



Information Circular 09-115

Date: May 13, 2009

Re: iPath Exchange Traded Notes

Pursuant to Rule 14.1(c)(2) of the Rules of BATS Exchange, Inc. (the "Exchange"), this Information Circular is being issued to advise you that the following securities have been approved for trading on the Exchange as UTP Derivative Securities pursuant to Chapter XIV of the Exchange's Rules.

Security ("Notes")

Symbol

JPMorgan Chase & Co. KEYnotes ETN Linked to the First Trust Enhanced 130/30 Large Cap Index

JFT

Commencement of Trading on the Exchange: May 14, 2009

Issuer/Trust: JPMorgan Chase & Co.

Issuer Website: <http://www.jpmorganchase.com>

Primary Listing Exchange: NYSE Arca

Primary Exchange Circular: RB-08-113 (October 30, 2008)

The purpose of this information circular is to outline various rules and policies that will be applicable to trading in this new product on the Exchange, as well as to provide certain characteristics and features of the Notes.

Background Information on the Notes

The Issuer has issued KEYnotes Exchange-Traded Notes ("Notes") linked to the First Trust Enhanced 130/30 Large Cap Index (the "Index"). The Notes were priced at \$50 each and mature on May 25, 2023.

The Notes are senior unsecured obligations of the Issuer that do not pay interest and do not guarantee any return of principal at, or prior to, the repurchase date or the maturity date. Instead, at early repurchase or maturity investors will receive a payment in cash, the amount of which will vary depending on the performance of the Index calculated in accordance with the formula set forth below and will be reduced by the amount of the Investor Fee.

If investors hold their notes until the May 25, 2023 maturity date, for each \$50 principal amount Note they will receive a cash payment at maturity equal to:

$$\$50 \times \text{Index Factor} - \text{Investor Fee}$$

If the amount calculated above is zero or less, the payment at maturity will be zero.

Holder may lose some or all of their investment at maturity. Because the Investor Fee reduces the final payment, the Ending Index Value will need to increase in an amount at least equal to the percentage of the principal amount represented by the aggregate Investor Fee in order for holders to receive at least the principal amount of your investment at maturity. If the increase in the Ending Index Value is insufficient to

offset the negative effect of the Investor Fee or if the Ending Index Value is less than the Initial Index Value, investors will lose some or all of their investment on the maturity date.

The Index Factor is the change in the Index closing value, calculated by dividing the Index closing value on the relevant valuation date (the "Ending Index Value"), by the Index closing value on the inception date or such other date as specified in the relevant terms supplement (the "Initial Index Value"). The Index Factor is calculated as follows:

$$\text{Ending Index Value} / \text{Initial Index Value}$$

The Investor Fee on the Inception Date will be equal to zero, and on each subsequent calendar day until maturity or early repurchase, the Investor Fee will increase by an amount equal to:

$$\$50 \times \text{Investor Fee Percentage} \times \text{Index Factor} / 360$$

The Investor Fee Percentage is 0.95% per annum.

Please see the prospectus for the Notes for more details regarding the calculations and the mechanics of early repurchase of the Notes.

It is expected that the market value of the Notes will depend substantially on the value of the Index and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Index, the time remaining to maturity, the dividend yield of the stocks comprising the Index, and the credit ratings of the Issuer.

Exchange Rules Applicable to Trading in the Notes

Trading in the Notes on BATS is subject to BATS equity trading rules.

Trading Hours

The Notes will trade on BATS between 8:00 a.m. and 4:00 p.m. ET.

Please note that trading in the Notes during the Exchange's pre-opening session may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated during the pre-opening session, (2) the indicative value may not be updated during the pre-opening session, (3) lower liquidity in the pre-opening session may impact pricing, (4) higher volatility in the pre-opening session may impact pricing, (5) wider spreads may occur in the pre-opening session, and (6) because the indicative value is not calculated or widely disseminated during the pre-opening session, an investor who is unable to calculate an implied value for the Notes in that session may be at a disadvantage to market professionals.

Suitability

Trading in the securities on BATS will be subject to the provisions of Exchange Rule 3.7. Members recommending transactions in the securities to customers should make a determination that the recommendation is suitable for the customer. Members should adopt appropriate procedures for the opening and maintaining of accounts, including the maintaining of records prescribed by any applicable regulatory organization and by the rules and regulations of the Commission.

Trading Halts

BATS will halt trading in the shares of a security in accordance with BATS Rule 14.1(c)(4). The grounds for a halt under BATS Rule 14.1(c)(4) include a halt by the primary market because the intraday indicative value of the security and/or the value of its underlying index are not being disseminated as required, or a

halt for other regulatory reasons. In addition, BATS will stop trading the shares of a security if the primary market de-lists the security.

This Information Circular is not a statutory prospectus. BATS Members should consult the prospectus for a security and the security's website for relevant information.

Please contact Eric Swanson, 212.378.8523, eswanson@batstrading.com, with any inquiries regarding this Information Circular.