (rateably with any amount of cash, property or securities available for payment or distribution in respect of any other indebtedness of the Issuer that by its express terms provides for the payment over of amounts corresponding to Excess Proceeds to creditors in respect of Derivative Obligations) to pay or provide for the payment of the Derivative Obligations remaining unpaid, to the extent necessary to pay all Derivative Obligations in full, after giving effect to any concurrent payment or distribution to or for creditors in respect of Derivative Obligations. Any Excess Proceeds remaining after the payment (or provision for payment) in full of all Derivative Obligations shall be available for payment or distribution in respect of the Subordinated Notes.

(iv) In the event that, notwithstanding the foregoing provisions of Condition 10(j) (iii) herein, the Agent or holder of any Note shall, in the circumstances contemplated by such Condition 10(j) (iii), have received any payment or distribution of assets of the Issuer of any kind or character, whether in cash, property or securities, before all Derivative Obligations are paid in full or payment thereof duly provided for, and if such fact shall, at or prior to the time of such payment or distribution, have been made known to the Agent or, as the case may be, such holder, then and in such event, subject to any obligation that the Agent or such holder may have pursuant to Condition 10(c) herein, such payment or distribution shall be paid over or delivered forthwith to the trustee in bankruptcy, receiver, liquidating trustee, custodian, assignee, agent or other person making payment or distribution of assets of the Issuer for payment in accordance with Condition 10(j) (iii) herein.

(v) Subject to the payment in full of all Derivative Obligations, the holders of the Subordinated Notes shall be subrogated (equally and rateably with the holders of all indebtedness of the Issuer that by its express terms provides for the payment over of amounts corresponding to Excess Proceeds to creditors in respect of Derivative Obligations and is entitled to like rights of subrogation) to the rights of the creditors in respect of Derivative Obligations to receive payments and distributions of cash, property and securities applicable to the Derivative Obligations until the principal of and interest on the Subordinated Notes shall be paid in full. For purposes of such subrogation, no payments or distributions to creditors in respect of Derivative Obligations of any cash, property or securities to which holders of the Subordinated Notes or the Agent would be entitled except for the provisions of this Condition 10(j) to the creditors in respect of Derivative Obligations by holders of the Subordinated Notes or the Agent, shall, as among the Issuer, its creditors other than creditors in respect of Derivative Obligations and the holders of the Subordinated Notes be deemed to be a payment or distribution by the Issuer to or on account of the Derivative Obligations.

(vi) The provisions of sections (iii), (iv), and (v) of this Condition 10(j) are and are intended solely for the purpose of defining the relative rights of the holders of the Subordinated Notes, on the one hand, and the creditors in respect of Derivative Obligations, on the other hand, after giving effect to the rights of the holders of the Senior Indebtedness, as provided in this Condition 10. Nothing contained in sections (iii), (iv), (v) and (vi) of this Condition 10(j) is intended to or shall affect the relative rights against the Issuer of the holders of the Subordinated Notes and (1) the holders of the Senior Indebtedness or (2) other creditors of the Issuer other than creditors in respect of Derivative Obligations.

(k) *Definitions:*

“Senior Indebtedness” of the Issuer is defined as the principal of, premium, if any, and interest on (a) all indebtedness of JPMorgan Chase for money borrowed, whether outstanding on the date hereof or thereafter created, assumed or incurred, except for (A) Issuer Subordinated Indebtedness, (B) Assumed Chase Subordinated Indebtedness, (C) Assumed JPM Subordinated Indebtedness, (D) Assumed Bank One Subordinated Indebtedness, and (E) such other indebtedness as is by its terms expressly stated to be junior in right of payment to, or to rank *pari passu* with, any of the foregoing referred to in (A) through (D) or any other indebtedness ranking junior to, or *pari passu* with, such foregoing indebtedness (including, without limitation, the junior subordinated obligations of the Issuer in respect of capital securities) and (b) any deferrals, renewals or extensions of any such Senior Indebtedness.

The term “Indebtedness of JPMorgan Chase for money borrowed” as used in the foregoing paragraph shall mean any obligation of, or any obligation guaranteed by, the Issuer for the repayment of borrowed money, whether or not evidenced by bonds, debentures, notes or other written instruments, and any deferred obligation for the payment of the purchase price of property or assets.

“Derivative Obligations” of the Issuer means obligations of JPMorgan Chase whether outstanding on the date hereof or thereafter created, assumed or incurred to make payments on claims in respect of derivative products such as interest and foreign exchange rate contracts, commodity contracts and similar arrangements; provided, however, that Derivative Obligations do not include claims in respect of Senior Indebtedness or obligations which, by their terms, are expressly stated not to be superior in right of payment to the Subordinated Notes or to rank *pari passu* with the Subordinated Notes. For purposes of this definition, “claim” has the meaning assigned thereto in Section 101(4) of the United States Bankruptcy Code of 1978, as amended and in effect on the date of the Subordinated Indenture.

“Issuer Subordinated Indebtedness” means debt securities (i) issued under an Indenture, as amended and restated as of December 15, 1992 between the Issuer and U.S. Bank Trust National Association, as trustee and (ii) issued by the Issuer on or after December 15, 1992.

“Assumed Chase Subordinated Indebtedness” means all outstanding subordinated indebtedness assumed by the Issuer as a result of its merger with The Chase Manhattan Corporation on March 31, 1996.

“Assumed JPM Subordinated Indebtedness” means all outstanding subordinated indebtedness assumed by the Issuer as a result of its merger with J.P. Morgan & Co. Incorporated (“J.P. Morgan”), on December 31, 2000 which were issued by J.P. Morgan on or after March 31, 1993.

“Assumed Bank One Subordinated Indebtedness” means all outstanding subordinated indebtedness assumed by the Issuer as a result of its merger with Bank One Corporation, on July 1, 2004.

11. Consolidation or Merger

(a) The Issuer will not merge or consolidate with, or sell or convey all or substantially all of its assets to any other corporation, unless (i) either (A) the Issuer shall be the surviving corporation in the case of a merger or

(B) the surviving, resulting or transferee corporation (the “successor corporation”) (I) shall be a United States corporation or, if not a United States corporation, shall agree to indemnify such holder of Notes, Receipts or Coupons against any tax, assessment or governmental charge thereafter imposed on or as a result of payments to each holder as a consequence of such consolidation, merger, sale or conveyance and (II) shall expressly assume the due and punctual payment of the principal of and interest (including Additional Amounts, if any, that may result due to withholding by any authority having the power to tax to which the Issuer’s successor corporation is or may be subject) on all the Notes, according to their tenor, and the due and punctual performance of all of the covenants and obligations of the Issuer under the Notes, Receipts and Coupons and Agency Agreement, by supplemental agreement satisfactory to the Agent, and (ii) the Issuer or such successor corporation, as the case may be, shall not, immediately after such merger, consolidation, sale or conveyance, be in default in the performance of any covenants or obligations, of the Issuer under the Notes, Certificates, Receipts, Coupons or Agency Agreement.

(b) Upon any merger, consolidation, sale or conveyance as provided in paragraph (a) above, the successor corporation shall succeed to and be substituted for, and may exercise every right and power of and be subject to all the obligations of, the Issuer under the Notes, Certificates, Receipts, Coupons, and Agency Agreement, with the same effect as if the successor corporation had been named as the Issuer therein and herein and the Issuer shall be released from its liability as obligor under the Notes, Certificates, Receipts, Coupons, and Agency Agreement; provided that any successor corporation shall have the right to redeem the Notes pursuant to Condition 5(c) only as a result of circumstances which occur subsequent to such merger, consolidation, sale or conveyance and as a result of which the Issuer would have had such right if the Issuer had remained the obligor on the Notes, Certificates, Receipts and Coupons.

12. Modifications and Waivers; Noteholders’ Meetings.

(a) Modifications:

Certain modifications and amendments to the Agency Agreement and to these Terms and Conditions may be made without the consent of the holder of any Note or interest coupon in accordance with Section 29 of the Agency Agreement, including for the purpose of curing any ambiguity, or of correcting or supplementing any defective provisions contained therein, adding covenants for the benefit of holders of the Notes, Receipts and Coupons, surrendering rights or powers conferred on the Issuer, effecting succession or assumption as a result of a merger or similar transaction, or in any other manner which the Issuer and the Agent may deem necessary or desirable and which will not materially adversely affect the interest of the holders of the Notes, Receipts or Coupons.

In addition, modifications and amendments to the Agency Agreement and to these Terms and Conditions may be made, and past defaults by the Issuer may be waived, with the written consent of the holders of at least a majority in aggregate principal amount of the Notes at the time outstanding, or of such lesser percentage as may act at a meeting of holders of the Notes held in accordance with the Agency Agreement; provided that, in no event may the Issuer, without the written consent or the affirmative notice of the holder of each outstanding Note affected thereby,

- (i) extend the stated maturity of the principal of or any instalment of interest on any such Note,
- (ii) reduce the principal amount or redemption price of, or interest on, any such Note;
- (iii) change the obligation of the Issuer to pay Additional Amounts;
- (iv) change the currency of payment of such Note or interest thereon;
- (v) impair the right to institute suit for the enforcement of any such payment on or with respect to any such Note;
- (vi) reduce the percentage in aggregate principal amount of Notes outstanding necessary to modify or amend the Agency Agreement or to waive any past default; or
- (vii) reduce the voting or quorum requirements or the percentage of aggregate principal amount of Notes outstanding required to take any other action authorised to be taken by the holders of a specified principal amount of Notes.

Any modifications, amendments or waivers to the Agency Agreement or to these Terms and Conditions will be conclusive and binding on all holders of the Notes, Receipts and Coupons, whether or not they have given such consent or were present at such meeting, and on all future holders of Notes, Receipts and Coupons, whether or not notation of such modifications, amendments or waivers is made upon the Notes, Receipts or Coupons. Any instrument given by or on behalf of any holder of a Note in connection with any consent to any

such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent holders of such Note and any Receipts or Coupons appertaining thereto.

(b) Meetings:

The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters affecting their interests, including the modification of any of these Conditions or any provisions of the Agency Agreement. Such a meeting may be convened by the Issuer. At a meeting of the holders of the Notes for the purpose of approving a modification or amendment to, or obtaining a waiver of, any covenant or condition set forth in the Notes or the Agency Agreement, persons entitled to vote a majority in aggregate principal amount of the Notes at the time outstanding shall constitute a quorum. In the absence of a quorum at any such meeting, within 30 minutes of the time appointed for such meeting, the meeting may be adjourned for a period of not less than ten days; in the absence of a quorum at any such adjourned meeting, such adjourned meeting may be further adjourned for a period of not less than ten days; at the reconvening of any meeting further adjourned for lack of a quorum, the persons entitled to vote 25% in aggregate principal amount of the Notes at the time outstanding shall constitute a quorum for the taking of any action set forth in the notice of the original meeting. At a meeting or an adjourned meeting duly convened and at which a quorum is present as aforesaid, any resolution to modify or amend any of these Conditions or any provisions of the Agency Agreement (other than those items specified in Condition 12(a) (i) through (vii)), or to waive compliance with, any of the Conditions shall be effectively passed if passed by the persons entitled to vote of the lesser of (i) a majority in aggregate principal amount of the Notes then outstanding or (ii) 75% in aggregate amount of the Notes represented and voting at the meeting.

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

13. Replacement of Notes, Certificates, Receipts, Coupons and Talons

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

14. Further Issues

The Issuer may from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them and/or the Issue Price) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes.

15. Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*). So long as the Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, notices to holders of Bearer and Registered Notes must also be published in a daily newspaper of general circulation in Luxembourg (which is expected to be the *D'Wort*). Any such notice shall be deemed to

have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

16. The Agent

In acting under the Agency Agreement and in connection with the Notes, Receipts and Coupons, the Agent is acting solely as agent of the Issuer and does not assume any obligation towards or relationship of agency or trust for or with the owner or holder of any Note or Receipt or Coupon appertaining thereto, except that any funds held by the Agent for payment of principal of or interest on, or Additional Amounts with respect to, any Note shall be held in trust by it and applied as set forth herein, but need not be segregated from other funds held by it, except as required by law. For a description of the duties and the immunities and rights of the Agent under the Agency Agreement, reference is made to the Agency Agreement, and the obligations of the Agent to the holders of the Notes, Receipts and Coupons are subject to such immunities and rights.

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

17. Governing Law

The Notes, the Certificates, the Receipts, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of the State of New York, United States of America.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used by the Issuer for its general corporate purposes. Pending such use, the Issuer may temporarily invest the net proceeds or may use them to reduce short-term indebtedness.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

Upon the initial deposit of a Global Note with a common depository for Euroclear and Clearstream, Luxembourg (the "Common Depository"), or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relative Global Certificate to the Common Depository, Euroclear or Clearstream, Luxembourg will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depository may (if indicated in the relevant Pricing Supplement) also be credited to the accounts of other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Relationship of Accountholders with Clearing Systems

For so long as any of the Notes are represented by a Global Note, each person who is shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of Notes shall be treated by the Issuer, the Agent and any other Paying Agent as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, the right to which shall be vested, as against the Issuer, the Agent and any other Paying Agent, solely in the bearer of the relevant Global Note in accordance with and subject to its terms (and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly). Any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes except in the case of manifest error.

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or such clearing system (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and

in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Exchange

1. Temporary Global Notes.

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

Each temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Conditions in addition to any Permanent Global Note or Definitive Notes for which it may be exchangeable.

2. Permanent Global Notes.

Each Permanent Global Note will be exchangeable, free of charge to the holders of beneficial interests in such Permanent Global Note, on or after its Exchange Date in whole but not, except as provided under “Partial Exchange of Permanent Global Notes”, in part for Definitive Notes or, in the case of (iii) below, Registered Notes,

- (i) upon written notice by a holder of a beneficial interest in such Permanent Global Note to the Agent of its election for such exchange;
- (ii) upon notice by the Issuer to the Noteholders and the Agent of its intention to effect such exchange;
- (iii) if the Permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Agent of its election to exchange the whole or a part of such Global Note for Registered Notes;
- (iv) if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an “Alternative Clearing System”), and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (v) if an Event of Default occurs in relation to the Notes represented by such Permanent Global Note, by any holder giving notice to the Agent of its election for such exchange.

3. Permanent Global Certificates.

If the Pricing Supplement states that the Notes are to be represented by a Permanent Global Certificate on issue, transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the Notes represented by the Global Certificate are held on behalf of Euroclear or Clearstream or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) if principal in respect of any Notes is not paid when due; or
- (iii) with the consent of the Issuer;

provided that, in the case of the first transfer of part of a holding pursuant to (i) or (ii) above, the Registered Holder has given the Registrar not less than 30 days’ notice at its specified office of the Registered Holder’s intention to effect such transfer.

4. Partial Exchange of Permanent Global Notes.

For so long as a Permanent Global Note is held on behalf of a clearing system and that clearing system so permits, such Permanent Global Note will be exchangeable in part on one or more occasions (i) for Registered Notes if the Permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes, or (ii) for Definitive Notes (a) if an Event of Default has occurred in relation to such Notes represented by the Permanent Global Note or (b) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Pricing Supplement) relating to Partly-paid Notes.

5. **Delivery of Notes.**

On or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be. Definitive Notes will be security-printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each Permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes. No Permanent Global Note or Definitive Note will be delivered to any address within the United States or its possessions.

6. **Exchange Date.**

“Exchange Date” means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its Issue Date and, in relation to a Permanent Global Note, in the case of an exchange for Registered Notes, five days, or in the case of an exchange for Definitive Notes 40 days, after that date on which the notice requiring exchange, if any, is given and on which banks are open for business in London.

Amendment to Conditions

The temporary Global Notes, Permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Offering Circular. The following is a summary of certain of those provisions:

1. **Payments.**

No payment falling due after the Exchange Date will be made on any temporary Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) before the Exchange Date will be made only against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, for surrender of that Global Note to or to the order of the Agent or such other Paying Agent which has been appointed for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. No payment with respect to the temporary Global Notes, Permanent Global Notes, or Definitive Notes, as applicable, will be made by mail to the United States or its possessions or by transfer to an account maintained therein.

2. **Prescription.**

Claims against the Issuer in respect of Notes that are represented by a Global Note will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 7).

3. **Meetings.**

The holder of a Global Note or of the Notes represented by a Global Certificate shall (unless such Global Note or Global Certificate represents only one Note) be treated as holding the aggregate principal amount represented by such Global Note or Certificate for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Global Note shall be treated as having one vote in respect of each minimum Denomination of Notes for which such Global Note may be exchanged. (All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

4. **Cancellation.**

Cancellation of any Note represented by a Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Permanent Global Note.

5. Purchase.

Notes represented by a Permanent Global Note may be purchased only by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

6. Issuer's Option.

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. If any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg or any other clearing system (as the case may be).

7. Noteholders' Options.

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note may be exercised by the holder of the Permanent Global Note giving notice to the Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the principal amount of Notes in respect of which the option is exercised and at the same time presenting the Permanent Global Note to the Agent, or to a Paying Agent acting on behalf of the Agent, for notation.

8. Agent's Powers.

In considering the interests of Noteholders while any Global Note is held on behalf of, or Registered Notes are registered in the name of any nominee for, a clearing system, the Agent may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Registered Notes and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

9. Notices.

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions except that so long as any Notes are listed on the Luxembourg Stock Exchange and the rules of that Stock Exchange so require, notices shall also be published in a leading daily newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*).

10. Partly-paid Notes.

The provisions relating to Partly-paid Notes are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Notes. While any instalments of the subscription moneys due from the holder of Partly-paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a Permanent Global Note or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly-paid Notes within the time specified, the Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

JPMORGAN CHASE & CO.

JPMorgan Chase, a financial holding company incorporated under Delaware law in 1968, is a leading global financial services firm and one of the largest banking institutions in the United States, with approximately \$1.2 trillion in assets, approximately \$105 billion in stockholders' equity and operations in more than 50 countries. JPMorgan Chase's principal bank subsidiaries are JPMorgan Chase Bank, National Association (the "Bank") and Chase Bank USA, National Association. The Bank (formerly known as JPMorgan Chase Bank, a New York banking corporation) became a national banking association on November 13, 2004. Immediately following its conversion, two of JPMorgan Chase's principal bank subsidiaries, Bank One, National Association (Ohio) and Bank One, National Association (Illinois) merged with and into The Bank. JPMorgan Chase's principal nonbank subsidiary is J.P. Morgan Securities Inc. The bank and nonbank subsidiaries of JPMorgan Chase operate nationally as well as through overseas branches and subsidiaries, representative offices and affiliated banks.

JPMorgan Chase's activities are organized, for management reporting purposes, into six major business segments (Investment Bank, Retail Financial Services, Card Services, Commercial Banking, Treasury & Securities Services and Asset & Wealth Management) and Corporate. A description of the Issuer's business segments, and the products and services they provide to their respective client bases, follows:

Investment Bank

JPMorgan Chase is one of the world's leading investment banks, as evidenced by the breadth of its client relationships and product capabilities. The Investment Bank has extensive relationships with corporations, financial institutions, governments and institutional investors worldwide. JPMorgan Chase provides a full range of investment banking products and services, including advising on corporate strategy and structure, capital raising in equity and debt markets, sophisticated risk management, and market-making in cash securities and derivative instruments in all major capital markets. The Investment Bank also commits JPMorgan Chase's own capital to proprietary investing and trading activities.

Retail Financial Services

Retail Financial Services includes Home Finance, Consumer & Small Business Banking, Auto & Education Finance and Insurance. Through this group of businesses, JPMorgan Chase provides consumers and small businesses with a broad range of financial products and services including deposits, investments, loans and insurance. Home Finance is a leading provider of consumer real estate loan products and is one of the largest originators and servicers of home mortgages. Consumer & Small Business Banking offers one of the largest branch networks in the United States. As of March 31, 2005, Auto & Education Finance was the largest bank originator of automobile loans as well as a top provider of loans for college students. Through its Insurance operations, JPMorgan Chase sells and underwrites an extensive range of financial protection products and investment alternatives, including life insurance, annuities and debt protection products.

Card Services

As of March 31, 2005, Card Services was the largest issuer of general purpose credit cards in the United States and was the largest merchant acquirer. Card Services offers a wide variety of products to satisfy the needs of its cardmembers, including cards issued on behalf of many well-known partners, such as major airlines, hotels, universities, retailers and other financial institutions.

Commercial Banking

Commercial Banking serves more than 25,000 corporations, municipalities, financial institutions and not-for-profit entities, with annual revenues generally ranging from \$10 million to \$2 billion. A local market presence and a strong customer service model, coupled with a focus on risk management, provide a solid infrastructure for Commercial Banking to provide JPMorgan Chase's complete product set — lending, treasury services, investment banking and investment management — for both corporate clients and their executives. Clients of Commercial Banking benefit greatly from JPMorgan Chase's extensive branch network and often use JPMorgan Chase exclusively to meet their financial services needs.

Treasury & Securities Services

Treasury & Securities Services is a global leader in providing transaction, investment and information services to support the needs of corporations, issuers and institutional investors worldwide. Treasury & Securities Services is the largest cash management provider in the world and one of the leading global custodians. The Treasury Services business provides clients with a broad range of capabilities, including U.S. dollar and multi-

currency clearing, ACH, trade, and short-term liquidity and working capital tools. The Investor Services business provides a wide range of capabilities, including custody, funds services, securities lending, and performance measurement and execution products. The Institutional Trust Services business provides trustee, depository and administrative services for debt and equity issuers. Treasury Services partners with the Commercial Banking, Consumer & Small Business Banking and Asset & Wealth Management segments to serve clients. As a result, certain Treasury Services revenues are included in other segments' results. On April 18, 2005, Treasury & Securities Services announced that it combined its investor and issuer services capabilities under the name Worldwide Securities Services. The integrated franchise brought together the former Investor Services and Institutional Trust Services businesses, and will provide custody and investor services as well as securities clearance and trust services to clients globally.

Asset & Wealth Management

Asset & Wealth Management provides investment management to retail and institutional investors, financial intermediaries and high-net-worth families and individuals globally. For retail investors, Asset & Wealth Management provides investment management products and services, including a global mutual fund franchise, retirement plan administration, and consultation and brokerage services. Asset & Wealth Management delivers investment management to institutional investors across all asset classes. The Private Bank and Private Client Services businesses provide integrated wealth management services to ultra-high-net-worth and high-net-worth clients, respectively.

Corporate

The Corporate Sector is comprised of Private Equity, Treasury and corporate staff and other centrally managed expenses. Private Equity currently includes JPMorgan Partners and ONE Equity Partners businesses. On March 1, 2005, the Issuer announced that the management team of JPMorgan Partners, LLC will become independent when it completes the investment of the current \$6.5 billion Global Fund, which it advises. The independent management team intends to raise a new fund as a successor to the Global Fund. JPMorgan Chase has committed to invest 24.9% of the limited partnership interests, up to \$1 billion, in the new fund. Treasury manages the structural interest rate risk and investment portfolio for JPMorgan Chase. The corporate staff areas include Central Technology and Operations, Internal Audit, Executive Office, Finance, General Services, Human Resources, Marketing & Communications, Office of the General Counsel, Real Estate and Business Services, Risk Management, and Strategy and Development. JPMorgan Chase centrally managed expenses include items such as the Issuer's occupancy and pension expense, net of allocations to the business.

The principal executive office of JPMorgan Chase is located at 270 Park Avenue, Eighth Floor, New York, New York 10017-2070, and its telephone number is (212) 270-6000.

EXECUTIVE OFFICERS AND DIRECTORS OF JPMORGAN CHASE

The following persons are the Executive Officers of JPMorgan Chase:

William B. Harrison, Jr	Chairman and Chief Executive Officer
James Dimon	President and Chief Operating Officer
Austin A. Adams	Chief Information Officer
Steven D. Black	Co-Chief Executive Officer, Investment Bank
William I. Campbell	Chairman, Card Services
Michael J. Cavanagh	Chief Financial Officer
David A. Coulter	Chairman, West Coast Region
John J. Farrell	Director Human Resources, Head of Security
Joan Guggenheimer	Co-General Counsel
Frederick W. Hill	Director of Corporate Marketing and Communications
Samuel Todd Maclin	Head, Commercial Banking
Jay Mandelbaum	Head, Strategy and Business Development
William H. McDavid	Co-General Counsel
Heidi Miller	Chief Executive Officer, Treasury & Securities Services
Charles W. Scharf	Head, Retail Financial Services
Richard J. Srednicki	Chief Executive Officer, Card Services
James E. Staley	Global Head, Asset & Wealth Management
Don M. Wilson III	Chief Risk Officer
William T. Winters	Co-Chief Executive Officer, Investment Bank

The following persons are the members of the Board of Directors of JPMorgan Chase:

<u>Name</u>	<u>Principal Occupation</u>	<u>Business Address</u>
Hans W. Becherer	Retired Chairman and Chief Executive Officer of Deere & Company	Deere & Company One John Deere Place Moline, IL 61265-8098
John H. Biggs	Former Chairman and Chief Executive Officer of Teachers Insurance and Annuity Association — College Retirement Equities Fund (TIAA-CREF)	TIAA-CREF 730 Third Avenue New York, NY 10017
Lawrence A. Bossidy	Retired Chairman of Honeywell International Inc.	JPMorgan Chase & Co. 270 Park Avenue New York, NY 10017-2070
Stephen B. Burke	President of Comcast Cable Communications, Inc.	Comcast Cable Communications, Inc. 1500 Market St. Philadelphia, PA 19102-2148
James S. Crown	President of Henry Crown & Company	Henry Crown & Company 222 N. LaSalle St. Chicago, IL 60601
James Dimon	President and Chief Operating Officer of JPMorgan Chase & Co.	JPMorgan Chase & Co. 270 Park Avenue New York, NY 10017-2070
Ellen V. Futter	President and Trustee of American Museum of Natural History	American Museum of Natural History Central Park West at 79th Street New York, NY 10024
William H. Gray, III	Retired President and Chief Executive Officer of The College Fund/UNCF	The College Fund/UNCF 8260 Willow Oaks Corporate Drive P.O. Box 10444 Fairfax, VA 22031
William B. Harrison, Jr.	Chairman and Chief Executive Officer of JPMorgan Chase & Co.	JPMorgan Chase & Co. 270 Park Avenue New York, NY 10017-2070

<u>Name</u>	<u>Principal Occupation</u>	<u>Business Address</u>
Laban P. Jackson, Jr.	Chairman and Chief Executive Officer of Clear Creek Properties, Inc.	Clear Creek Properties, Inc. 2365 Harrodsburg Road, Lexington, KY 40504-3300
John W. Kessler	Owner of John W. Kessler Company	John W. Kessler Company P.O. Box 772 New Albany, OH 43054
Robert I. Lipp	Executive Chairman of the Board of The St. Paul Travelers Companies, Inc.	The St. Paul Travelers Companies, Inc. 385 Washington St. St. Paul, MN 55102
Richard A. Manoogian	Chairman and Chief Executive Officer of Masco Corporation	Masco Corporation 21001 Van Born Rd. Taylor, MI 48180
David C. Novak	Chairman and Chief Executive Officer of Yum! Brands, Inc.	Yum! Brands, Inc. 1441 Gardiner Lane Louisville, KY 40213
Lee R. Raymond	Chairman of the Board and Chief Executive Officer of Exxon Mobil Corporation	Exxon Mobil Corporation 5959 Las Colinas Blvd. Irving, TX 75039-2298
John R. Stafford	Retired Chairman of the Board of Wyeth	Wyeth Five Giralda Farms Madison, NJ 07940
William C. Weldon	Chairman and Chief Executive Officer of Johnson & Johnson	Johnson & Johnson 1 Johnson & Johnson Plaza, New Brunswick, NJ 08933

SELECTED CONSOLIDATED FINANCIAL DATA OF JPMORGAN CHASE

The following tables set forth certain condensed financial data with respect to JPMorgan Chase selected from the audited consolidated financial statements appearing in the JPMorgan Chase Annual Report on Form 10-K for the year ended December 31, 2004 and the unaudited consolidated financial statements appearing in JPMorgan Chase's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005, which are incorporated herein by reference. This information should be read in conjunction with the other details of financial information concerning JPMorgan Chase appearing in the aforementioned documents. The results for the three months ended March 31, 2005 and March 31, 2004 are unaudited and do not necessarily indicate the results that may be expected for the entire year.

JPMORGAN CHASE & CO. CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share data)	Three Months Ended March 31, (a)		Year Ended December 31, (b)		
	2005	2004	2004	2003	2002
	(unaudited)				
Revenue					
Investment Banking Fees	\$ 993	\$ 692	\$ 3,537	\$ 2,890	\$ 2,763
Trading Revenue	1,859	1,720	3,612	4,427	2,675
Lending & Deposit Related Fees	820	414	2,672	1,727	1,674
Asset Management, Administration and Commissions	2,455	1,771	7,967	5,906	5,754
Securities/Private Equity Gains (Losses)	(45)	432	1,874	1,479	817
Mortgage Fees and Related Income	405	259	1,004	923	988
Credit Card Income	1,734	605	4,840	2,466	2,307
Other Income	201	132	830	601	458
Noninterest Revenue	8,422	6,025	26,336	20,419	17,436
Interest Income	10,632	5,626	30,595	24,044	25,936
Interest Expense	5,407	2,640	13,834	11,079	13,758
Net Interest Income	5,225	2,986	16,761	12,965	12,178
Total Net Revenue	13,647	9,011	43,097	33,384	29,614
Provision for Credit Losses	427	15	2,544	1,540	4,331
Noninterest Expense					
Compensation Expense	4,702	3,302	14,506	11,387	10,693
Occupancy Expense	525	431	2,084	1,912	1,606
Technology and Communications Expense	920	819	3,702	2,844	2,554
Professional & Outside Services	1,074	816	3,862	2,875	2,587
Marketing	483	199	1,335	710	689
Other Expense	805	447	2,859	1,694	1,802
Amortization of Intangibles	383	79	946	294	323
Total Noninterest Expense Before Merger Costs and Litigation Reserve Charge	8,892	6,093	29,294	21,716	20,254
Merger Costs	145	—	1,365	—	1,210
Litigation Reserve Charge	900	—	3,700	100	1,300
Total Noninterest Expense	9,937	6,093	34,359	21,816	22,764
Income Before Income Tax Expense	3,283	2,903	6,194	10,028	2,519
Income Tax Expense	1,019	973	1,728	3,309	856
Net Income	\$ 2,264	\$ 1,930	\$ 4,466	\$ 6,719	\$ 1,663
Net Income Applicable to Common Stock	\$ 2,259	\$ 1,917	\$ 4,414	\$ 6,668	\$ 1,612
Net Income Per Common Share					
Basic Earnings Per Share	\$ 0.64	\$ 0.94	\$ 1.59	\$ 3.32	\$ 0.81
Diluted Earnings Per Share	0.63	0.92	1.55	3.24	0.80
Average Basic Shares	3,518	2,032	2,780	2,009	1,984
Average Diluted Shares	3,570	2,093	2,851	2,055	2,009
Cash Dividends Per Common Share	\$ 0.34	\$ 0.34	\$ 1.36	\$ 1.36	\$ 1.36

(a) 2005 reflects the combined Firm's results, while 2004 reflects the results of heritage JPMorgan Chase only.

(b) 2004 results include six months of the combined JPMorgan Chase results and six months of heritage JPMorgan Chase results. All other periods reflect the results of heritage JPMorgan Chase only.

JPMORGAN CHASE & CO.
CONSOLIDATED BALANCE SHEETS

(in millions, except per share data)	Three Months Ended	Year Ended	
	March 31,	December 31,	
	2005	2004	2003(a)
	(unaudited)		
Assets			
Cash and Due from Banks	\$ 37,593	\$ 35,168	\$ 20,268
Deposits with Banks	14,331	21,680	10,175
Federal Funds Sold and Securities Purchased under Resale Agreements	132,751	101,354	76,868
Securities Borrowed	53,174	47,428	41,834
Trading Assets (Including Assets Pledged of \$108,526 at March 31, 2005, \$77,266 at December 31, 2004 and \$81,312 at December 31, 2003)	291,113	288,814	252,871
Securities:			
Available-for-Sale (Including Assets Pledged of \$14,436 at March 31, 2005, \$26,881 at December 31, 2004 and \$31,639 at December 31, 2003)	75,150	94,402	60,068
Held-to-Maturity (Fair Value: \$106 at March 31, 2005, \$117 at December 31, 2004 and \$186 at December 31, 2003)	101	110	176
Interests in Purchased Receivables	28,484	31,722	4,752
Loans	402,669	402,114	214,766
Allowance for Loan Losses	(6,935)	(7,320)	(4,523)
Loans, Net of Allowance for Loan Losses	395,734	394,794	210,243
Private Equity Investments	7,333	7,735	7,250
Accrued Interest and Accounts Receivable	21,098	21,409	12,356
Premises and Equipment	9,344	9,145	6,487
Goodwill	43,440	43,203	8,511
Other Intangible Assets:			
Mortgage Servicing Rights	5,663	5,080	4,781
Purchased Credit Card Relationships	3,703	3,878	1,014
All Other Intangibles	5,514	5,726	685
Other Assets	53,779	45,600	52,573
Total Assets	\$1,178,305	\$1,157,248	\$770,912
Liabilities			
Deposits:			
U.S. Offices:			
Noninterest-Bearing	\$ 130,533	\$ 129,257	\$ 73,154
Interest-Bearing	271,592	261,673	125,855
Non-U.S. Offices:			
Noninterest-Bearing	6,669	6,931	6,311
Interest-Bearing	122,585	123,595	121,172
Total Deposits	531,379	521,456	326,492
Federal Funds Purchased and Securities Sold under Repurchase Agreements	137,062	127,787	113,466
Commercial Paper	13,063	12,605	14,284
Other Borrowed Funds	10,124	9,039	8,925
Trading Liabilities	153,716	151,207	149,448
Accounts Payable, Accrued Expenses and Other Liabilities (Including the Allowance for Lending-Related Commitments of \$488 at March 31, 2005, \$492 at December 31, 2004 and \$324 at December 31, 2003)	72,183	75,722	45,066
Beneficial Interests Issued by Consolidated VIEs	44,827	48,061	12,295
Long-Term Debt	99,329	95,422	48,014
Junior Subordinated Deferrable Interest Debentures Held by Trusts that Issued Guaranteed Capital Debt Securities	11,282	10,296	6,768
Total Liabilities	1,072,965	1,051,595	724,758
Commitments and Contingencies (See Note 17 to the Quarterly Report on 10-Q for the Three-Months Ended March 31, 2005, and Notes 25 and 27 to the Annual Reports on Form 10-K for the Period Ended December 31, 2004 and December 31, 2003, respectively)			
Stockholders' Equity			
Preferred Stock	339	339	1,009
Common Stock (Authorized 9,000,000,000 Shares at March 31, 2005; Authorized 9,000,000,000 Shares and 4,500,000,000 Shares at December 31, 2004 and 2003, Respectively; Issued 3,597,803,183 Shares at March 31, 2005, Issued 3,584,747,502 Shares and 2,044,436,509 Shares at December 31, 2004 and 2003, respectively)	3,598	3,585	2,044
Capital Surplus	73,394	72,801	13,512
Retained Earnings	31,253	30,209	29,681
Accumulated Other Comprehensive Income (Loss)	(623)	(208)	(30)
Treasury Stock, at Cost (72,504,703 Shares at March 31, 2005; 28,556,534 Shares and 1,816,495 at December 31, 2004 and 2003, respectively)	(2,621)	(1,073)	(62)
Total Stockholders' Equity	105,340	105,653	46,154
Total Liabilities and Stockholders' Equity	\$1,178,305	\$1,157,248	\$770,912

(a) Heritage JPMorgan Chase only.

CAPITALIZATION OF JPMORGAN CHASE & CO.

The following table sets forth the unaudited consolidated capitalization of the Issuer prepared according to U.S. generally accepted accounting principles (U.S. GAAP) as of March 31, 2005. You should also read the Issuer's consolidated financial statements and the related notes, which are incorporated by reference.

(dollars in millions, except per share amounts)	March 31, 2005
	(unaudited)
Total Long-Term Debt(a)	\$ 99,329
Junior Subordinated Deferrable Interest Debentures Held by Trusts that Issued Guaranteed Capital Debt Securities	11,282
Stockholder's Equity:	
Preferred Stock	339
Common Stock	3,598
Capital Surplus	73,394
Retained Earnings	31,253
Accumulated Other Comprehensive Income (Loss)	(623)
Treasury Stock, at Cost	(2,621)
Total Stockholder's Equity	105,340
Total Capitalization	\$215,951

(a) The capitalization table does not include significant amounts of deposit liabilities, including structured deposits; trading liabilities, including structured notes; and short-term obligations incurred by JPMorgan Chase and its consolidated subsidiaries in the ordinary course of business, including federal funds purchased, securities sold under repurchase agreements and commercial paper.

Except for securities issued in the ordinary course of business, there has been no material change to the capitalization and indebtedness, contingent liabilities and guarantees of JPMorgan Chase as presented above since March 31, 2005.

TAXATION OF THE NOTES

United States Taxation

The following is a summary of certain United States federal income tax consequences of the purchase, ownership and disposition of Notes as of the date hereof. Except where noted, this summary deals only with Notes that are held as capital assets, and does not represent a detailed description of the United States federal income tax consequences applicable to you if you are subject to special treatment under the United States federal income tax laws, including if you are:

- a dealer in securities or currencies;
- a financial institution;
- a regulated investment company;
- a real estate investment trust;
- a tax exempt organization;
- an insurance company;
- a person holding the Notes as part of a hedging, integrated, conversion or constructive sale transaction or a straddle;
- a trader in securities that has elected the mark-to-market method of accounting for your securities;
- a person liable for alternative minimum tax;
- a person who is an investor in a pass-through entity; or
- a person whose “functional currency” is not the U.S. dollar.

The discussion below is based upon the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in United States federal income tax consequences different from those discussed below. The discussion below assumes that all Notes issued under the program will be classified for United States federal income tax purposes as the Issuer’s indebtedness and you should note that in the event of an alternative characterization, the tax consequences would differ from those discussed below. A summary of any special United States federal tax considerations relevant to a particular issue of the Notes will be specified in the applicable pricing supplement.

If you are considering the purchase of Notes, you should consult your own tax advisors concerning the United States federal income tax consequences to you and any consequences arising under the laws of any other taxing jurisdiction.

Consequences to United States Holders

The following is a summary of certain United States federal income tax consequences that will apply to you if you are a United States Holder of Notes.

Certain consequences to “Non-United States Holders” of Notes, which are beneficial owners of Notes who are not United States Holders or partnerships for United States federal income tax purposes, are described under “— Consequences to Non-United States Holders”. This summary does not apply to the purchase, ownership or disposition of Bearer Notes by United States Holders. Ownership of Bearer Notes by a United States Holder will have different and potentially adverse tax consequences from those described below.

“United States Holder” means a beneficial owner of a Note that is:

- an individual citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source;
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

If a partnership holds the Issuer’s Notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding the Issuer’s Notes, you should consult your tax advisors.

Payments of Interest

Except as set forth below, interest on a Note will generally be taxable to you as ordinary income at the time it is paid or accrued in accordance with your method of accounting for tax purposes.

Original Issue Discount

If you own Notes issued with original issue discount (“OID”), you will be subject to special tax accounting rules, as described in greater detail below. In that case, you should be aware that you generally must include OID in gross income in advance of the receipt of cash attributable to that income. However, you generally will not be required to include separately in income cash payments received on the Notes, even if denominated as interest, to the extent those payments do not constitute “qualified stated interest”, as defined below. Notice will be given in the applicable pricing supplement when the Issuer determines that a particular Note will be an original issue discount note.

Additional rules applicable to Notes with OID that are denominated in or determined by reference to a currency other than the U.S. dollar are described under “Foreign Currency Notes” below.

A Note with an “issue price” that is less than the stated redemption price at maturity (the sum of all payments to be made on the Note other than “qualified stated interest”) generally will be issued with OID if that difference is at least 0.25% of the stated redemption price at maturity multiplied by the number of complete years to maturity, or, in the case of an amortizing note, the weighted average maturity. The “issue price” of each Note in a particular offering will be the first price at which a substantial amount of that particular offering is sold to the public. The term “qualified stated interest” means stated interest that is unconditionally payable in cash or in property, other than debt instruments of the Issuer, and meets all of the following conditions:

- it is payable at least once per year;
- it is payable over the entire term of the Note; and
- it is payable at a single fixed rate or, subject to certain conditions, based on one or more interest indices.

A notice will be given in the applicable pricing supplement when it is determined that a particular Note will bear interest that is not qualified stated interest.

If you own a Note issued with de minimis OID, which is discount that is not OID because it is less than 0.25% of the stated redemption price at maturity multiplied by the number of complete years to maturity, you generally must include the de minimis OID in income at the time principal payments on the Notes are made in proportion to the amount paid. Any amount of de minimis OID that you have included in income will be treated as capital gain.

Certain of the Notes may contain provisions permitting them to be redeemed prior to their stated maturity at the Issuer’s option and/or at your option. Original issue discount notes containing those features may be subject to rules that differ from the general rules discussed herein. If you are considering the purchase of original issue discount notes with those features, you should carefully examine the applicable pricing supplement and consult your own tax advisors with respect to those features since the tax consequences to you with respect to OID will depend, in part, on the particular terms and features of the Notes.

If you own original issue discount notes with a maturity upon issuance of more than one year, you generally must include OID in income in advance of the receipt of some or all of the related cash payments using the “constant yield method” described in the following paragraphs.

The amount of OID that you must include in income if you are the initial United States Holder of an original issue discount note is the sum of the “daily portions” of OID with respect to the Note for each day during the taxable year or portion of the taxable year in which you held that Note (“accrued OID”). The daily portion is determined by allocating to each day in any “accrual period” a pro rata portion of the OID allocable to that accrual period. The “accrual period” for an original issue discount note may be of any length and may vary in length over the term of the Note, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs on the first day or the final day of an accrual period. The amount of OID allocable to any accrual period is an amount equal to the excess, if any, of:

- the Note’s “adjusted issue price” at the beginning of the accrual period multiplied by its yield to maturity, determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period, over
- the aggregate of all qualified stated interest allocable to the accrual period.

OID allocable to a final accrual period is the difference between the amount payable at maturity, other than a payment of qualified stated interest, and the adjusted issue price at the beginning of the final accrual period. Special rules will apply for calculating OID for an initial short accrual period. The “adjusted issue price” of a Note at the beginning of any accrual period is equal to its issue price increased by the accrued OID for each prior accrual period, determined without regard to the amortization of any acquisition or bond premium, as described below, and reduced by any payments made on the Note (other than qualified stated interest) on or before the first day of the accrual period. Under these rules, you will have to include in income increasingly greater amounts of OID in successive accrual periods. The Issuer is required to provide information returns stating the amount of OID accrued on Notes held of record by persons other than certain exempt holders such as corporations.

Floating Rate Notes are subject to special OID rules. In the case of an original issue discount note that is a Floating Rate Note, both the “yield to maturity” and “qualified stated interest” will be determined solely for purposes of calculating the accrual of OID as though the Note will bear interest in all periods at a fixed rate generally equal to the rate that would be applicable to interest payments on the Note on its date of issue or, in the case of certain Floating Rate Notes, the rate that reflects the yield to maturity that is reasonably expected for the Note. Additional rules may apply if either:

- the interest on a Floating Rate Note is based on more than one interest index; or
- the principal amount of the Note is indexed in any manner.

The discussion above generally does not address Notes providing for contingent payments. You should carefully examine the applicable pricing supplement regarding the United States federal income tax consequences of the holding and disposition of any Notes providing for contingent payments.

You may elect to treat all interest on any Note as OID and calculate the amount includible in gross income under the constant yield method described above. For purposes of this election, interest includes stated interest, acquisition discount, OID, de minimis OID, market discount, de minimis market discount and unstated interest, as adjusted by any amortizable bond premium or acquisition premium. You should consult with your own tax advisors about this election.

Short-Term Notes

In the case of Notes having a term of one year or less, all payments, including all stated interest, will be included in the stated redemption price at maturity and will not be qualified stated interest. As a result, you will generally be taxed on the discount instead of stated interest. The discount will be equal to the excess of the stated redemption price at maturity over the issue price of a short-term note, unless you elect to compute this discount using tax basis instead of issue price. In general, individuals and certain other cash method United States Holders of short-term Notes are not required to include accrued discount in their income currently unless they elect to do so, but may be required to include stated interest in income as the income is received. United States Holders that report income for United States federal income tax purposes on the accrual method and certain other United States Holders are required to accrue discount on short-term Notes (as ordinary income) on a straight-line basis, unless an election is made to accrue the discount according to a constant yield method based on daily compounding. If you are not required, and do not elect, to include discount in income currently, any gain you realize on the sale, exchange or retirement of a short-term Note will generally be ordinary income to you to the extent of the discount accrued by you through the date of sale, exchange or retirement. In addition, if you do not elect to currently include accrued discount in income you may be required to defer deductions for a portion of your interest expense with respect to any indebtedness attributable to the short-term Notes.

Market Discount

If you purchase a Note for an amount that is less than its stated redemption price at maturity, or, in the case of an original issue discount note, its adjusted issue price, the amount of the difference will be treated as “market discount” for United States federal income tax purposes, unless that difference is less than a specified de minimis amount. Under the market discount rules, you will be required to treat any payment, other than qualified stated interest, on, or any gain on the sale, exchange, retirement or other disposition of, a Note as ordinary income to the extent of the market discount that you have not previously included in income and are treated as having accrued on the Note at the time of its payment or disposition. In addition, you may be required to defer, until the maturity of the Note or its earlier disposition in a taxable transaction, the deduction of all or a portion of the interest expense on any indebtedness attributable to the Note.

Any market discount will be considered to accrue ratably during the period from the date of acquisition to the maturity date of the Note, unless you elect to accrue on a constant interest method. You may elect to include market discount in income currently as it accrues, on either a ratable or constant interest method, in which case the rule described above regarding deferral of interest deductions will not apply.

Acquisition Premium, Amortizable Bond Premium

If you purchase an original issue discount note for an amount that is greater than its adjusted issue price but equal to or less than the sum of all amounts payable on the Note after the purchase date other than payments of qualified stated interest, you will be considered to have purchased that Note at an “acquisition premium.” Under the acquisition premium rules, the amount of OID that you must include in gross income with respect to the Note for any taxable year will be reduced by the portion of the acquisition premium properly allocable to that year.

If you purchase a Note (including an original issue discount note) for an amount in excess of the sum of all amounts payable on the Note after the purchase date other than qualified stated interest, you will be considered to have purchased the Note at a “premium” and, if it is an original issue discount note, you will not be required to include any OID in income. You generally may elect to amortize the premium over the remaining term of the Note on a constant yield method as an offset to interest when includible in income under your regular accounting method. Special rules limit the amortization of premium in the case of convertible debt instruments. If you do not elect to amortize bond premium, that premium will decrease the gain or increase the loss you would otherwise recognize on disposition of the Note.

Sale, Exchange and Retirement of Notes

Your tax basis in a Note will, in general, be your cost for that Note, increased by OID, market discount or any discount with respect to a short-term Note that you previously included in income, and reduced by any amortized premium and any cash payments on the Note other than qualified stated interest. Upon the sale, exchange, retirement or other disposition of a Note, you will recognize gain or loss equal to the difference between the amount you realize upon the sale, exchange, retirement or other disposition (less an amount equal to any accrued and unpaid qualified stated interest that you did not previously include in income, which will be treated as a payment of interest for United States federal income tax purposes) and the adjusted tax basis of the Note. Except as described above with respect to certain short-term Notes or with respect to market discount with respect to gain or loss attributable to changes in exchange rates as discussed below with respect to foreign currency notes, and with respect to contingent payment debt instruments which this summary generally does not discuss, that gain or loss will be capital gain or loss. Capital gains of individuals derived in respect of capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Foreign Currency Notes

Payments of Interest. If you receive interest payments made in a foreign currency and you use the cash basis method of accounting, you will be required to include in income the U.S. dollar value of the amount received, determined by translating the foreign currency received at the “spot rate” for such foreign currency on the date such payment is received regardless of whether the payment is in fact converted into U.S. dollars. You will not recognize exchange gain or loss with respect to the receipt of such payment.

If you use the accrual method of accounting, you may determine the amount of income recognized with respect to such interest in accordance with either of two methods. Under the first method, you will be required to include in income for each taxable year the U.S. dollar value of the interest that has accrued during such year, determined by translating such interest at the average rate of exchange for the period or periods during which such interest accrued. Under the second method, you may elect to translate interest income at the “spot rate” on:

- the last day of the accrual period,
- the last day of the taxable year if the accrual period straddles your taxable year, or
- on the date the interest payment is received if such date is within five days of the end of the accrual period.

Upon receipt of an interest payment on such Note (including, upon the sale of a Note, the receipt of proceeds which include amounts attributable to accrued interest previously included in income), you will recognize ordinary gain or loss in an amount equal to the difference between the U.S. dollar value of such payment

(determined by translating the foreign currency received at the “spot rate” for such foreign currency on the date such payment is received) and the U.S. dollar value of the interest income you previously included in income with respect to such payment.

Original Issue Discount. OID on a Note that is also a foreign currency note will be determined for any accrual period in the applicable foreign currency and then translated into U.S. dollars, in the same manner as interest income accrued by a holder on the accrual basis, as described above. You will recognize exchange gain or loss when OID is paid (including, upon the sale of a Note, the receipt of proceeds that include amounts attributable to OID previously included in income) to the extent of the difference between the U.S. dollar value of the accrued OID (determined in the same manner as for accrued interest) and the U.S. dollar value of such payment (determined by translating the foreign currency received at the “spot rate” for such foreign currency on the date such payment is received). For these purposes, all receipts on a Note will be viewed:

- first, as the receipt of any stated interest payments called for under the terms of the Note,
- second, as the receipt of previously accrued OID (to the extent thereof), with payments considered made for the earliest accrual periods first, and
- third, as the receipt of principal.

Market Discount and Bond Premium. The amount of market discount on foreign currency notes includible in income will generally be determined by translating the market discount determined in the foreign currency into U.S. dollars at the “spot rate” on the date the foreign currency note is retired or otherwise disposed of. If you have elected to accrue market discount currently, then the amount that accrues is determined in the foreign currency and then translated into U.S. dollars on the basis of the average exchange rate in effect during such accrual period. You will recognize exchange gain or loss with respect to market discount that is accrued currently using the approach applicable to the accrual of interest income as described above.

Bond premium on a foreign currency note will be computed in the applicable foreign currency. If you have elected to amortize the premium, the amortizable bond premium will reduce interest income in the applicable foreign currency. At the time bond premium is amortized, exchange gain or loss, which is generally ordinary gain or loss, will be realized based on the difference between “spot rates” at such time and the time of acquisition of the foreign currency note.

If you elect not to amortize bond premium, you must translate the bond premium computed in the foreign currency into U.S. dollars at the “spot rate” on the maturity date and such bond premium will constitute a capital loss, which may be offset or eliminated by exchange gain.

Sale, Exchange and Retirement of Foreign Currency Notes. Upon the sale, exchange, retirement or other taxable disposition of a foreign currency note, you will recognize gain or loss equal to the difference between the amount realized upon the sale, exchange, retirement or other disposition (less an amount equal to any accrued and unpaid qualified stated interest that you did not previously include in income, which will be treated as a payment of interest for United States federal income tax purposes) and your adjusted tax basis in the foreign currency note. Subject to the foreign currency rules discussed below, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if at the time of sale, exchange, retirement or other disposition, the foreign currency note has been held for more than one year. Capital gains of individuals derived with respect to capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

If your foreign currency note is sold, exchanged or retired for an amount denominated in foreign currency, then your amount realized generally will be based on the “spot rate” of the foreign currency on the date of sale, exchange or retirement. If you are a cash method taxpayer and the foreign currency notes are traded on an established securities market, foreign currency paid or received is translated into U.S. dollars at the “spot rate” on the settlement date of the purchase or sale. An accrual method taxpayer may elect the same treatment with respect to the purchase and sale of foreign currency notes traded on an established securities market, provided that the election is applied consistently.

Your tax basis in a foreign currency note generally will be your U.S. dollar cost. If you purchased a foreign currency note with foreign currency, your cost will be the U.S. dollar value of the foreign currency amount paid for such foreign currency note determined at the time of such purchase. If you purchased a foreign currency note with previously owned foreign currency, you will recognize ordinary exchange gain or loss at the time of purchase attributable to the difference at the time of purchase, if any, between your tax basis in such foreign currency and the fair market value of the foreign currency note in U.S. dollars on the date of purchase.

Upon the sale, exchange or retirement of a foreign currency note, you will recognize exchange gain or loss with respect to the principal amount of such foreign currency note. For these purposes, the principal amount of the foreign currency note is your purchase price for the foreign currency note calculated in the foreign currency on the date of purchase, and the amount of exchange gain or loss recognized is equal to the difference between (i) the U.S. dollar value of the principal amount determined on the date of the sale, exchange, retirement or other disposition of the foreign currency note and (ii) the U.S. dollar value of the principal amount determined on the date you purchased the foreign currency note. Such gain or loss will be treated as ordinary income or loss and generally will be United States source gain or loss. The realization of such exchange gain or loss will be limited to the amount of overall gain or loss realized on the disposition of a foreign currency note.

Exchange Gain or Loss with Respect to Foreign Currency. Your tax basis in the foreign currency received as interest on a foreign currency note will be the U.S. dollar value thereof at the “spot rate” in effect on the date the foreign currency is received. Your tax basis in foreign currency received on the sale, exchange or retirement of a foreign currency note will be equal to the U.S. dollar value of the foreign currency, determined at the time of the sale, exchange or retirement. As discussed above, if the foreign currency notes are traded on an established securities market, a cash basis United States Holder (or, upon election, an accrual basis United States Holder) will determine the U.S. dollar value of the foreign currency by translating the foreign currency received at the “spot rate” of exchange on the settlement date of the sale, exchange or retirement. Accordingly, your basis in the foreign currency received would be equal to the “spot rate” of exchange on the settlement date.

Any gain or loss recognized by you on a sale, exchange or other disposition of the foreign currency will be ordinary income or loss and generally will be United States source gain or loss.

Dual Currency Notes. If so specified in an applicable pricing supplement relating to a foreign currency note, the Issuer may have the option to make all payments of principal and interest scheduled after the exercise of such option in a currency other than the specified currency.

As would be discussed more fully in the applicable pricing supplement, United States Treasury regulations generally:

- apply the principles contained in regulations governing contingent debt instruments to dual currency notes in the “predominant currency” of the dual currency notes, and
- apply the rules discussed above with respect to foreign currency notes with OID for the translation of interest and principal into U.S. dollars.

If you are considering the purchase of dual currency notes, you should carefully examine the applicable pricing supplement and should consult your own tax advisors regarding the United States federal income tax consequences of the holding and disposition of such Notes.

If the Issuer exercises the option described above, you may be considered to have exchanged your Note denominated in the specified currency for a Note denominated in the optional payment currency. If the exercise is treated as a taxable exchange, you will recognize gain or loss, if any, equal to the difference between your basis in the Note denominated in the specified currency and the value of the Note denominated in the optional payment currency. If the exercise of the option is not treated as an exchange, you will not recognize gain or loss and your basis in the Note will be unchanged.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to certain payments of principal, interest, OID and premium paid on Notes and to the proceeds of sale of a Note made to you (unless you are an exempt recipient such as a corporation). A backup withholding tax may apply to such payments if you fail to provide a taxpayer identification number or a certification of exempt status, or if you fail to report in full dividend and interest income.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your United States federal income tax liability provided the required information is furnished to the Internal Revenue Services (“IRS”).

Disclosure Requirements

Treasury regulations meant to require reporting of certain tax shelter transactions (“Reportable Transactions”) could be interpreted to cover transactions generally not regarded as tax shelters, including certain

foreign currency transactions. Under Treasury regulations, certain transactions may be characterized as Reportable Transactions including, in certain circumstances, a sale, exchange, retirement or other taxable disposition of a Foreign Currency Note, which results in a foreign currency loss exceeding certain thresholds. Persons considering the purchase of Foreign Currency Notes should consult with their own tax advisers to determine the tax return disclosure obligations, if any, with respect to an investment in a Foreign Currency Note, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Consequences to Non-United States Holders

The following is a summary of certain United States federal income tax consequences that will apply to you if you are a Non-United States Holder of Notes.

United States Federal Withholding Tax

The 30% United States federal withholding tax will not apply to any payment of principal or, under the “portfolio interest” exemption, interest, including OID, on Notes provided that:

- interest paid on the Notes is not effectively connected with your conduct of a trade or business in the United States;
- you do not actually or constructively own 10% or more of the total combined voting power of all classes of the Issuer’s voting stock within the meaning of the Code and United States Treasury regulations;
- you are not a controlled foreign corporation that is related to the Issuer through stock ownership;
- you are not a bank whose receipt of interest on the Notes is described in section 881(c)(3)(A) of the Code;
- the interest is not considered contingent interest under Section 871(h)(4)(A) of the Code and the United States Treasury regulations thereunder; and
- with respect to Registered Notes or Exchangeable Bearer Notes that have been exchanged either (a) you provide your name and address on an IRS Form W-8BEN (or successor form), and certify, under penalties of perjury, that you are not a United States person or (b) if you hold your Notes through certain foreign intermediaries, you satisfy the certification requirements of applicable United States Treasury regulations. Special certification rules apply to Non-United States Holders that are pass-through entities rather than corporations or individuals.

If you cannot satisfy the requirements described above, payments of interest, including OID, made to you will be subject to the 30% United States federal withholding tax, unless you provide the Issuer with a properly executed:

- IRS Form W-8BEN (or successor form) claiming an exemption from, or reduction in, withholding under the benefit of an applicable tax treaty; or
- IRS Form W-8ECI (or successor form) stating that interest paid on the Notes is not subject to withholding tax because it is effectively connected with your conduct of a trade or business in the United States.

The 30% United States federal withholding tax generally will not apply to any gain that you realize on the sale, exchange, retirement or other disposition of Notes.

United States Federal Income Tax

If you are engaged in a trade or business in the United States and premium, if any, or interest, including OID, on the Notes is effectively connected with the conduct of that trade or business and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment, you will be subject to United States federal income tax on that premium or interest on a net income basis (although exempt from the 30% withholding tax, provided the certification requirements described above are satisfied) in the same manner as if you were a United States Holder. In addition, if you are a foreign corporation, you may be subject to a branch profits tax equal to 30% (or lower applicable treaty rate) of such premium or interest, subject to adjustments.

You will generally not be subject to United States federal income tax on the disposition of a Note unless:

- the gain is effectively connected with your conduct of a trade or business in the United States and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment; or

- you are an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met.

Special rules may apply to you if you are subject to special treatment under the Code. Entities subject to special treatment include “controlled foreign corporations,” “passive foreign investment companies,” certain expatriates, or corporations that accumulate earnings to avoid paying United States federal income tax, among others. If you are such an entity, you should consult your own tax advisor to determine the United States federal, state, local and other tax consequences that may be relevant to you.

United States Federal Estate Tax

Your estate will not be subject to United States federal estate tax on Notes beneficially owned by you at the time of your death, provided that any payment made to you on the Notes, including OID, would be eligible for the “portfolio interest” exemption from the 30% United States federal withholding tax under the rules described under “United States Federal Withholding Tax,” without regard to the statement requirement described in the sixth bullet point of that section.

Information Reporting and Backup Withholding

In the case of Registered Notes or Exchangeable Bearer Notes that have been exchanged, information reporting will generally apply to payments of interest, including OID, made to you and the amount of tax, if any, withheld with respect to such payments. Copies of the information returns reporting such interest payments and any withholding may also be made available to the tax authorities in the country in which you reside under the provisions of an applicable income tax treaty.

In the case of Bearer Notes or Exchangeable Bearer Notes that have not been exchanged, in general, no information reporting or backup withholding will be required with respect to payments the Issuer makes outside of the United States.

In the case of Registered Notes or Exchangeable Bearer Notes that have been exchanged, in general, backup withholding will not apply to payments that the Issuer makes to you provided that the Issuer does not have actual knowledge or reason to know that you are a United States person and the Issuer has received from you the statement described above in the sixth bullet point under “United States Federal Withholding Tax.”

In addition, information reporting and backup withholding will generally not apply to the proceeds of the sale of a Note made within the United States or conducted through certain United States-related financial intermediaries, if the payor receives the statement described above in the sixth bullet point under “United States Federal Withholding Tax” and does not have actual knowledge or reason to know that you are a United States person, or you otherwise establish an exemption.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your United States federal income tax liability provided the required information is furnished to the IRS.

United Kingdom Taxation

The following is a summary of certain United Kingdom taxation issues at the date hereof in relation to payments of principal and interest in respect of the Notes.

The comments set out below do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of Notes. The comments are based on the assumption that (a) interest payable in respect of the Notes does not have a United Kingdom source, and (b) that the Issuer will not merge or consolidate with, or sell or convey substantially all of its assets to any other corporation whether pursuant to Condition 11 of the Notes or otherwise.

The comments relate only to the position of persons who are absolute beneficial owners of the Notes. Prospective Noteholders should be aware that the particular terms of issue of any series of Notes as specified in the relevant Pricing Supplement may affect the tax treatment of that and other series of Notes.

The following is a general guide and should be treated with appropriate caution. Noteholders who are in any doubt as to their tax position should consult their professional advisers. Noteholders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Notes. In particular, Noteholders should be aware that they may

be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.

Provision of Information

Noteholders should note that where any interest on Notes is paid to them (or to any person acting on their behalf) by any person in the United Kingdom acting on behalf of the Issuer (a “paying agent”), or is received by any person in the United Kingdom acting on behalf of the relevant Noteholder (other than solely by clearing or arranging the clearing of a cheque) (a “collecting agent”), then the paying agent or the collecting agent (as the case may be) may, in certain cases, be required to supply to the United Kingdom Inland Revenue details of the payment and certain details relating to the Noteholder (including the Noteholder’s name and address). These provisions will apply whether or not the interest has been paid subject to withholding or deduction for or on account of United Kingdom income tax and whether or not the Noteholder is resident in the United Kingdom for United Kingdom taxation purposes. Where the Noteholder is not so resident, the details provided to the United Kingdom Inland Revenue may, in certain cases, be passed by the United Kingdom Inland Revenue to the tax authorities of the jurisdiction in which the Noteholder is resident for taxation purposes.

For the above purposes, “interest” should be taken, for practical purposes, as including payments made by a guarantor in respect of interest on Notes.

The provisions referred to above may also apply, in certain circumstances, to payments made on redemption of any Notes where the amount payable on redemption is greater than the issue price of the Notes.

Notes may be issued at an issue price of less than 100 per cent. of their principal amount. Any discount element on any such Notes may be subject to reporting requirements as outlined above.

The references to “interest” above mean “interest” as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of “interest” or “principal” which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation.

EU Taxation

EU Savings Directive

European Union Reporting and Withholding

The Council of the European Union approved, on June 3, 2003, Council Directive 2003/48/EC regarding the taxation of savings income. Under the 2003 Directive, if a paying agent for interest on a debt claim is resident in one member state of the European Union and an individual who is the beneficial owner of the interest is a resident of another member state, then the former member state will be required to provide information (including the identity of the recipient) to authorities of the latter member state. “Paying agent” is defined broadly for this purpose and generally includes any agent of either the payor or payee. This requirement is subject to the right of Belgium, Luxembourg and Austria to opt instead to withhold tax on the interest during a transitional period (initially at a rate of 15% but rising in steps to 35% after six years).

The Council agreed on July 19, 2004, in Council Decision 2004/587/EC, that the 2003 Directive will become effective on July 1, 2005. However, this effective date is contingent on certain nonmembers of the European Union (Switzerland, Liechtenstein, Andorra, Monaco and San Marino), as well as dependent and associated territories of the United Kingdom and the Netherlands, adopting equivalent measures, including the option to apply withholding taxes, effective on the same date. There is no assurance that all such non-members and territories will satisfy this condition. As a result, the effective date of the 2003 Directive may be delayed, and no assurance can be given concerning whether or on what date the 2003 Directive will become effective.

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in the Amended and Restated Programme Agreement dated April 7, 2004 (the “Programme Agreement”), between the Issuer and the Permanent Dealers, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to issue Notes directly on its own behalf to Dealers that are not Permanent Dealers and who agree to be bound by the restrictions below. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Programme Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between the Issuer and the Dealer in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for their expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Pricing Supplement.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Programme Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

United States

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Dealer has agreed that, except as permitted by the Programme Agreement, it will not offer, sell or deliver Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Dealer, by the Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the Code.

All Bearer and Exchangeable Bearer Notes will be issued in compliance with the D Rules.

Each issuance of Indexed Notes and Dual Currency Notes will be subject to such additional United States selling restrictions as indicated in the applicable Pricing Supplement. Each Dealer has agreed that it will offer, sell or deliver such Notes only in compliance with such additional selling restrictions.

United Kingdom

Each Dealer has represented, warranted and agreed that:

- (1) in relation to Notes which have a maturity of one year or more and which are not be admitted to the Official List of the Financial Services Authority (in its capacity as competent authority for the purposes of Part VI of the FSMA), it has not offered or sold and, prior to the expiry of a period of six months from the Issue Date of such Notes, will not offer or sell any such Notes to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995;

- (2) in relation to any Notes which have a maturity of less than one year (a) 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 (b) it has not offered or sold and will not offer or sell any Notes other than to persons (i) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or (ii) 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 FSMA by the Issuer;
- (3) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any 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 any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (4) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (the “Securities and Exchange Law”). Accordingly, each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer to sell any Notes in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and other relevant laws and regulations of Japan. As used in this paragraph, “resident of Japan” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge and belief, comply with all relevant laws and regulations in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Offering Circular, any other offering material or any Pricing Supplement and neither the Issuer nor any other Dealer shall have responsibility therefor.

GENERAL INFORMATION

1. Application has been made to list the Notes issued under the Programme on the Luxembourg Stock Exchange. In connection therewith, the Restated Certificate of Incorporation, as amended, and By-Laws of JPMorgan Chase and a legal notice (*Notice Légale*) relating to the issuance of the Notes will have been deposited prior to listing with the Trade and Commerce Register of Luxembourg (*Registre de Commerce et des Sociétés à Luxembourg*), where copies thereof may be obtained on request. The Luxembourg Stock Exchange has allocated to the Programme the number 11907 for Listing purposes.
2. Throughout the lifetime of the Programme and from the date hereof, copies of the Restated Certificate of Incorporation, as amended; By-Laws of JPMorgan Chase; JPMorgan Chase's most recently filed Annual Report on Form 10-K (the "Annual Report") and all documents filed by JPMorgan Chase pursuant to Section 13 and Section 14 or Section 15(d) of the Securities Exchange Act of 1934 subsequent to the end of the period covered by such Annual Report and prior to termination of the Offering of the Notes (but excluding portions thereof not deemed to be filed) and solely during the period prior to the filing of JPMorgan Chase's Annual Report on Form 10-K for the year ended December 31, 2005, JPMorgan Chase's Current Reports on Form 8-K filed on March 1, 2004 and May 14, 2004 and JPMorgan Chase's Current Reports on Form 8-K/A filed on August 13, 2004 (with respect to Exhibit 99.4 only) and January 19, 2005; the Agency Agreement (incorporating the forms of the temporary global, permanent global and definitive Notes); the Programme Agreement; and this Offering Circular and all Pricing Supplements and other supplements to this Offering Circular as well as annual, quarterly and current reports of JPMorgan Chase incorporated by reference herein may be obtained, at the office of the Agent in London, England and at the office of the Paying Agent in Luxembourg.
3. The financial statements as of December 31, 2004 and 2003 and for each of the three years in the period ended December 31, 2004 and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) as of December 31, 2004, incorporated in this Offering Circular by reference to JPMorgan Chase's Annual Report on Form 10-K for the year ended December 31, 2004, have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report appearing therein.
4. The Programme has been established, the aggregate principal amount of Notes that may be issued under the Programme has been increased to U.S.\$15,000,000,000 from U.S.\$5,000,000,000, and Notes will be issued thereunder pursuant to authority granted by resolutions of the Board of Directors of JPMorgan Chase on January 18, 2005, and resolutions of the Borrowings Committee of JPMorgan Chase on April 14, 2005.
5. Save as disclosed herein or in any document incorporated by reference herein, there has been no material adverse change in the financial position or prospects of JPMorgan Chase and its subsidiaries taken as a whole since the date of the last audited financial statements.
6. Save as disclosed herein or in any document incorporated by reference herein, there has been no material adverse change in the consolidated financial position of JPMorgan Chase and its subsidiaries since the date of the last audited financial statements.
7. Each Bearer Note with a maturity of more than 183 days and any Receipt, Coupon or Talon appertaining thereto shall bear the following legend: "Any United States person (as defined in the Internal Revenue Code of the United States) who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code of the United States".

Each Bearer Note with a maturity of 183 days or less and any Receipt, Coupon or Talon appertaining thereto shall bear the following legend: "By accepting this obligation, the holder represents and warrants that it is not a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code of the United States and the Regulations thereunder) and that it is not acting for or on behalf of a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code and the Regulations thereunder)".

8. The proposed Directive of the European Parliament and of the Council on the harmonization of transparency requirements with regard to information about issuers whose securities are admitted to trading on a regulated market, the EU Transparency Directive, may be implemented in Luxembourg and other member states of the European Union in a manner that is unduly burdensome for the Issuer. In particular, the Issuer may be required to publish financial statements in the EU prepared in accordance with, or reconciled to,

International Financial Reporting Standards. In such circumstances the Issuer may decide to seek an alternative listing for the Notes on a stock exchange outside the European Union.

9. The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The appropriate Common Code and ISIN for each Tranche allocated by Euroclear and Clearstream, Luxembourg and details of any other agreed clearance system will be contained in the relevant Pricing Supplement. Transactions will normally be effected for settlement not earlier than three days after the date of the transaction.

FORM OF PRICING SUPPLEMENT

Pricing Supplement

JPMorganChase 

JPMORGAN CHASE & CO.

**[Title of Relevant Series (specifying type of Notes)]
issued pursuant to**

**U.S.\$15,000,000,000
Euro Medium Term Note Programme**

SERIES NO: []
TRANCHE NO: []
[Brief Description and Amount of Notes]

Issue Price: [] per cent.

[Publicity Name(s) of Dealer(s)]

The date of this Pricing Supplement is [].

This Pricing Supplement, under which the Notes described herein (the “Notes”) are issued, is supplemental to, and should be read in conjunction with, the Offering Circular dated May [], 2005 (the “Offering Circular” [including the Supplemental Offering Circular dated []]), issued in relation to the U.S.\$15,000,000,000 Euro Medium Term Note Programme of JPMorgan Chase & Co. Terms defined in the Offering Circular have the same meaning in this Pricing Supplement. The Notes will be issued on the terms of this Pricing Supplement read together with the Offering Circular. The Issuer, with respect to itself and Notes issued by it, having made all reasonable enquiries, confirms that the information contained in this Pricing Supplement, when read together with the Offering Circular [and the Supplemental Offering Circular], contains all information that is material in the context of the issue of the Notes.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer of, or an invitation by or on behalf of anyone to subscribe or purchase any of the Notes.

[Set out any additions or variations to the selling restrictions].

For Bearer Notes and Exchangeable Bearer Notes with a maturity of more than 183 days: [Any United States person (as defined in the Internal Revenue Code of the United States) who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code of the United States.]

For Bearer Notes and Exchangeable Bearer Notes with a maturity of 183 days or less: [By accepting this obligation, the holder represents and warrants that it is not a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code of the United States and the Regulations thereunder) and that it is not acting for or on behalf of a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code and the Regulations thereunder).]

[The Issuer (a) has complied with its obligations under the listing rules of the [Luxembourg/Other Stock Exchange] in relation to the admission to and continuing listing of the Notes issued under the Programme and of any previous issues made by it under the Programme and [listed on the same exchange] [similarly admitted to listing]; (b) confirms that it will have complied with its obligations under the listing rules of the [Luxembourg/Other Stock Exchange] in relation to the admission to listing of the Notes by the time when the Notes are so admitted; [and] (c) has not, since the last publication of information in compliance with the listing rules of the [Luxembourg/Other Stock Exchange] about the Programme, any previous issues made by it under the Programme and [listed on the Luxembourg/Other Stock Exchange], or the Notes, having made all reasonable inquiries, become aware of any change in circumstance which could reasonably be regarded as significantly and adversely affecting its ability to meet its obligations as issuer in respect of the Notes as they fall due.]

There has been no significant change in the financial or trading position of the Issuer or of the JPMorgan Chase Group since [date of last audited or quarterly financial statements] and no material adverse change in the financial position or prospects of the Issuer or of the JPMorgan Chase Group since [date of last published financial statements].

[In connection with this issue, [name of Stabilising Manager] or any of its agents may over-allot or effect transactions with a view to stabilizing or supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there is no obligation on the Stabilising Manager or any agent of his to do this. Such stabilising, if commenced, may be discontinued at any time, must be brought to an end after a limited period and shall be in compliance with all applicable laws, regulations and rules.]⁽¹⁾

Any such transaction will be carried out in accordance with applicable laws and regulations.

The terms of the Notes and additional provisions relating to their issue are as follows:

(1) Delete if there is no Stabilising Manager.

**Provisions appearing on the face of the
Notes/Certificates]**

- | | | |
|-----|---|---|
| 1. | Series No. (*): | [] |
| 2. | Tranche No. (*): | [] |
| 3. | ISIN (*): | [] |
| 4. | Currency (*): | [] |
| 5. | Principal Amount of Tranche (*): | [] |
| 6. | Issue Date (*): | [] |
| 7. | Issue Price (*): | [] |
| 8. | Maturity Date (*): | [] [, subject to adjustment in accordance with the Following/Modified Following/Preceding Business Day] |
| | N.B. The Maturity Date should only be adjusted for Floating Rate Notes. Non-payment dates for other types of Notes are dealt with by Condition 6(j). | [FRN/Floating Rate/Euroclear] Convention for which the Business Day[s] [is/are] [specify cities] OR [the Interest Payment Date falling in [specify month and year]] |
| 9. | Form (*): | [Bearer/Exchangeable Bearer/Registered] |
| 10. | Denomination(s) (*): | [to be in minimum denominations of at least €1,000 or its equivalent in other currencies][to be in minimum denominations of U.S.\$500,000 if Bearer Notes with a maturity of 183 days or less] |
| 11. | Status(*): | [Unsubordinated] [Subordinated] |
| 12. | Redenomination into euro (if Notes denominated in the national currency of a Member State that may participate in the EMU, after the start of the third stage of the EMU, are converted into euro) and/or consolidation | [specify redenomination, renominatisation and/or consolidation provisions in full] |
| 13. | Interest Commencement Date (* — other than Zero Coupon Notes: | [] |
| 14. | Interest Rate (including after Maturity Date) (*): | [[] per cent. per annum/Floating Rate/Zero Coupon [other]] |
| 15. | Interest Payment Date(s) (* — other than Zero Coupon Notes): | [] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding Business Day] |
| | N.B. Interest Payment Dates should only be adjusted for Floating Rate Notes. Non-payment dates for other types of Note are dealt with by Condition 6(j) | [FRN/Floating Rate/Euroclear] Convention for which the Business Day[s] [is/are] [specify cities]] OR [] months after the previous Interest Payment Date (or, in the case of the first Interest Payment Date, after the Interest Commencement Date), subject to adjustment in accordance with the Floating Rate Business Day Convention for which the Business Day[s] [is/are] [specify cities]] |
| 16. | Relevant Time (Floating Rate Notes): | [] |
| 17. | Interest Determination Date (Floating Rate Notes): | [[] Business Days in [specify city] for [specify currency] prior to] [the first day in each Interest Period/each Interest Payment Date][N.B. include appropriate provisions for Floating Rate Notes which are denominated in euro] |
| 18. | Interest Reset Period (Floating Rate Notes): | [Daily/weekly/monthly/quarterly/semi-annually/annually] |
| 19. | Interest Reset Date | [specify day in Interest Reset Period] |

20.	Primary Source for Floating Rate (* — Floating Rate Notes):	[specify relevant screen page or “Reference Banks”][in the case of Notes denominated in euro, please specify]
21.	Reference Banks (* — Floating Rates Notes — if Primary Source is “Reference Banks”)	[specify four][in the case of Notes denominated in euro, please specify]
22.	Relevant Financial Centre (Floating Rate Notes):	[the financial centre most closely connected to the Benchmark — specify if not London] [Include appropriate provisions in the case of Notes denominated in euro]
23.	Benchmark (* — Floating Rate Notes):	[EURIBOR, EURO-LIBOR, LIBOR, LIBID, LIMEAN or other benchmark]
24.	Representative Amount (Floating Rate Notes):	[Specify if screen or Reference Bank quotes are to be given in respect of a transaction of a specified notional amount][Include appropriate provisions in the case of Notes denominated in euro]
25.	Relevant Currency (Floating Rate Notes):	[Specify if not currency of denomination] [Include appropriate provisions in the case of Notes denominated in euro]
26.	Effective Date (Floating Rate Notes)	[Specify if quotes are not to be obtained with effect from commencement of Interest Period][Include appropriate provisions in the case of Notes denominated in euro]
27.	Specified Duration (Floating Rate Notes):	[Specify period for quote, if not duration of Interest Period] [Include appropriate provisions in the case of Notes denominated in euro]
28.	Margin (if applicable):	[] per cent. per annum
29.	Rate Multiplier (if applicable):	[]
30.	Maximum/Minimum Interest Rate (if applicable):	[] per cent. per annum
31.	Maximum/Minimum Instalment Amount (if applicable):	[]
32.	Maximum/Minimum Redemption Amount (if applicable):	[]
33.	Interest Amount (Fixed Rate Note or Variable Coupon Amount Note):	[Specify amount of interest due in respect of each Denomination on each Interest Payment Date or, if applicable, a formula for calculating such amounts]
34.	Day Count Fraction (*):	[]
35.	Interest Period Dates(s) (if applicable):	[] [, subject to adjustment in accordance with the [Following/Modified Following/Preceding Business Day] [FRN/Floating Rate/Euroclear] Convention for which the Business Day[s] [is/are] specify cities]] OR [] months after the previous Interest Period Date (or, in the case of the first Interest Period Date, after the Interest Commencement Date), subject to adjustment in accordance with the Floating Rate Business Day Convention for which the Business Day[s] [is/are] [specify cities]]
	N.B. Interest Period Dates should only be adjusted for Floating Rate Notes. Non-payment dates for other types of Notes are dealt with by Condition 6(j)	
36.	Redemption Amount (*):	[Principal Amount [other]]
37.	Early Redemption Amount (if applicable)	[Principal Amount [other]]

38. Redemption for Taxation Reasons permitted on days other than Interest Payment Dates (*): [Yes/No]
39. Amortisation Yield (Zero Coupon Notes): [] per cent. per annum
40. Terms of redemption at the option of the Issuer or description of any other Issuer's option (if applicable): []
41. Issuer's Option Period (if applicable): []
42. Terms of redemption at the option of the Noteholders or description of any other Noteholders' option (if applicable): []
43. Noteholders' Option Period (if applicable): []
44. Instalment Date(s) (if applicable): []
45. Instalment Amount(s) (if applicable): [Yes/No]
46. Unmatured Coupons to become void upon early redemption (*): [No/Yes, maturing every [] Interest Payment Dates]
47. Talons to be attached to Notes and, if applicable, the number of Interest Payment Dates between the maturity of each Talon (if applicable): []
48. Business Day Jurisdictions for Condition 6(j) (jurisdictions required to be open for payment) (*): []
49. Additional steps that may only be taken following approval by Noteholders in accordance with Condition 12(a) (if applicable): []
50. Details of any other additions or variations to the Conditions (if applicable): []
51. The Paying Agents appointed in respect of the Notes are (*): [List Paying Agents and their specified offices]

Provisions Applicable to Global Notes and Certificates

52. Notes to be represented on issue by (*): [Temporary Global Note/Global Certificate/permanent Global Certificate]
53. Applicable TEFRA exemption: [D Rules/not applicable]
54. Temporary Global Note exchangeable for Permanent Global Note or Definitive Notes (*): [Permanent Global Note/Definitive Notes]

Provisions relating only to the sale and listing of the Notes

55. Details of any additions or variations to the selling restrictions: []
56. Listing: [Luxembourg Stock Exchange/other Stock Exchange]
57. Dealer's Commissions: []
58. Method of issue of Notes: [Individual Dealer/Syndicated Issue]
59. The following Dealer(s) [is/are] subscribing the Notes: [Insert legal name(s) of Dealer(s)]
60. Common Code: []

- | | | |
|----------------------|---|--|
| 61. | The aggregate principal amount of Notes issued has been translated into U.S. dollars at the rate of [], producing a sum of (for Notes not denominated in U.S. dollars): | U.S.\$[] |
| 62. | Senior Indebtedness(* — Subordinated Notes): | U.S.\$ [specify amount of Senior Indebtedness outstanding on Issue Date] |
| 63. | Net Proceeds: | [] |
| 64. | Use of Proceeds (if different from that stated in the Offering Circular): | [] |
| Miscellaneous | | |
| 65. | Calculation Agent: | [] |
| 66. | Terms and Conditions: | [The full text of the Terms and Conditions which apply to the Notes [and which will be endorsed on the Notes in definitive form] are as set out in the Annex hereto, which Terms and Conditions replace in their entirety those appearing in the Offering Circular for the purposes of these Notes and such Terms and Conditions will prevail over any other provision to the contrary.] |

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

JPMORGAN CHASE & CO.

By: _____
Duly authorised

Notes:

(*) — Obligatory definition for all Notes.

(* — Floating Rate Notes) — Obligatory definition for Floating Rate Notes.

(* — other than Zero Coupon Notes) — Obligatory definition for all Notes other than Zero Coupon Notes.

(*) — Obligatory definition in the circumstances described.

(Floating Rate Notes/Zero Coupon Notes — Optional definition for Floating Rate Notes or Zero Coupon Notes, as the case may be. Although completion is desirable from a “for the avoidance of doubt” perspective, nothing need be specified if the fallback definition appearing in the Conditions is correct.

(if applicable) — Definition requiring completion where such additional terms are applicable to the Notes.

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