

JPMORGAN CHASE & Co.

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JPMORGAN CHASE ANNOUNCES NEW PROGRAMS FOR MILITARY AND VETERANS

Commits to lower SCRA rate and increasing modifications, jobs, training, and home ownership assistance for military and veterans

NEW YORK, February 15, 2011 – JPMorgan Chase (NYSE: JPM) announced today it will significantly enhance its programs to help military and veteran customers.

“The programs we are announcing today are a start, but in no way a finish,” said **Jamie Dimon**, Chairman and CEO of JPMorgan Chase. “This company has a great history of honoring military and veterans, and the mistakes we made on military foreclosures are a painful aberration on that track record. We deeply apologize to our military customers and their families for these mistakes. We cannot undo them, but we can take accountability for them, fix them and learn from them. Today we want to begin a new way forward with the military and veteran community to make serving them a core part of how we operate our business every day. Our servicemen and servicewomen deserve nothing less.”

The new Chase programs announced today are:

Reduced Servicemembers Civil Relief Act (SCRA) Pricing

Effective 4/1/11, subject to any required approvals, Chase will put in place a rebate or similar program for SCRA-protected military personnel, which will lower eligible borrowers’ effective mortgage interest rate to **4%** while on active duty and for a year thereafter. That maximum rate is 2% lower than the 6% rate currently required by SCRA.

Military Modification Program

Beginning 4/1/11, Chase will introduce an enhanced modification program for all members of the military who have served on active duty as far back as 9/11/01. The program will be offered to those who are delinquent or having trouble making their mortgage payments. Subject to the required regulatory and investor approvals, the program will go beyond the government's Home Affordable Modification Program (HAMP) requirements. In addition, in cases when we modify any Chase-owned or Chase-serviced primary residential mortgage, if there is a second mortgage on the same property that is also owned by Chase, we will modify the interest rate on the second to 1%.

Home Ownership Assistance

- Chase will not foreclose on any currently deployed active military personnel. This change goes beyond current SCRA requirements, which protects military borrowers against foreclosure only if they took out their loans prior to going on active duty.

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- Chase believes we now have the systems and controls in place to avoid wrongful foreclosure proceedings on any military covered by SCRA. In cases where we have mistakenly foreclosed on military borrowers who should have been covered by SCRA, in addition to rescinding the sale, we will forgive all their remaining mortgage debt. Going forward, if we ever have a wrongful foreclosure sale on an SCRA covered customer, we will forgive all of their remaining mortgage debt, as well.
- Chase will donate 1,000 homes to military and veterans over the next five years through our non-profit partners.
- By the end of 2011, Chase will open five new Chase Homeownership Centers in cities near the following large military bases.
 1. Ft. Hood (Killeen), Texas
 2. Naval Station Norfolk (Norfolk), Virginia
 3. Ft. Bragg/Pope Air Force Base (Fayetteville), North Carolina
 4. Camp Lejeune (Jacksonville), North Carolina
 5. Ft. Campbell (Clarksville, TN), Kentucky
- In 2011, Chase will host 10 borrower outreach events near large military bases.
- Chase will staff all of its Homeownership Centers with employees specifically trained in SCRA, military issues and Chase special military programs.

Jobs

JPMorgan Chase will take significant measurable steps to offer jobs and training to veterans. The company:

- Will form an alliance with other major corporate employers to commit to hire 100,000 military and veterans in total over the next ten years. We have already received commitments from several corporate partners and have reached out to many others. We will announce full details of the alliance in the coming weeks.
- Will require all of its vendors to disclose its military hiring practices and will make contract decisions in part based on how strong those programs are. This is in addition to our current practice of requiring vendors to disclose their diversity practices.

Education and Training

- Through its groundbreaking collaboration with Syracuse University, JPMorgan Chase will now offer a Technology Education certificate exclusively for veterans to prepare them for technology careers. All military who have served on active duty going back to 9/11/01 will be eligible to apply for the free program. It will be delivered online, so students can complete the coursework from any location. JPMorgan Chase employs 20,000 technology employees in the United States and will actively recruit graduates of the school to fill open roles.

For more information about the program, go to www.veterans.syr.edu. Further details on enrollment will be available on chasemilitary.com in the coming weeks.

Veterans Advisory Council

Chase is forming a Veterans Advisory Council to advise the firm on these programs and other ways we can help the military and veteran community. The Council will be chaired by **Tom Higgins**,

JPMorgan Chase's head of Operational Control and Veterans Affairs. Tom recently joined the firm after 24 years with the US Government. During his career in public service, he worked closely with all branches of the armed forces and served in the US Navy. He has a deep understanding of the unique issues facing our servicemen and women, particularly as they leave and return from active duty.

Enhanced SCRA Controls

Chase has already made several changes to our services and products for military customers, including a dedicated hotline for military customers staffed by a unit of experts that is open 24 hours a day, seven days a week. We have greatly enhanced controls to ensure that loans are properly categorized, SCRA protection periods are identified, and multiple verifications are done and documented to confirm that borrowers are not SCRA-eligible.

Chase is pleased to announce that **Maggie Belknap** has been named head of SCRA oversight across the firm. Ms. Belknap is a retired Colonel and the former head of Economics and Finance on the faculty at West Point. She is also a West Point graduate and served in the army from 1981 - 2008, including a tour of combat duty in Desert Storm I. She joined JPMorgan Chase in 2008 and is currently Head of Global Operations Control Management for Treasury Services.

“We will continue to monitor vigilantly how we serve military and veteran customers and will not be satisfied until we are 100% convinced that we are doing the right thing in every case,” said **Charlie Scharf**, CEO of Retail Financial Services. “We understand we have breached the trust of some of our military customers and we know we need to work hard to earn it back, and we are deeply committed to doing that. We want to work with the military community as partners going forward to become the best company in any industry to serve our military heroes.”

“Our men and women in the military protect this country and our way of life every day,” said **Frank Bisignano**, Chief Administrative Officer of JPMorgan Chase, responsible for Chase Home Lending. “They deserve special status and benefits for the privilege they give us to live freely. As part of making this right for our military customers, we will help them to own a home, pay down their debt, get training and find a job. And that’s just the beginning.”

Any military borrower who has a question about a Chase loan should call our hotline numbers at:

- Mortgage questions: 877-469-0110
- Credit Card questions: 888-520-3863
- All other consumer product questions: 800-242-7399

For more information on the firm's current programs available to military and veterans, visit www.chasemilitary.com.

JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of \$2.1 trillion and operations in more than 60 countries. The firm is a leader in investment banking, financial services for consumers, small business and commercial banking, financial transaction processing, asset management and private equity. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands. Information about JPMorgan Chase & Co. is available at www.jpmorganchase.com.

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