

## 7yr Efficiente Plus DS 5 High Low Income CD

## Overview

The J.P. Morgan Efficiente Plus DS 5 Index (Net ER) (the "Index") is a member of J.P. Morgan's family of Efficiente indices that is designed to advantage of the convenience of exchange-traded products as well as the rapidly growing investment options available with ETFs to provide exposure to a wide range of asset classes and regions. On a monthly basis, the Index selects from a basket of 19 ETFs, 1 exchange-traded note and a cash index (together, the "Basket Constituents"), in accordance with the index methodology. The Index tracks the excess return of the Basket constituents over the return of a JPMorgan cash index. The Index targets a 5% annualized volatility on a daily basis by varying the exposure the Index takes to the Basket Constituents daily—increasing the exposure to the Basket Constituents when the volatility of the portfolio decreases, and decreasing the exposure when the volatility of the portfolio increases, subject to certain constraints. The Index levels incorporate a daily deduction of a 0.85% per annum fee.

May be appropriate for investors requiring asset and geographical diversification, full repayment of principal at maturity, periodic and variable interest payments, and FDIC insurance up to applicable limits. Any payment on the CDs in excess of the FDIC insurance limits is subject to the credit risk of JPMorgan Chase Bank, N.A.

## Summary of Terms

<b>Issuer:</b>	JPMorgan Chase Bank, N.A.
<b>Minimum Denomination:</b>	\$1,000
<b>Underlying:</b>	J.P. Morgan Efficiente Plus DS 5 Index (Net ER)
<b>Underlying Ticker:</b>	EFPLUS5D
<b>High Interest Rate:</b>	5.00% per annum, paid if index return is greater than or equal to the applicable Threshold value
<b>Lower Interest Rate</b>	At least 0.50% per annum*, paid if the index level is less than the applicable Threshold Value
<b>Interest Review Dates:</b>	Annual
<b>Pricing Date:</b>	June 27, 2016
<b>Maturity Date:</b>	June 30, 2023
<b>CUSIP:</b>	48125Y4N1
<b>Preliminary Term Sheet:</b>	<a href="http://sp.jpmorgan.com/document/cusip/48125Y4N1/doctype/Product_Termsheet/document.pdf">http://sp.jpmorgan.com/document/cusip/48125Y4N1/doctype/Product_Termsheet/document.pdf</a>

You will receive an interest payment based on the Higher Interest Rate only if the Index has increased by at least an average of 3.50% of the Initial Value per year from the Pricing Date.

\* Assumes a lower interest rate of 0.50% per annum. The actual lower interest rate will be determined on Pricing Date and will not be lower than 0.50% per annum.

\*\* The hypothetical returns and hypothetical interest payments on the CDs shown above apply only if you hold the CDs for their entire term. These hypotheticals 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 hypothetical interest payments shown above would likely be lower

Review Date	Threshold Values
First	103.50%
Second	107.00%
Third	110.50%
Fourth	114.00%
Fifth	117.50%
Sixth	121.00%
Final	124.50%

## Hypothetical Interest Payments\*\*

## Hypothetical Coupon Rates for Coupon Payment Dates

Interest Review Date	Cumulative Index Return	Coupon Rate For Review Period*
First	-1.00%	0.50%
Second	10.00%	5.00%
Third	0.00%	0.50%
Fourth	15.00%	5.00%
Fifth	16.00%	0.50%
Sixth	0.00%	0.50%
Seventh	23.00%	0.50%

## 7yr Efficiente Plus DS 5 High Low Income CD

## Selected Benefits

- The CDs offer full repayment of principal at maturity.
- FDIC-insured up to applicable limits, thereafter exposed to credit risk of JPMorgan Chase Bank, N.A.
- Investment in the CDs is not subject to a maximum return or averaging in the return calculation.
- Efficiente Plus DS 5 targets a 5% volatility on a daily basis by varying the exposure the Index takes to the monthly asset allocation.
- The strategy dynamically allocates among the following 19 ETFs, 1 ETN, and cash index:

Vanguard S&P 500 ETF	Vanguard FTSE Developed Markets ETF	Vanguard FTSE Emerging Markets ETF	Vanguard Small-Cap ETF
iShares® MSCI EAFE Small-Cap ETF	iShares® 20+ Year Treasury Bond ETF	iShares® 7-10 Year Treasury Bond ETF	iShares® iBoxx \$ Investment Grade Corporate Bond ETF
iShares® TIPS Bond ETF	Vanguard Short-Term Corporate Bond ETF	SPDR® Barclays High Yield Bond ETF	PIMCO 0-5 Year High Yield Corporate Bond Index ETF
PowerShares Senior Loan Portfolio	iShares® U.S. Preferred Stock ETF	iShares® J.P. Morgan USD Emerging Markets Bond ETF	VanEck Vectors Gold Miners ETF
Vanguard REIT ETF	ETRACS Alerian MLP Infrastructure Index ETN	PowerShares DB Commodity Index Tracking Fund	iShares® Gold Trust
JPMorgan Cash Index USD 3 Month			

## Selected Risks

- If the closing level of the Index is less than the applicable Threshold Value on each Review Date, all interest payments will be made at the Lower Interest Rate.
- The Appreciation Potential of the CDs is limited to the sum of the interest payments paid over the term of the CDs
- The level of the Index will include a deduction of a fee of 0.85% per annum.

## Disclaimer

The information contained in this document is for discussion purposes only. Any information relating to performance contained in these materials is illustrative and no assurance is given that any indicative returns, performance or results, whether historical or hypothetical, will be achieved. These terms are subject to change, and J.P. Morgan undertakes no duty to update this information. This document shall be amended, superseded and replaced in its entirety by a subsequent term sheet or disclosure supplement, and the documents referred to therein. In the event any inconsistency between the information presented herein and any such term sheet or disclosure supplement, such term sheet or disclosure supplement shall govern.

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Investment suitability must be determined individually for each investor, and the financial instruments described herein may not be suitable for all investors. This information is not intended to provide and should not be relied upon as providing accounting, legal, regulatory or tax advice. Investors should consult with their own advisors as to these matters.

## Selected Risks (continued)

- The strategy may not be successful. It may not outperform an alternative strategy related to the Basket Constituents.
  - The CDs may be subject to the credit risk of JPMorgan Chase Bank, N.A. and UBS AG, the issuer of the ETN.
  - The strategy is subject to emerging market risks, fixed income risks, currency exchange risk, real estate risk, small capitalization stock risk, MLP-related risks, preferred stock and loan-related risks, risks associated with commodity futures and gold, and the uncertain legal and regulatory regimes, which govern commodities future contracts.
  - JPMS intends to offer to purchase the CDs in the secondary market but is not required to do so.
  - Our affiliate, JPMS plc, is the index calculation agent and Index Sponsor and may adjust the index in a way that affects its level.
  - Changes in the value of Index constituents may offset each other.
  - The daily adjustment of exposure to the ETFs underlying the Index may moderate your gains or magnify your losses
  - The CDs may be subject to the increased volatility due to the use of leverage.
  - The Index applies monthly rebalancing and weighting caps that may reduce your return.
  - The Index has a limited operating history. Hypothetical back-tested data related to the Index does not represent actual historical data and are subject to inherent limitations.
  - Upon the occurrence of a commodity hedging disruption event, the additional amount will be determined by the calculation agent on the date of such event. Your payment at maturity will be determined before the Observation Date and will not reflect any potential Index appreciation after this early determination.
  - JPMS's estimated value does not represent future values and may differ from others' estimates.
  - The value of the CDs, which may be reflected in customer account statements, may be higher than JPMS's current estimated value for a limited time period.
  - JPMS's estimated value is derived by reference to an internal funding rate.
  - The tax consequences of the CDs may be uncertain. You should consult your tax advisor regarding the U.S. federal income tax consequences of an investment in the CDs.
  - Lack of liquidity: J.P. Morgan Securities LLC, acting as agent for the issuer, intends to offer to purchase the CDs in the secondary market but is not required to do so. The price, if any, at which JPMS will be willing to purchase CDs from you in the secondary market, if at all, may result in a significant loss of your principal.
  - Potential conflicts: We and our affiliates play a variety of roles in connection with the CDs, including acting as a calculation agent, hedging our obligations under the CDs and making the assumptions used to determine the pricing of the CDs and the estimated value of the CDs when the terms are set. It is possible that such hedging or trading activities of ours or our affiliates could result in substantial returns for us or our affiliates while the value of the CDs decline.
- The risks identified above are not exhaustive. Please see "Risk Factors" in the applicable disclosure supplement and underlying supplement and "Selected Risk Considerations" in the term sheet for additional information.