

## Disclosure supplement

To disclosure statement dated February 1, 2010



JPMorgan Chase Bank, National Association

\$7,942,000

### Certificates of Deposit Linked Inversely to the J.P. Morgan US Treasury Note Futures (G) Tracker due March 31, 2016

#### General

- Certificates of deposit (the “CDs”) issued by JPMorgan Chase Bank, National Association maturing March 31, 2016\*
- The CDs are designed for investors who seek **exposure to any depreciation** of the J.P. Morgan US Treasury Note Futures (G) Tracker over the term of the CDs. Investors should be willing to forgo interest payments while seeking full principal protection plus the Minimum Return of \$60 per \$1,000 CD at maturity.
- The CDs are insured only within the limits and to the extent described in this disclosure supplement and in the accompanying disclosure statement. See “Selected Risk Considerations — Limitations on FDIC Insurance” herein. Any payment on the CDs in excess of FDIC insurance limits is subject to the credit risk of JPMorgan Chase Bank, National Association.
- Investing in the CDs is not equivalent to investing in a conventional CD or directly in the J.P. Morgan US Treasury Note Futures (G) Tracker or any of the 10-Year U.S. Treasury note futures contracts (the “10Y Treasury Futures Contracts”) underlying the J.P. Morgan US Treasury Note Futures (G) Tracker.
- Minimum denominations of \$1,000 (and then in additional increments of \$1,000)
- The CDs priced on March 26, 2010 (the “Pricing Date”) and are expected to settle on March 31, 2010.

#### Key Terms

Index:	The J.P. Morgan US Treasury Note Futures (G) Tracker (the “Index”)
Payment at Maturity:	At maturity, you will receive a cash payment, for each \$1,000 CD, of \$1,000 plus the Additional Amount, which will not be less than the Minimum Return of \$60 per \$1,000 CD. You will receive no interest payments during the term of the CDs.
Additional Amount:	The Additional Amount paid at maturity per \$1,000 CD will equal a cash payment calculated as follows: (1) If the Ending Index Level is <b>less than the Starting Index Level</b> : $\$1,000 \times \text{the Index Change} \times \text{the Participation Rate}$ <i>provided</i> , that the Additional Amount will not be less than the Minimum Return of \$60 per \$1,000 CD; or (2) If the Ending Index Level is <b>greater than or equal to the Starting Index Level</b> : the Minimum Return of \$60 per \$1,000 CD.
Minimum Return:	\$60 per \$1,000 CD
Participation Rate:	100%
Index Change:	$\frac{\text{Starting Index Level} - \text{Ending Index Level}}{\text{Starting Index Level}}$
Starting Index Level:	The Index closing level on the Pricing Date, which was 180.62.
Ending Index Level:	The Index closing level on the Observation Date
Observation Date:	March 28, 2016*
Maturity Date:	March 31, 2016*
Fees and Discounts:	J.P. Morgan Securities Inc., which we refer to as JPMSI, and its affiliates, will receive a commission of \$69.97 per \$1,000 CD and will use a portion of that commission to allow selling concessions to other dealers of \$38.49 per \$1,000 CD. This commission includes projected profits that our affiliates expect to realize in connection with hedging our obligations under the CDs. The concessions of \$38.49 include concessions allowed to selling dealers and concessions allowed to any arranging dealer.
Early Withdrawals:	Early withdrawals are permitted at par upon death or adjudication of incompetence of a beneficial holder of the CDs. For information about early withdrawals and the limitations on such withdrawals, see “General Terms of the CDs — Additions and Withdrawals” in the accompanying disclosure statement.
CUSIP:	48123YGP5
CD Calculation Agent:	JPMSI

\* Subject to postponement in the event of a market disruption event and as described under “Description of the CDs” in the accompanying disclosure statement.

**Investing in the CDs involves a number of risks. See “Risk Factors” beginning on page 6 of the accompanying disclosure statement and “Selected Risk Considerations” beginning on page DS-3 of this disclosure supplement.**

Our affiliate, JPMSI, certain of its affiliates and other broker-dealers may use this disclosure supplement and the accompanying disclosure statement in connection with offers and sales of the CDs after the date hereof.

J.P.Morgan

March 26, 2010

### Additional Terms Specific to the CDs

You should read this disclosure supplement together with the disclosure statement dated February 1, 2010. This disclosure supplement, together with the disclosure statement that accompanies it, contains the terms of the CDs and supersedes all 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 the “Risk Factors” section in the accompanying disclosure statement as the CDs involve risks not associated with conventional certificates of deposit. We urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the CDs.

You may access the disclosure statement on our website at the following URL:

Disclosure statement dated February 1, 2010:

[http://www.jpmorgan.com/directdoc/bearish\\_futures\\_tracker\\_disclosure\\_statement\\_2\\_1\\_10.pdf](http://www.jpmorgan.com/directdoc/bearish_futures_tracker_disclosure_statement_2_1_10.pdf)

You may access information related to the unaudited quarterly financial statements for the Bank for the three months ended March 31, 2009, for the three and six months ended June 30, 2009 and for the three and nine months ended September 30, 2009, the audited annual financial statements of the Bank for the years ended December 31, 2007 and December 31, 2008 at the following URL:

[http://www.jpmorgan.com/directdoc/jpmcb\\_financial\\_information\\_2007\\_through\\_Q3\\_2009.pdf](http://www.jpmorgan.com/directdoc/jpmcb_financial_information_2007_through_Q3_2009.pdf)

As used in this disclosure supplement, “we,” “us,” “our” or the “Bank” refers to JPMorgan Chase Bank, National Association.

### J.P. Morgan US Treasury Note Futures (G) Tracker

The J.P. Morgan US Treasury Note Futures (G) Tracker (the “Futures Tracker” or the “Index”) was developed and is maintained and calculated by J.P. Morgan Securities Ltd.

The Futures Tracker is a notional, dynamic strategy that aims to replicate the returns of maintaining a long position in 10-Year U.S. Treasury notes futures contracts (each, a “10Y Treasury Futures Contract” and collectively, “10Y Treasury Futures”). At any given time, the Futures Tracker is comprised of a single 10Y Treasury Futures Contract that is either the contract closest to expiration (each, the “Near Futures Contract”) or the next 10Y Treasury Futures Contract scheduled to expire immediately following the Near Futures Contract (the “Far Futures Contract”).

The Futures Tracker is published by Bloomberg L.P. under the ticker symbol “RFJGUSBE.”

The Futures Tracker notionally invests in a Near Futures Contract initially and maintains this notional exposure to 10Y Treasury Futures by closing out its position in the expiring Near Futures Contract and establishing a new position in a Far Futures Contract in a process referred to as “rolling.” The rolling process occurs quarterly, generally on the second to last Tracker Business Day of the month before the current futures contract in which the Index is notionally invested expires. For more information, see “The J.P. Morgan US Treasury Note Futures (G) Tracker” in the accompanying disclosure statement dated February 1, 2010.

The Index is described as a “notional” or “synthetic” portfolio or strategy because its reported value does not represent the value of any actual assets held by any person and there is no actual portfolio of assets in which any person has any ownership interest.

## Selected Purchase Considerations

- **MINIMUM PAYMENT OF \$1,060 PER \$1,000 CD AT MATURITY** — You will receive at least \$1,060 per \$1,000 CD if you hold the CDs to maturity, regardless of the performance of the Index, subject to our creditworthiness for any amount in excess of FDIC-insured limits.
- **APPRECIATION POTENTIAL IF THE ENDING INDEX LEVEL IS LESS THAN THE STARTING INDEX LEVEL** — At maturity, in addition to your principal, for each \$1,000 principal amount CD you will receive a payment equal to  $\$1,000 \times \text{the Index Change} \times \text{the Participation Rate (of 100\%)}$  if the Ending Index Level is less than the Starting Index Level, *provided* that this payment (the Additional Amount) will not be less than the Minimum Return of \$60 per \$1,000 CD.
- **FDIC INSURED** — The CDs are deposit obligations of the Bank and are insured by the FDIC up to applicable limits set by federal law and regulation. Pursuant to the Emergency Economic Stabilization Act of 2008 (the “Economic Stabilization Act”), the maximum deposit insurance amount was temporarily raised from \$100,000 to \$250,000 for all deposits held by you in the same ownership capacity at the Bank. until December 31, 2009. On May 20, 2009, the Emergency Economic Stabilization Act was amended by the Helping Families Save Their Homes Act of 2009 (the “Helping Families Save Their Homes Act”), extending the increased limit until December 31, 2013. Unless the increased coverage is extended by law or regulation, the maximum deposit insurance amount will revert to \$100,000 per account after December 31, 2013, which is prior to the Maturity Date of the CDs. The maximum amount of deposit insurance per participant in the case of certain retirement accounts remains \$250,000 as described in the disclosure statement under “Deposit Insurance.” The principal amount of any CDs owned in excess of these limits is not insured by the FDIC. Under federal legislation adopted in 1993, claims of depositors are entitled to a preference in right of payment over claims of general unsecured creditors in the event of a liquidation or other resolution of any FDIC-insured depository institution. However, there can be no assurance that a depositor would receive the entire uninsured principal amount of CDs in any such liquidation or other resolution.
- **EXPOSURE TO THE J.P. MORGAN US TREASURY NOTE FUTURES (G) TRACKER** — The return on the CDs is linked inversely to the performance of the J.P. Morgan US Treasury Note Futures (G) Tracker, which is intended to replicate the returns of maintaining a long position in the relevant 10Y Treasury Futures. At any given time, the Index is comprised of a single Near Futures Contract or the Far Futures Contract. The Index maintains its notional exposure to 10Y Treasury Futures Contracts by closing out its position in the expiring Near Futures Contract and establishing a new position in a Far Futures Contract quarterly in a process referred to as “rolling.” For more information, see “The J.P. Morgan US Treasury Note Futures (G) Tracker” in the accompanying disclosure statement dated February 1, 2010.
- **TAXED AS CONTINGENT PAYMENT DEBT INSTRUMENTS** — You should review carefully the section entitled “Certain U.S. Federal Income Tax Consequences” in the accompanying disclosure statement. Unlike a traditional certificate of deposit that provides for periodic payments of interest at a single fixed rate, with respect to which a cash-method holder generally recognizes income only upon receipt of stated interest, the CDs will be treated as “contingent payment debt instruments” for U.S. federal income tax purposes and will therefore be subject to special tax rules. Under these rules, you generally will be required to recognize interest income in each year at the “comparable yield,” as determined by us, although we will not make any payments with respect to the CDs until maturity. Interest included in income will increase your basis in your CDs. Generally, any amount received at maturity or earlier sale or exchange in excess of your adjusted basis will be treated as additional interest income, while any loss will be treated as an ordinary loss to the extent of all previous inclusions with respect to your CDs, which to that extent will be deductible against other income (*e.g.*, employment and interest income), with the balance treated as capital loss, which may be subject to limitations. Purchasers who are not initial purchasers of CDs at their issue price should consult their tax advisers with respect to the tax consequences of an investment in CDs, including the treatment of the difference, if any, between the basis in their CDs and the CDs’ adjusted issue price. See the section entitled “Certain U.S. Federal Income Tax Consequences” in the accompanying disclosure statement for more detailed information. As discussed in the section entitled “Certain U.S. Federal Income Tax Consequences – No Reliance” in the accompanying disclosure statement, you cannot use the tax summaries herein for the purpose of avoiding penalties that may be asserted against you under the Internal Revenue Code of 1986, as amended.
- **COMPARABLE YIELD AND PROJECTED PAYMENT SCHEDULE** — We have determined that the “comparable yield” is an annual rate of 2.67%, compounded semiannually. Based upon our determination of the comparable yield, the “projected payment schedule” per \$1,000 CD consists of a single payment at maturity, equal to \$1,172.54.  
Assuming a semiannual accrual period, the following table states the amount of OID that will accrue with respect to a CD during each calendar period, based upon our determination of the comparable yield and the projected payment schedule:

Calendar Period	Accrued OID During Calendar Period (per \$1,000 CD)	Total Accrued OID from Original Issue Date per \$1,000 CD as of End of Calendar Period
Original Issue Date through December 31, 2010	\$20.12	\$20.12
January 1, 2011 through December 31, 2011 .....	\$27.42	\$47.54
January 1, 2012 through December 31, 2012 .....	\$28.15	\$75.69
January 1, 2013 through December 31, 2013 .....	\$28.91	\$104.60
January 1, 2014 through December 31, 2014 .....	\$29.69	\$134.29
January 1, 2015 through December 31, 2015.....	\$30.48	\$164.77
January 1, 2016 through March 31, 2016.....	\$7.77	\$172.54

**Neither the comparable yield nor the projected payment schedule constitutes a representation by us regarding the actual Additional Amount, if any, that we will pay on the CDs.**

### Selected Risk Considerations

*An investment in the CDs involves significant risks. Investing in CDs is not equivalent to investing directly in the Index or any of the 10Y Treasury Futures Contracts underlying the Index. These risks are explained in more detail in the “Risk Factors” section of the accompanying disclosure statement.*

- **MARKET RISK** — The return on the CDs at maturity is linked inversely to the performance of the Index, and will depend on whether, and the extent to which, the Ending Index Level is less than the Starting Index Level. YOU WILL RECEIVE NO MORE THAN THE FULL PRINCIPAL AMOUNT YOUR CDs PLUS THE MINIMUM RETURN OF \$60 PER \$1,000 CD AT MATURITY IF THE ENDING INDEX LEVEL IS GREATER THAN OR EQUAL TO THE STARTING INDEX LEVEL.
- **THE CDs MAY NOT PAY MORE THAN THE PRINCIPAL AMOUNT PLUS THE MINIMUM RETURN AT MATURITY** — You may receive a lower payment at maturity than you would have received if you had invested directly in the Index, the 10Y Treasury Futures Contracts underlying the Index or the related Treasury securities. If the Ending Index Level is greater than or equal to the Starting Index Level, you will receive a payment at maturity of \$1,060 per \$1,000 CD. This will be true even if the level of the Index was lower than the Starting Index Level at some time during the term of the CDs but later rises above the Starting Index Level.
- **THE CDs MAY BE SUBJECT TO THE CREDIT RISK OF JPMORGAN CHASE BANK, N.A.** — A depositor purchasing a principal amount of CDs in excess of FDIC insurance limits will be subject to the credit risk of JPMorgan Chase Bank, N.A., and our credit ratings and credit spreads may adversely affect the market value of the CDs. Investors are dependent on JPMorgan Chase Bank, N.A.’s ability to pay amounts due on the CDs in excess of FDIC insurance limits at maturity 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 CDs.
- **POTENTIAL CONFLICTS** — We and our affiliates play a variety of roles in connection with the issuance of the CDs, including acting as CD calculation agent — the entity that, among other things, determines your payment at maturity — acting as sponsor of the Index and hedging our obligations under the CDs. In performing these duties, the economic interests of the CD calculation agent, sponsor of the Index and other affiliates of ours are potentially adverse to your interests as an investor in the CDs.
- **OUR AFFILIATE, J.P. MORGAN SECURITIES LTD., OR JPMSL, IS THE INDEX CALCULATION AGENT AND MAY ADJUST THE INDEX IN A WAY THAT AFFECTS ITS LEVEL** — JPMSL, one of our affiliates, acts as the index calculation agent and sponsor of the Index and is responsible for calculating and maintaining the Index and developing the guidelines and policies governing its composition and calculation. The rules governing the Index may be amended at any time by JPMSL, in its sole discretion, and the rules also permit the use of discretion by JPMSL in specific instances, such as the right to substitute another futures contract. Unlike other indices, the maintenance of the Index is not governed by an independent committee. Although judgments, policies and determinations concerning the Index are made by JPMSL, JPMorgan Chase & Co., as the parent company of JPMSL, ultimately controls JPMSL.

In addition, the policies and judgments for which JPMSL is responsible could have an impact, positive or negative, on the level of the Index and the value of your CDs. JPMSL is under no obligation to consider your interests as an investor in the CDs. Furthermore, the inclusion of the 10Y Treasury Futures Contracts in the Index is not a recommendation by us or JPMSL to invest in such futures contracts.

- **JPMSI AND ITS AFFILIATES MAY HAVE PUBLISHED RESEARCH, EXPRESSED OPINIONS OR PROVIDED RECOMMENDATIONS THAT ARE INCONSISTENT WITH INVESTING IN OR HOLDING THE CDs. ANY SUCH RESEARCH, OPINIONS, OR RECOMMENDATIONS COULD AFFECT THE MARKET VALUE OF THE CDs** — JPMSI and its affiliates publish research from time to time on financial markets and other matters that may influence the value of the CDs, or express opinions or provide recommendations that are inconsistent with purchasing or holding the CDs. JPMSI and its affiliates may have published research or other opinions that call into question the investment view implicit in an investment in the CDs. Any research, opinions or recommendations expressed by JPMSI or its affiliates may not be consistent with each other and may be modified from time to time without notice. Investors should make their own independent investigation of the merits of investing in

the CDs and the Index and the 10Y Treasury Futures Contracts underlying the Index to which the CDs are linked.

- **CERTAIN BUILT-IN COSTS ARE LIKELY TO AFFECT ADVERSELY THE VALUE OF THE CDs PRIOR TO MATURITY** — While the payment at maturity described in this disclosure supplement is based on the full principal amount of your CDs, the original issue price of the CDs includes the agent's commission and the cost of hedging our obligations under the CDs. As a result, the price, if any, at which our affiliate, JPMSI, and certain of our other affiliates may be willing to purchase CDs from you in secondary market transactions, if at all, will likely be lower than the original issue price and could result in a substantial loss to you. The CDs are not designed to be short-term trading instruments. YOUR PRINCIPAL IS PROTECTED ONLY AT MATURITY.
- **THE INDEX COMPRISES NOTIONAL ASSETS** — The exposure to 10Y Treasury futures provided by the Index is purely notional and will exist solely in the records maintained by or on behalf of the calculation agent for the Index, which we refer to as the "index calculation agent." There is no actual portfolio of assets to which any person is entitled or in which any person has any ownership interest. Consequently, you will not have any claim against any of the 10Y Treasury futures underlying the Index or the related Treasury securities.
- **INTEREST RATE RISK** — Investing in the CDs differs significantly from investing directly in 10-Year US Treasury note futures contracts or the related Treasury notes to be held to expiration or maturity, as applicable, as the level of the Index changes, at times significantly, from day to day based upon the current market prices of the underlying 10Y Treasury futures contracts (and indirectly, the related Treasury notes). The market prices of these Treasury futures and notes are volatile and significantly influenced by a number of factors, particularly the yields on the Treasury futures/notes as compared to current market interest rates and the actual or perceived credit quality of U.S. government. As interest rates decline, the price of fixed-income instruments, including the 10Y Treasury futures underlying the Index (or the related Treasury notes), is likely to increase, which will have an adverse impact on your CDs. Instruments with longer durations, such as the 10Y Treasury futures (and the related Treasury notes) tend to be more sensitive to interest rate changes, usually making them more volatile than instruments with shorter durations. 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;
  - expectation regarding the level of price inflation;
  - sentiment regarding credit quality in the U.S. and global credit markets;
  - central bank policy regarding interest rates; and
  - performance of capital markets.

Fluctuations in interest rates could affect the value of 10Y Treasury Futures Contracts, the Index and the CDs.

- **THE CDs MAY BE SUBJECT TO INCREASED VOLATILITY** — The index is comprised of 10Y Treasury futures contracts, which are highly leveraged instruments. A futures contract on an underlying asset often displays considerably higher volatility than the underlying asset — in this case, the 10-Year U.S. Treasury notes. Futures contracts are often less liquid than their underlying asset. Accordingly, the use of these futures contracts as components of the Index may potentially result in higher volatility than in the absence of their usage.
- **THE SETTLEMENT PRICE OF 10Y TREASURY FUTURES MAY NOT BE READILY AVAILABLE** — The official settlement price of the 10Y Treasury Futures Contracts is calculated and published by the Chicago Board of Trade ("CBOT"). The official settlement price of the relevant 10Y Treasury Futures Contracts is used to calculate the level of the Index. Any disruption in CBOT trading of the relevant 10Y Treasury Futures Contracts could delay the release or availability of the official settlement price. This may delay or prevent the calculation of the Index.
- **NO INTEREST PAYMENTS**— As a holder of the CDs, you will not receive any interest payments, and you will not have rights to any distributions that holders of 10Y Treasury Futures Contracts underlying the Index would have.
- **LACK OF LIQUIDITY** — The CDs will not be listed on an organized securities exchange. JPMSI and its affiliates may offer to purchase the CDs upon terms and conditions acceptable to them, but are not required to do so. For more information, see "General Terms of the CDs – Additions and Withdrawals" and "Discounts and Secondary Market" in the accompanying disclosure statement dated February 1, 2010.
- **LIMITATIONS ON FDIC INSURANCE** — As a general matter, holders who purchase CDs in a principal amount greater than the applicable limits set by federal law and regulation will not be insured by the FDIC for the principal amount exceeding such limit. Before the Economic Stabilization Act, which came into effect on October 3, 2008, the maximum deposit insurance amount was \$100,000 per account or \$250,000 per participant in the case of certain retirement accounts. While the Economic Stabilization Act raised the maximum deposit insurance amount from \$100,000 to \$250,000 per account (without changing limits for retirement accounts), and the Helping Families Save Their Homes Act extended the increased limit until December 31, 2013, unless the increased coverage is extended further by law or regulation, the maximum deposit insurance amount will revert to \$100,000 per account after December 31, 2013, which is before the Maturity Date of the CDs. In addition, because the Additional Amount, if any, will not accrue to a holder of a CD until the Observation Date, any potential Additional Amount will not be eligible for FDIC insurance until the Observation Date. For more information, see "Deposit Insurance" in the accompanying disclosure statement.

- **THE INDEX HAS A LIMITED OPERATING HISTORY AND MAY PERFORM IN UNANTICIPATED WAYS** — The Index was established on August 28, 2009 and therefore has a limited operating history. Any back-testing or similar analysis performed by any person in respect of the Index must be considered illustrative only and may be based on estimates or assumptions not used by the index calculation agent when determining the level of Index. Past performance should not be considered indicative of future performance.
- **THE VALUE OF THE CDs WILL BE INFLUENCED BY MANY UNPREDICTABLE FACTORS** — Many economic and market factors will influence the value of the CDs. We expect that generally, the level of the Index and interest rates on any day will affect the value of the CDs more than any other single factor. However, you should not expect the value of the CDs in the secondary market to vary in proportion to changes in interest rates or the level of the Index. The value of the CDs will be affected by a number of other factors that may either offset or magnify each other, including:
  - the expected volatility in the Index and in the prices of the 10Y Treasury Futures Contracts;
  - the time to maturity of the CDs;
  - interest and yield rates generally as well as in the U.S. Treasuries market;
  - economic, financial, political, regulatory or judicial events that affect interest rates, the market for 10-Year U.S. Treasury notes and 10Y Treasury futures generally; and
  - our creditworthiness, including actual or anticipated downgrades in our credit ratings.
- **THE INDEX MAY IN THE FUTURE BE SUBJECT TO AN ADJUSTMENT FACTOR THAT COULD NEGATIVELY AFFECT THE LEVEL OF THE INDEX AND THE VALUE OF THE CDs** — Although the Index currently is not subject to an adjustment factor, if in the future any hypothetical holder of the relevant 10Y Treasury futures contract would be required on any reweighting date to incur an increased cost or amount of tax, duty, expense or fee to acquire, establish, re-establish, substitute, maintain, unwind or dispose of the relevant futures contract or to synthetically hedge the level of the Index, then an adjustment factor may apply in the calculation of the level of the Index, which could negatively affect the level of the Index and the value of the CDs.

## Sensitivity Analysis – Hypothetical Payment at Maturity for Each \$1,000 CD

The table below illustrates the payment at maturity (including, where relevant, the payment of the Additional Amount) on a \$1,000 CD for a hypothetical range of performances for the Index Change from -80% to +80% and assumes a Starting Index Level of 183.00 and reflects the Participation Rate of 100% and the Minimum Return of \$60 per \$1,000 principal amount CD. The following results are based solely on the hypothetical example cited. You should consider carefully whether the CDs are suitable to your investment goals. The numbers appearing in the table below have been rounded for ease of analysis.

Ending Index Level	Index Change	Index Change x Participation Rate (100%)	Additional Amount	Principal	Payment at Maturity	Annual Percentage Yield
329.40	-80.00%	N/A	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
311.10	-70.00%	N/A	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
292.80	-60.00%	N/A	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
274.50	-50.00%	N/A	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
256.20	-40.00%	N/A	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
237.90	-30.00%	N/A	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
219.60	-20.00%	N/A	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
210.45	-15.00%	N/A	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
201.30	-10.00%	N/A	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
192.15	-5.00%	N/A	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
<b>183.00</b>	<b>0.00%</b>	<b>N/A</b>	<b>\$60.00</b>	<b>+</b>	<b>\$1,000.00 = \$1,060.00</b>	<b>0.98%</b>
181.17	1.00%	1.00%	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
178.43	2.50%	2.50%	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
173.85	5.00%	5.00%	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
172.02	6.00%	6.00%	\$60.00	+	\$1,000.00 = \$1,060.00	0.98%
164.70	10.00%	10.00%	\$100.00	+	\$1,000.00 = \$1,100.00	1.60%
155.55	15.00%	15.00%	\$150.00	+	\$1,000.00 = \$1,150.00	2.36%
146.40	20.00%	20.00%	\$200.00	+	\$1,000.00 = \$1,200.00	3.09%
128.10	30.00%	30.00%	\$300.00	+	\$1,000.00 = \$1,300.00	4.47%
109.80	40.00%	40.00%	\$400.00	+	\$1,000.00 = \$1,400.00	5.77%
91.50	50.00%	50.00%	\$500.00	+	\$1,000.00 = \$1,500.00	6.99%
73.20	60.00%	60.00%	\$600.00	+	\$1,000.00 = \$1,600.00	8.15%
54.90	70.00%	70.00%	\$700.00	+	\$1,000.00 = \$1,700.00	9.25%
36.60	80.00%	80.00%	\$800.00	+	\$1,000.00 = \$1,800.00	10.29%

### Hypothetical Examples of Amounts Payable at Maturity

The following examples illustrate how the payments at maturity in the table above are calculated.

**Example 1: The level of the Index declines from the Starting Index Level of 183.00 to an Ending Index Level of 146.40.** Because the Ending Index Level of 146.40 is less than the Starting Index Level of 183.00, the Additional Amount is equal to \$200.00 and the final payment at maturity is equal to \$1,200.00 for the \$1,000 principal amount of CDs, calculated as follows:

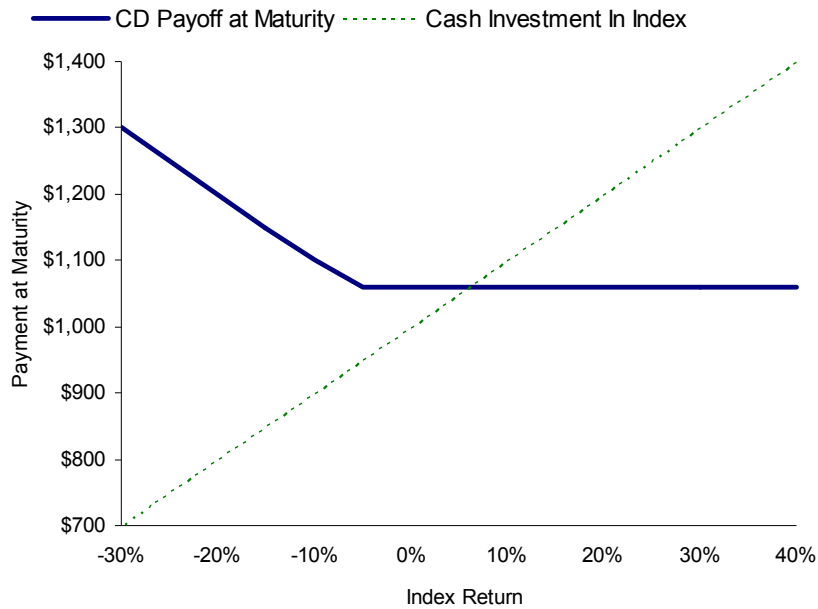
$$\$1,000 + [\$1,000 \times ((183.00 - 146.40) / 183.00) \times 100\%] = \$1,200.00$$

**Example 2: The level of the Index increases from the Starting Index Level of 183.00 to an Ending Index Level of 219.60.** Because the Ending Index Level of 219.60 is higher than the Starting Index Level of 183.00, the Additional Amount is equal to the Minimum Return of \$60 and the final payment at maturity is equal to \$1,060 for the \$1,000 principal amount of CDs, calculated as follows:

$$\$1,000 + \$60 = \$1,060$$

### Hypothetical Graph of Amounts Payable at Maturity

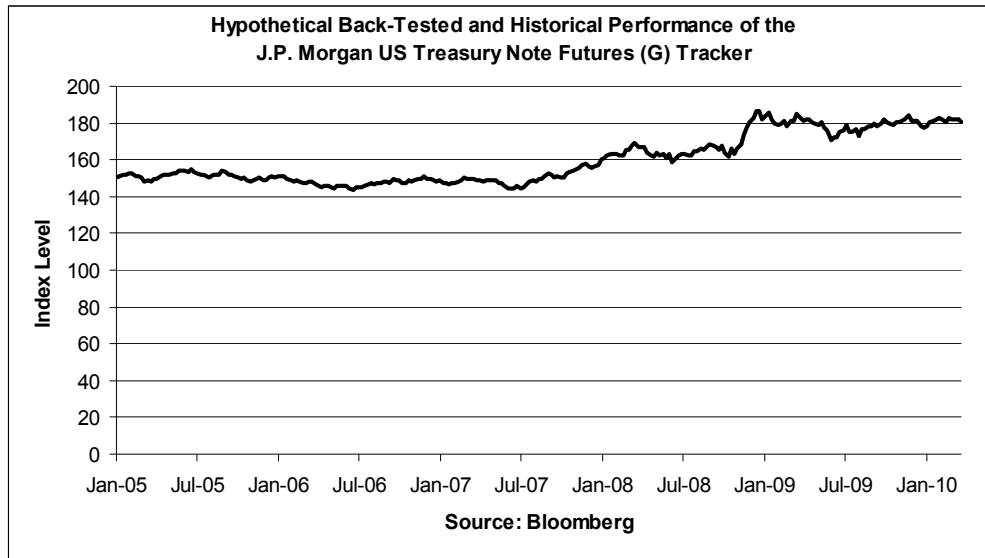
The following graph demonstrates a subset of the hypothetical returns detailed in the table above (-30% to 40%). The numbers appearing in the graph have been rounded for ease of analysis. We cannot give you assurance that the performance of the Index will result in the payment at maturity in excess of \$1,060 per \$1,000 CD.



## Hypothetical Back-tested Historical Information

The following graph sets forth the hypothetical back-tested performance of the Index based on the hypothetical back-tested weekly Index closing level from January 7, 2005 through August 27, 2009, and the historical performance of the Index based on the weekly Index closing values from August 28, 2009 through March 26, 2010. The Index was established as of the close of business on August 28, 2009. The Index closing level on March 26, 2010 was 180.62. We obtained the hypothetical back-tested Index closing levels below from Bloomberg Financial Markets. We make no representation or warranty as to the accuracy or completeness of the information obtained from Bloomberg Financial Markets.

The hypothetical back-tested historical values of the Index should not be taken as an indication of future performance, and no assurance can be given as to the Index closing levels on the Observation Date. We cannot give you assurance that the performance of the Index will result in the return of any of your initial investment in excess of your principal amount plus the Minimum Return. The data for the hypothetical back-tested performance of the Index set forth in the following graph was calculated on materially the same basis on which the performance of the Index is now calculated.



The hypothetical historical values above have not been verified by an independent third party. The back-tested, hypothetical historical results above have inherent limitations. These back-tested results are achieved by means of a retroactive application of a back-tested model designed with the benefit of hindsight.

Alternative modeling techniques or assumptions would produce different hypothetical historical information that might prove to be more appropriate and that might differ significantly from the hypothetical historical information set forth above. Hypothetical back-tested results are neither an indicator nor guarantee of future returns. Actual results will vary, perhaps materially, from the analysis implied in the hypothetical historical information that forms part of the information contained in the chart above.