

## 7yr Efficiente Plus DS 5 Annual 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 takes 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 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 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>Coupon Rate:</b>	Cumulative Index Return x Index Factor
<b>Cumulative Index Return:</b>	On each Coupon Determination Date, (Ending Index Level – Starting Index Level) / Starting Index Level
<b>Index Factor:</b>	1/n, where "n" is equal to the number of Coupon Determination Dates that have occurred to date, including the current Coupon Determination Date
<b>Minimum Coupon Rate:</b>	[0.90%-1.15%] per annum, to be determined on Pricing Date*
<b>Ending Index Level:</b>	The Index closing level on a Coupon Determination Date
<b>Coupon Determination Dates:</b>	Annual
<b>Pricing Date:</b>	March 28, 2017
<b>Maturity Date:</b>	March 28, 2024
<b>CUSIP:</b>	48126XZT5

**Preliminary Term Sheet:** [http://sp.jpmorgan.com/document/cusip/48126XZT5/doctype/Product\\_Termsheet/document.pdf](http://sp.jpmorgan.com/document/cusip/48126XZT5/doctype/Product_Termsheet/document.pdf)

For more information about the Annual Percentage Yield ("APY") or the estimated value of the CDs, which will be lower than the price you paid for the CDs, please see the hyperlink above.

## Return Profile

The Coupon Rate for each annual Coupon Payment Date will be a percentage equal to the Cumulative Index Return multiplied by the Index Factor, provided that the Coupon Rate will not be less than the Minimum Coupon Rate.

You are entitled to repayment in full of your principal investment plus the Minimum Interest Rate at maturity, even if the strategy declines, subject to the credit risk of JPMorgan Chase Bank, N.A. above the applicable FDIC insurance limits.

\* To be determined on the Pricing Date, but the Minimum Coupon Rate will not be less than 0.90%.

## Hypothetical Interest Payments\*\*

## Hypothetical Interest Rates for Interest Payment Dates

Interest Determination Date	Initial Index Level	Ending Index Level	Cumulative Index Return	Index Factor	Cumulative Index Return x Index Factor	Interest Rate*
First	100.00	95.00	-5.00%	1	-5.00%	0.90%
Second	100.00	110.00	10.00%	1/2	5.00%	5.00%
Third	100.00	100.00	0.00%	1/3	0.00%	0.90%
Fourth	100.00	101.00	1.00%	1/4	0.25%	0.90%
Fifth	100.00	105.00	5.00%	1/5	1.00%	1.00%
Sixth	100.00	115.00	15.00%	1/6	2.50%	2.50%
Seventh	100.00	135.00	35.00%	1/7	5.00%	5.00%

\*\* 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.

## 7yr Efficiente Plus DS 5 Annual 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	Market 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

- The CDs may not pay more than the principal amount plus any Minimum Coupon Rate at maturity.
- For each coupon determination date, if the Cumulative Index Return is negative you may not receive any coupon payments on your CDs in excess of any Minimum Coupon Rate.

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## Selected Risks (continued)

- Your aggregate coupon payments may yield a lower return than the Index performance over the term of the CDs.
  - The Index Factor negatively impacts the Coupon Rate over time, which can result in lower coupon payments for increases in the Index later in the term of the CDs.
  - 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.
  - The CDs do not have any interest or dividend payments.
  - 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.
  - 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 (and who we refer to as JPMS), 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.