

Term sheet

To prospectus dated November 14, 2011,
prospectus supplement dated November 14, 2011,
product supplement no. 4-1 dated November 14, 2011 and
underlying supplement no. 1-1 dated November 14, 2011

JPMORGAN CHASE & CO.

**Term Sheet to
Product Supplement No. 4-1
Registration Statement No. 333-177923
Dated January 14, 2013; Rule 433**

**Structured
Investments**

**\$
Capped Buffered Notes Linked to the iShares® Barclays 20+ Year Treasury Bond Fund due
February 2, 2015**

General

- The notes are designed for investors who seek unleveraged exposure to the appreciation of the iShares® Barclays 20+ Year Treasury Bond Fund, up to a maximum return of between 12.20% and 14.20% at maturity. Investors should be willing to forgo interest and dividend payments, and, if the Final Share Price is less than the Initial Share Price by more than 15%, be willing to lose some or all of their principal at maturity. **Any payment on the notes is subject to the credit risk of JPMorgan Chase & Co.**
- Unsecured and unsubordinated obligations of JPMorgan Chase & Co. maturing February 2, 2015*
- Minimum denominations of \$1,000 and integral multiples thereof
- The notes are expected to price on or about January 28, 2013 and are expected to settle on or about January 31, 2013.

Key Terms

Fund:	The iShares® Barclays 20+ Year Treasury Bond Fund (Bloomberg ticker symbol “TLT”)
Payment at Maturity:	If the Final Share Price is greater than the Initial Share Price, at maturity you will receive a cash payment that provides you with a return per \$1,000 principal amount note equal to the Fund Return, subject to the Maximum Return. Accordingly, if the Final Share Price is greater than the Initial Share Price, your payment at maturity per \$1,000 principal amount note will be calculated as follows: $\$1,000 + (\$1,000 \times \text{Fund Return}), \text{ subject to the Maximum Return}$ If the Final Share Price is equal to or less than the Initial Share Price by up to 15%, you will receive the principal amount of your notes at maturity. If the Final Share Price is less than the Initial Share Price by more than 15%, you will lose 1% of the principal amount of your notes for every 1% that the Final Share Price is less than the Initial Share Price by more than 15%. Under these circumstances, your payment at maturity per \$1,000 principal amount note will be calculated as follows: $\$1,000 + [\$1,000 \times (\text{Fund Return} + 15\%)]$ <i>If the Final Share Price is less than the Initial Share Price by more than 15%, you could lose up to \$850 per \$1,000 principal amount note.</i>
Maximum Return:	Between 12.20% and 14.20%. The actual Maximum Return will be determined on the pricing date and will not be less than 12.20% or greater than 14.20%. Accordingly, the actual maximum payment at maturity per \$1,000 principal amount note will not be less than \$1,122.00 or greater than \$1,142.00.
Buffer Amount:	15%
Downside Leverage Factor:	1.0
Fund Return:	$\frac{\text{Final Share Price} - \text{Initial Share Price}}{\text{Initial Share Price}}$
Initial Share Price:	The closing price of one share of the Fund on the pricing date, <i>divided</i> by the Share Adjustment Factor
Final Share Price:	The closing price of one share of the Fund on the Observation Date
Share Adjustment Factor:	Set initially at 1.0 on the pricing date and subject to adjustment under certain circumstances. See “General Terms of Notes — Anti-Dilution Adjustments” in the accompanying product supplement no. 4-1 for further information.
Observation Date*:	January 28, 2015
Maturity Date*:	February 2, 2015
CUSIP:	48126DTH2

* Subject to postponement in the event of a market disruption event and as described under “Description of Notes — Payment at Maturity” and “Description of Notes — Postponement of a Determination Date — A. Notes Linked to a Single Component” in the accompanying product supplement no. 4-1

Investing in the Capped Buffered Notes involves a number of risks. See “Risk Factors” beginning on page PS-21 of the accompanying product supplement no. 4-1, “Risk Factors” beginning on page US-1 of the accompanying underlying supplement no. 1-1 and “Selected Risk Considerations” beginning on page TS-3 of this term sheet.

Neither the Securities and Exchange Commission (the “SEC”) nor any state securities commission has approved or disapproved of the notes or passed upon the accuracy or the adequacy of this term sheet or the accompanying product supplement, underlying supplement, prospectus supplement and prospectus. Any representation to the contrary is a criminal offense.

	Price to Public (1)	Fees and Commissions (2)	Proceeds to US
Per note	\$	\$	\$
Total	\$	\$	\$

- (1) The price to the public includes the estimated cost of hedging our obligations under the notes through one or more of our affiliates.
- (2) If the notes priced today, J.P. Morgan Securities LLC, which we refer to as JPMS, acting as agent for JPMorgan Chase & Co., would receive a commission of approximately \$15.00 per \$1,000 principal amount note. This commission includes the projected profits that our affiliates expect to realize for assuming risks inherent in hedging our obligations under the notes. The actual commission received by JPMS may be more or less than \$15.00 per \$1,000 principal amount note and will depend on market conditions on the pricing date. In no event will the commission received by JPMS exceed \$30.00 per \$1,000 principal amount note. See “Plan of Distribution (Conflicts of Interest)” beginning on page PS-77 of the accompanying product supplement no. 4-1.

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

J.P.Morgan

January 14, 2013

Additional Terms Specific to the Notes

JPMorgan Chase & Co. has filed a registration statement (including a prospectus) with the SEC for the offering to which this term sheet relates. Before you invest, you should read the prospectus in that registration statement and the other documents relating to this offering that JPMorgan Chase & Co. has filed with the SEC for more complete information about JPMorgan Chase & Co. and this offering. You may get these documents without cost by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, JPMorgan Chase & Co., any agent or any dealer participating in this offering will arrange to send you the prospectus, the prospectus supplement, product supplement no. 4-I, underlying supplement no. 1-I and this term sheet if you so request by calling toll-free 866-535-9248.

You may revoke your offer to purchase the notes at any time prior to the time at which we accept such offer by notifying the applicable agent. We reserve the right to change the terms of, or reject any offer to purchase, the notes prior to their issuance. In the event of any changes to the terms of the notes, we will notify you and you will be asked to accept such changes in connection with your purchase. You may also choose to reject such changes, in which case we may reject your offer to purchase.

You should read this term sheet together with the prospectus dated November 14, 2011, as supplemented by the prospectus supplement dated November 14, 2011 relating to our Series E medium-term notes of which these notes are a part, and the more detailed information contained in product supplement no. 4-I dated November 14, 2011 and underlying supplement no. 1-I dated November 14, 2011. **This term sheet, together with the documents listed below, contains the terms of the notes and supersedes all other prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, fact sheets, brochures or other educational materials of ours.** You should carefully consider, among other things, the matters set forth in “Risk Factors” in the accompanying product supplement no. 4-I and “Risk Factors” in the accompanying underlying supplement no. 1-I, as the notes involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the notes.

You may access these documents on the SEC website at www.sec.gov as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC website):

- Product supplement no. 4-I dated November 14, 2011:
http://www.sec.gov/Archives/edgar/data/19617/000089109211007593/e46160_424b2.pdf
- Underlying supplement no. 1-I dated November 14, 2011:
http://www.sec.gov/Archives/edgar/data/19617/000089109211007615/e46154_424b2.pdf
- Prospectus supplement dated November 14, 2011:
http://www.sec.gov/Archives/edgar/data/19617/000089109211007578/e46180_424b2.pdf
- Prospectus dated November 14, 2011:
http://www.sec.gov/Archives/edgar/data/19617/000089109211007568/e46179_424b2.pdf

Our Central Index Key, or CIK, on the SEC website is 19617. As used in this term sheet, the “Company,” “we,” “us” and “our” refer to JPMorgan Chase & Co.

Selected Purchase Considerations

- **CAPPED AND UNLEVERAGED APPRECIATION POTENTIAL** — The notes provide the opportunity to earn an unleveraged return equal to a positive Fund Return, up to the Maximum Return. The actual Maximum Return will be set on the pricing date and will not be less than 12.20% or greater than 14.20%. Accordingly, the actual maximum payment at maturity will not be less than \$1,122.00 or greater than \$1,142.00 per \$1,000 principal amount note. **Because the notes are our unsecured and unsubordinated obligations, payment of any amount on the notes is subject to our ability to pay our obligations as they become due.**
- **LIMITED PROTECTION AGAINST LOSS** — We will pay you your principal back at maturity if the Final Share Price is not less than the Initial Share Price by more than 15%. If the Final Share Price is less than the Initial Share Price by more than 15%, for every 1% that the Final Share Price is less than the Initial Share Price by more than 15%, you will lose an amount equal to 1% of the principal amount of your notes. Accordingly, you could lose up to \$850 for each \$1,000 principal amount note that you invest in.
- **RETURN LINKED TO THE ISHARES® BARCLAYS 20+ YEAR TREASURY BOND FUND** — The return on the notes is linked to the iShares® Barclays 20+ Year Treasury Bond Fund. The iShares® Barclays 20+ Year Treasury Bond Fund is an exchange-traded fund that trades on the NYSE Arca under the ticker symbol “TLT.” The iShares® Barclays 20+ Year Treasury Bond Fund seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the long-term sector of the United States Treasury market as defined by the Barclays Capital U.S. 20+ Year Treasury Bond Index, which we refer to as the Underlying Index with respect to the iShares® Barclays 20+ Year Treasury Bond Fund. The Barclays Capital U.S. 20+ Year Treasury Bond Index is market capitalization weighted, includes all publicly issued U.S. Treasury securities that meet the criteria for inclusion and is rebalanced once a month on the last calendar day of the month. The U.S. Treasury securities included in the Barclays Capital U.S. 20+ Year Treasury Bond Index must have a remaining maturity of greater than 20 years, are rated investment grade (at least Baa3 by Moody’s Investors Service, Inc. or BBB- by Standard and Poor’s Financial Services, LLC) and have \$250 million or more of outstanding face value. In addition, the securities must be denominated in U.S. dollars and must be fixed-rate and non-convertible. For additional information on the iShares® Barclays 20+ Year Treasury Bond Fund, see the information set forth under “Fund Descriptions — The iShares® Barclays 20+ Year Treasury Bond Fund” in the accompanying underlying supplement no. 1-I.
- **TAX TREATMENT** — You should review carefully the section entitled “Material U.S. Federal Income Tax Consequences” in the accompanying product supplement no. 4-I. The following discussion, when read in combination with that section, constitutes the full opinion of our special tax counsel, Davis Polk & Wardwell LLP, regarding the material U.S. federal income tax consequences of owning and disposing of notes.

Based on current market conditions, in the opinion of our special tax counsel it is reasonable to treat the notes as “open transactions” that are not debt instruments for U.S. federal income tax purposes. Assuming this treatment is respected, subject to the possible application of the “constructive ownership” rules, the gain or loss on your notes should be treated as long-term capital gain or loss if you hold your notes for more than a year, whether or not you are an initial purchaser of notes at the issue price. The notes could be treated as “constructive ownership transactions” within the meaning of Section 1260 of the Internal Revenue Code of 1986, as amended, in which case any gain recognized in respect of the notes that would otherwise be long-term capital gain and that was in excess of the “net underlying long-term capital gain” (as defined in Section 1260) would be treated as ordinary income, and an interest charge would apply as if that income had accrued for tax purposes at a constant yield over the notes’ term. Our special tax counsel has not expressed an opinion with respect to whether the constructive ownership rules apply to the notes. Accordingly, U.S. Holders should consult their tax advisers regarding the potential application of the constructive ownership rules.

The Internal Revenue Service (the “IRS”) or a court may not respect the treatment of the notes described above, in which case the timing and character of any income or loss on your notes could be materially and adversely affected. In addition, in 2007, Treasury and the IRS released a notice requesting comments on the U.S. federal income tax treatment of “prepaid forward contracts” and similar instruments. The notice focuses in particular on whether to require investors in these instruments to accrue income over the term of their investment. It also asks for comments on a number of related topics, including the character of income or loss with respect to these instruments; the relevance of factors such as the nature of the underlying property to which the instruments are linked; the degree, if any, to which income (including any mandated accruals) realized by non-U.S. investors should be subject to withholding tax; and whether these instruments are or should be subject to the constructive ownership regime described above. While the notice requests comments on appropriate transition rules and effective dates, any Treasury regulations or other guidance promulgated after consideration of these issues could materially and adversely affect the tax consequences of an investment in the notes, possibly with retroactive effect. You should consult your tax adviser regarding the U.S. federal income tax consequences of an investment in the notes, including the potential application of the constructive ownership rules, possible alternative treatments and the issues presented by this notice.

Non-U.S. Holders - Additional Tax Consideration

Non-U.S. Holders should note that recently proposed Treasury regulations, if finalized in their current form, could impose a withholding tax at a rate of 30% (subject to reduction under an applicable income tax treaty) on amounts attributable to U.S.-source dividends (including, potentially, adjustments to account for extraordinary dividends) that are paid or “deemed paid” after December 31, 2013 under certain financial instruments, if certain other

conditions are met. While significant aspects of the application of these proposed regulations to the notes are uncertain, if these proposed regulations were finalized in their current form, we (or other withholding agents) might determine that withholding is required with respect to notes held by a Non-U.S. Holder or that the Non-U.S. Holder must provide information to establish that withholding is not required. Non-U.S. Holders should consult their tax advisers regarding the potential application of these proposed regulations. If withholding is required, we will not be required to pay any additional amounts with respect to amounts so withheld.

Selected Risk Considerations

An investment in the notes involves significant risks. Investing in the notes is not equivalent to investing directly in the Fund, the Underlying Index or any of the component securities of the Fund or the Underlying Index. These risks are explained in more detail in the “Risk Factors” section of the accompanying product supplement no. 4-I dated November 14, 2011 and “Risk Factors” in the accompanying underlying supplement no. 1-I dated November 14, 2011.

- **YOUR INVESTMENT IN THE NOTES MAY RESULT IN A LOSS** — The notes do not guarantee any return of principal in excess of \$150 per \$1,000 principal amount note, subject to the credit risk of JPMorgan Chase & Co. The return on the notes at maturity is linked to the performance of the Fund and will depend on whether, and the extent to which, the Fund Return is positive or negative. Your investment will be exposed to loss if the Final Share Price is less than the Initial Share Price by more than 15%. For every 1% that the Final Share Price is less than the Initial Share Price by more than 15%, you will lose an amount equal to 1% of the principal amount of your notes. Accordingly, you could lose up to \$850 for each \$1,000 principal amount note that you invest in.
- **YOUR MAXIMUM GAIN ON THE NOTES IS LIMITED TO THE MAXIMUM RETURN** — If the Final Share Price is greater than the Initial Share Price, for each \$1,000 principal amount note, you will receive at maturity \$1,000 *plus* an additional return that will not exceed a predetermined percentage of the principal amount, regardless of the appreciation in the Index, which may be significant. We refer to this predetermined percentage as the Maximum Return, which will be set on the pricing date and will not be less than 12.20% or greater than 14.20%.
- **CREDIT RISK OF JPMORGAN CHASE & CO.** — The notes are subject to the credit risk of JPMorgan Chase & Co., and our credit ratings and credit spreads may adversely affect the market value of the notes. Investors are dependent on JPMorgan Chase & Co.’s ability to pay all amounts due on the notes, and therefore investors are subject to our credit risk and to changes in the market’s view of our creditworthiness. Any decline in our credit ratings or increase in the credit spreads charged by the market for taking our credit risk is likely to adversely affect the value of the notes. If we were to default on our payment obligations, you may not receive any amounts owed to you under the notes and you could lose your entire investment.

Recent events affecting us have led to heightened regulatory scrutiny, may lead to additional regulatory or legal proceedings against us and may adversely affect our credit ratings and credit spreads and, as a result, the market value of the notes. See “Executive Overview — CIO Synthetic Credit Portfolio Update,” “Liquidity Risk Management — Credit Ratings” and “Item 4. Controls and Procedures” in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2012 and “Part II. Other Information — Item 1A. Risk Factors” in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2012.

- **POTENTIAL CONFLICTS** — We and our affiliates play a variety of roles in connection with the issuance of the notes, including acting as calculation agent and hedging our obligations under the notes. In performing these duties, our economic interests and the economic interests of the calculation agent and other affiliates of ours are potentially adverse to your interests as an investor in the notes. In addition, our business activities, including hedging and trading activities, could cause our economic interests to be adverse to yours and could adversely affect any payment on the notes and the value of the notes. It is possible that hedging or trading activities of ours or our affiliates could result in substantial returns for us or our affiliates while the value of the notes declines. Please refer to “Risk Factors — Risks Relating to the Notes Generally” in the accompanying product supplement no. 4-I for additional information about these risks.
- **CERTAIN BUILT-IN COSTS ARE LIKELY TO AFFECT ADVERSELY THE VALUE OF THE NOTES PRIOR TO MATURITY** — While any payment on the notes, described in this term sheet is based on the full principal amount of your notes, the original issue price of the notes includes the agent’s commission and the estimated cost of hedging our obligations under the notes. As a result, and as a general matter, the price, if any, at which JPMS will be willing to purchase notes from you in secondary market transactions, if at all, will likely be lower than the original issue price, and any sale prior to the maturity date could result in a substantial loss to you. This secondary market price will also be affected by a number of factors aside from the agent’s commission and hedging costs, including those set forth under “Many Economic and Market Factors Will Impact the Value of the Notes” below.

The notes are not designed to be short-term trading instruments. Accordingly, you should be able and willing to hold your notes to maturity.

- **NO INTEREST OR DIVIDEND PAYMENTS OR VOTING RIGHTS** — As a holder of the notes, you will not receive interest payments, and you will not have voting rights or rights to receive cash dividends or other distributions or other rights that holders of shares of the Fund or the securities held by the Fund or included in the Underlying Index would have.
- **THERE ARE RISKS ASSOCIATED WITH THE FUND** — Although the Fund’s shares are listed for trading on NYSE Arca and a number of similar products have been traded on NYSE Arca and other securities exchanges for varying periods of time, there is no assurance that an active trading market will continue for the shares of the Fund or that

there will be liquidity in the trading market. The Fund is subject to management risk, which is the risk that the investment strategies of the Fund's investment adviser, the implementation of which is subject to a number of constraints, may not produce the intended results. These constraints could adversely affect the market price of the shares of the Fund, and consequently, the value of the notes.

- **DIFFERENCES BETWEEN THE FUND AND THE UNDERLYING INDEX** — The Fund does not fully replicate the Underlying Index and may hold securities not included in the Underlying Index. In addition, its performance will reflect additional transaction costs and fees that are not included in the calculation of the Underlying Index. All of these factors may lead to a lack of correlation between the Fund and the Underlying Index. Finally, because the shares of the Fund are traded on NYSE Arca and are subject to market supply and investor demand, the market value of one share of the Fund may differ from the net asset value per share of the Fund. For all of the foregoing reasons, the performance of the Fund may not correlate with the performance of the Underlying Index.
- **THE NOTES ARE SUBJECT TO SIGNIFICANT RISKS ASSOCIATED WITH FIXED-INCOME SECURITIES, INCLUDING INTEREST RATE-RELATED AND CREDIT-RELATED RISKS** — Investing in the notes differs significantly from investing directly in bonds to be held to maturity, as the value of the Fund changes, at times significantly, during each trading day based upon the current market prices of its underlying bonds. The market prices of these bonds are volatile and significantly influenced by a number of factors, particularly the yields on these bonds as compared to current market interest rates and the actual or perceived credit quality of the issuer of these bonds.

In general, fixed-income securities are significantly affected by changes in current market interest rates. As interest rates rise, the price of fixed-income securities, including those underlying the Fund, is likely to decrease. Securities with longer durations tend to be more sensitive to interest rate changes, usually making them more volatile than securities with shorter durations. The eligibility criteria for the securities included in the index that underlies the Fund, which mandate that each security must have a minimum term remaining to maturity of greater than 20 years for continued eligibility, means that, at any time, only longer-term securities underlie the Fund, which thereby increases the risk of price volatility in the underlying securities and, consequently, the volatility in the price of the Fund. As a result, rising interest rates may cause the value of the bonds underlying the Fund and the price of the Fund to decline, possibly significantly.

Interest rates are subject to volatility due to a variety of factors, including:

- sentiment regarding underlying strength in the U.S. economy and global economies;
- expectations regarding the level of price inflation;
- sentiment regarding credit quality in the U.S. and global credit markets;
- central bank policies regarding interest rates; and
- the performance of U.S. and foreign capital markets.

Recently, U.S. treasury notes have been trading at prices that are higher than these notes have typically traded during periods in the past. If the price of the U.S. treasury notes reverts to its historic mean or otherwise falls, as a result of a general increase in interest rates or perceptions of reduced credit quality of the U.S. government or otherwise, the value of the bonds underlying the Fund will decline, which could have a negative impact on the performance of the Fund and the return on your notes.

- **STANDARD & POOR'S DOWNGRADE OF THE U.S. GOVERNMENT'S CREDIT RATING, AND ANY FUTURE DOWNGRADES BY CREDIT RATING AGENCIES, MAY ADVERSELY AFFECT THE PERFORMANCE OF THE INDEX AND THE NOTES** — In August 2011, Standard & Poor's Ratings Services ("Standard & Poor's"), downgraded the U.S. government's credit rating from AAA to AA+. Additionally, Standard & Poor's and Moody's Investor Services, Inc. have assigned a negative outlook on the U.S. government's credit rating, meaning that the agencies may downgrade the U.S. government's credit rating in the next year or two. The downgrade has increased and may continue to increase volatility in the global equity and credit markets, and future downgrades by credit ratings agencies may also increase this volatility. All of the above may adversely affect the performance of the Fund and the notes.
- **LACK OF LIQUIDITY** — The notes will not be listed on any securities exchange. JPMS intends to offer to purchase the notes in the secondary market but is not required to do so. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the notes easily. Because other dealers are not likely to make a secondary market for the notes, the price at which you may be able to trade your notes is likely to depend on the price, if any, at which JPMS is willing to buy the notes.
- **THE ANTI-DILUTION PROTECTION FOR THE FUND IS LIMITED** — The calculation agent will make adjustments to the Share Adjustment Factor for certain events affecting the shares of the Fund. However, the calculation agent will not make an adjustment in response to all events that could affect the shares of the Fund. If an event occurs that does not require the calculation agent to make an adjustment, the value of the notes may be materially and adversely affected.
- **MANY ECONOMIC AND MARKET FACTORS WILL IMPACT THE VALUE OF THE NOTES** — In addition to the closing price of one share of the Fund on any day, the value of the notes will be impacted by a number of economic and market factors that may either offset or magnify each other, including:
 - the actual and expected volatility of the Fund;
 - the time to maturity of the notes;

- interest and yield rates in the market generally;
- a variety of economic, financial, political, regulatory and judicial events;
- the occurrence of certain events to the Fund that may or may not require an adjustment to the Share Adjustment Factor; and
- our creditworthiness, including actual or anticipated downgrades in our credit ratings.

What Is the Total Return on the Notes at Maturity, Assuming a Range of Performances for the Fund?

The following table and examples illustrate the hypothetical total return at maturity or payment at maturity on the notes. The “total return” as used in this term sheet is the number, expressed as a percentage, that results from comparing the payment at maturity per \$1,000 principal amount note to \$1,000. Each hypothetical total return or payment at maturity set forth below assumes an Initial Share Price of \$120.00, a Maximum Return of 12.20% and reflects the Buffer Amount of 15%. The actual Maximum Return will be determined on the pricing date and will not be less than 12.20% or greater than 14.20%. Each hypothetical total return or payment at maturity set forth below is for illustrative purposes only and may not be the actual total return or payment at maturity applicable to a purchaser of the notes. The numbers appearing in the following table and examples have been rounded for ease of analysis.

Final Share Price	Fund Return	Total Return on the Notes
\$216.00	80.00%	12.20%
\$198.00	65.00%	12.20%
\$180.00	50.00%	12.20%
\$168.00	40.00%	12.20%
\$156.00	30.00%	12.20%
\$144.00	20.00%	12.20%
\$138.00	15.00%	12.20%
\$134.64	12.20%	12.20%
\$132.00	10.00%	10.00%
\$126.00	5.00%	5.00%
\$123.00	2.50%	2.50%
\$121.20	1.00%	1.00%
\$120.00	0.00%	0.00%
\$114.00	-5.00%	0.00%
\$108.00	-10.00%	0.00%
\$102.00	-15.00%	0.00%
\$96.00	-20.00%	-5.00%
\$84.00	-30.00%	-15.00%
\$72.00	-40.00%	-25.00%
\$60.00	-50.00%	-35.00%
\$48.00	-60.00%	-45.00%
\$36.00	-70.00%	-55.00%
\$24.00	-80.00%	-65.00%
\$12.00	-90.00%	-75.00%
\$0.00	-100.00%	-85.00%

Hypothetical Examples of Amounts Payable at Maturity

The following examples illustrate how the payment at maturity in different hypothetical scenarios is calculated.

Example 1: The closing price of one share of the Fund increases from the Initial Share Price of \$120 to a Final Share Price of \$126. Because the Final Share Price of \$126 is greater than the Initial Share Price of \$120 and the Fund Return of 5% does not exceed the hypothetical Maximum Return of 12.20%, the investor receives a payment at maturity of \$1,050 per \$1,000 principal amount note, calculated as follows:

$$\$1,000 + (\$1,000 \times 5\%) = \$1,050$$

Example 2: The closing price of one share of the Fund decreases from the Initial Share Price of \$120 to a Final Share Price of \$114. Although the Fund Return is negative, because the Final Share Price of \$114 is less than the Initial Share Price of \$120 by not more than the Buffer Amount of 15%, the investor receives a payment at maturity of \$1,000 per \$1,000 principal amount note.

Example 3: The closing price of one share of the Fund increases from the Initial Share Price of \$120 to a Final Share Price of \$168. Because the Final Share Price of \$168 is greater than the Initial Share Price of \$120 and the Fund Return of 40% exceeds the hypothetical Maximum Return of 12.20%, the investor receives a payment at maturity of \$1,122 per \$1,000 principal amount note, the hypothetical maximum payment on the notes.

Example 4: The closing price of one share of the Fund decreases from the Initial Share Price of \$120 to a Final Share Price of \$84. Because the Fund Return is -30% and the Final Share Price of \$84 is less than the Initial Share Price of \$120 by more than the Buffer Amount of 15%, the investor receives a payment at maturity of \$850 per \$1,000 principal amount note, calculated as follows:

$$\$1,000 + [\$1,000 \times (-30\% + 15\%)] = \$850$$

Example 5: The closing price of one share of the Fund decreases from the Initial Share Price of \$120 to a Final Share Price of \$0. Because the Fund Return is negative and the Final Share Price of \$0 is less than the Initial Share Price of \$120 by more than the Buffer Amount of 15%, the investor receives a payment at maturity of \$150 per \$1,000 principal amount note, which reflects the benefit provided by the Buffer Amount of 15%, calculated as follows:

$$\$1,000 + [\$1,000 \times (-100\% + 15\%)] = \$150$$

The hypothetical returns and hypothetical payments on the notes shown above do not reflect fees or expenses that would be associated with any sale in the secondary market. If these fees and expenses were included, the hypothetical returns and payments shown above would likely be lower.

Historical Information

The following graph sets forth the historical performance of the iShares® Barclays 20+ Year Treasury Bond Fund based on the weekly historical closing prices of one share of the Fund from January 4, 2008 through January 11, 2013. The closing price of one share of the Fund on January 11, 2013 was \$119.85.

We obtained the closing prices of one share of the Fund below from Bloomberg Financial Markets, without independent verification. The historical prices of one share of the Fund should not be taken as an indication of future performance, and no assurance can be given as to the closing price of one share of the Fund on the pricing date or the Observation Date. We cannot give you assurance that the performance of the Fund will result in the return of any of your initial investment at maturity in excess of \$150 per \$1,000 principal amount note, subject to the credit risk of JPMorgan Chase & Co.

