

1 November 2021

**J.P. Morgan AG**

as Issuer

and

**J.P. Morgan International Finance Limited**

as Purchaser

**AMENDMENT AGREEMENT**

relating to

EUR 840,000,000 Subordinated Tier 2 Floating Rate Notes due 2030

issued on 3 December 2020

**Linklaters**

Ref: PWZ

Linklaters LLP

This Amendment Agreement (the "**Agreement**") is made on 1 November 2021 between:

- (1) **J.P. Morgan AG**, Taunustor 1, 60310 Frankfurt am Main, Federal Republic of Germany (the "**Issuer**"); and
- (2) **J.P. Morgan International Finance Limited**, 383 Madison Avenue, New York, New York, NY, 10179, United States (the "**Purchaser**").

The Issuer and the Purchaser are hereinafter also referred to as the "**Parties**" and each of them as a "**Party**".

**Whereas:**

- (A) On 3 December 2020 (the "**2020 Issue Date**") the Issuer issued its EUR 840,000,000 Subordinated Tier 2 Floating Rate Notes due 2030 (the "**2020 Notes**") to the Purchaser.
- (B) The 2020 Notes have been issued under the applicable 2020 terms and conditions (the "**2020 Terms and Conditions**").
- (C) The Parties wish to amend the Interest Rate Clause in the 2020 Terms and Conditions.

**It is agreed** as follows:

**1 Amendment of the Interest Rate Clauses**

§ 3 of the 2020 Terms and Conditions (Interest) will be replaced in its entirety by the text of the form set forth in the **Annex 1** to this Agreement.

**2 Effectiveness**

For the 2020 Notes, the amendment to § 3 of the 2020 Terms and Conditions (Interest) shall enter into force as from the Interest Period commencing on and including 3 November 2021.

**3 Miscellaneous**

- 3.1** The general conditions of business of the Purchaser and the Issuer will not apply to this Agreement.
- 3.2** The Purchaser hereby waives any right of set-off against claims under this Agreement and the exercise of any right of retention or any similar rights which could affect the claims of the Issuer under this Agreement. This provision does not apply where the counterclaim is undisputed or has been confirmed in a final non-appealable judgement.
- 3.3** Neither the Purchaser nor the Issuer may transfer any of its rights and/or obligations under this Agreement.
- 3.4** Amendments to any provision of this Agreement (including this Clause 3.4) require the prior written consent of all Parties (in the form of letter or fax).
- 3.5** A Party's failure to exercise, or any delay in exercising of, a right or a remedy shall not operate as a waiver thereof. A partial exercise of any right or remedy shall not prevent any further or other exercise thereof or the exercise of any other right or remedy.

## **4 Governing Law, Jurisdiction**

### **4.1 Governing Law**

This Agreement is governed by the laws of the Federal Republic of Germany. Any non-contractual rights and obligations arising out of or in connection with this Agreement shall also be governed by the laws of the Federal Republic of Germany.

### **4.2 Jurisdiction**

The competent courts in Frankfurt am Main, Federal Republic of Germany, shall have exclusive jurisdiction over any action or other legal proceedings arising out of or in connection with this Agreement.

**Annex 1**  
**Amended Form of Interest Rate Clause for the 2020 Notes**

**§ 3**  
**Interest**

- (1) *Interest Payment Dates.*
- (a) The Notes shall bear interest on their Specified Denomination from and including 3 December 2020 (the "**Interest Commencement Date**") to but excluding the first Interest Payment Date and thereafter from and including each Interest Payment Date to but excluding the next following Interest Payment Date (each such period, an "**Interest Period**"). Interest on the Notes shall be payable in arrear on each Interest Payment Date.
  - (b) "**Interest Payment Date**" means each 3 January, 3 February, 3 March, 3 April, 3 May, 3 June, 3 July, 3 August, 3 September, 3 October, 3 November and 3 December, commencing on 3 January 2021.
  - (c) If any Interest Payment Date would otherwise fall on a day which is not a TARGET Business Day, it shall be postponed to the next day which is a TARGET Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding TARGET Business Day.
  - (d) "**Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are generally open for business and foreign exchange markets settle payments in Frankfurt am Main and which is a TARGET Business Day.  
  
"**TARGET Business Day**" means a day on which on which all relevant parts of the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) are open to effect payments.
- (2) *Rate of Interest.* The rate of interest (the "**Rate of Interest**") for each Interest Period commencing on and including 3 November 2021 will be the sum of
- (i) the Reference Rate (as defined below) in respect of the relevant Interest Period; and
  - (ii) the Margin (as defined below); and
  - (iii) the adjustment spread of 0.14 per cent. *per annum* (the "**Adjustment Spread**"),
- which sum will be subject to a minimum of zero per cent., all as determined by the Calculation Agent (as defined in § 6(1) below).
- The Calculation Agent will determine the relevant Reference Rate in accordance with this § 3(2) on each Interest Determination Date.
- The "**Reference Rate**" for each Interest Period will be determined as follows:
- (a) For each Interest Period beginning prior to the discontinuation of the €STR Reference Rate (as described in § 3(3)), the "**Reference Rate**" will be equal to the Compounded €STR Average Rate (as defined below) in respect of the relevant Interest Period.
  - (b) For each Interest Period commencing on or after the discontinuation of the €STR Reference Rate (as described in § 3(3)), the "**Reference Rate**" will be determined in accordance with § 3(3).

"**Margin**" means 0.83 per cent. *per annum*.

Where:

"**Interest Determination Date**" means the TARGET Business Day following the Observation Period End Date (as defined below).

"**Compounded €STR Average Rate**" means, with respect to an Interest Period, the rate (rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards) calculated by the Calculation Agent in accordance with the following formula:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{\text{€STR}_{i-p} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

Where:

"**d**" means the number of calendar days in the relevant Interest Period;

"**d<sub>o</sub>**" means the number of TARGET Business Days in the relevant Interest Period;

"**i**" means a series of whole numbers from one to d<sub>o</sub>, each representing the relevant TARGET Business Day in chronological order from and including the first TARGET Business Day in the relevant Interest Period;

"**n<sub>i</sub>**" means, in respect of a TARGET Business Day "i", the number of calendar days from and including such TARGET Business Day "i" to but excluding the following TARGET Business Day;

"**p**" means five TARGET Business Days; and

"**€STR<sub>i-p</sub>**" means the €STR Reference Rate for any TARGET Business Day (being a TARGET Business Day falling in the relevant Observation Period) falling "p" TARGET Business Days prior to the relevant TARGET Business Day "i" falling in the relevant Interest Period.

"**€STR Screen Page**" means the Website of the European Central Bank or the relevant successor page on that service or on any other service as may be nominated as information vendor for the purposes of displaying €STR.

"**€STR Reference Rate**" means, in respect of any TARGET Business Day ("**TBDx**"), the daily euro short-term rate ("**€STR**") for such TBDx, as provided by the European Central Bank and published on the €STR Screen Page as at 9:00 a.m. Frankfurt time on the TARGET Business Day immediately following TBDx (or, if a revised €STR is published in respect of TBDx as provided in Article 4 subsection 3 of the European Central Bank's Guideline 2019/1265 dated 10 July 2019, as amended, at or before 11:00 a.m. (Frankfurt time), such revised €STR in respect of TBDx).

If, in respect of any TBDx in the relevant Interest Period, the €STR is not available on the €STR Screen Page (and has not otherwise been published by any relevant authorised distributor), then the €STR Reference Rate in respect of such TBDx shall be the €STR Reference Rate for the last TARGET Business Day preceding TBDx on which the €STR was published on the €STR Screen Page.

"**Observation Period**" means, in respect of any Interest Period, the period from and including the day falling "p" TARGET Business Days prior to the first day of the relevant Interest Period to but excluding the day falling "p" TARGET Business Days prior to the Interest Payment Date for such Interest Period (each such day, an "**Observation Period End Date**").

"Website of the European Central Bank" means (i) the website of the European Central Bank (currently <https://www.ecb.europa.eu> or any successor website of the European Central Bank or of any successor administrator), or (ii) any other screen page as may be nominated by the European Central Bank or any successor administrator for the purposes of displaying €STR. Any such successor website or any such other screen page will be notified by the Issuer to the Noteholders in accordance with § 10.

- (3) *Fallback rate.*
- (a) If the European Central Bank publishes guidance as to (i) how the €STR is to be determined or (ii) any rate that is to replace the €STR, the Calculation Agent to the extent that it is reasonably practicable, follow such guidance in order to determine the €STR Reference Rate for any TARGET Business Day "i" for the purpose of the Notes for so long as the €STR is not available and has not been published by any authorised distributor.
- (b) Notwithstanding § 3(3)(a):
- (i) if the Calculation Agent determines in its sole discretion on or prior to the relevant Interest Determination Date that the €STR Reference Rate has been discontinued or such rate has ceased to be published permanently or indefinitely, then the Calculation Agent shall use as benchmark for the relevant Interest Period a substitute or successor rate that it has determined in its sole discretion to be (a) the industry-accepted successor rate to the €STR Reference Rate or (b) if no such industry-accepted successor rate exists, the most comparable substitute or successor rate to the €STR Reference Rate; and
- (ii) if the Calculation Agent has determined a substitute or successor rate in accordance with the foregoing, the Calculation Agent may determine in its sole discretion the business day convention, the business day definitions, the day count fraction and Interest Determination Date and any other relevant methodology and terms and conditions for calculating such substitute or successor rate, including any adjustment factor it determines is needed to make such substitute or successor rate comparable to the €STR Reference Rate, in a manner that is consistent with industry-accepted practices for such substitute or successor rate.
- (4) *No Prejudice.* Notwithstanding any other provision of this § 3, no substitute or successor rate or adjustment factor will be adopted, nor will any other amendment be made pursuant to § 3(3) if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as Tier 2 capital (as defined in the Applicable Supervisory Regulations) for the purposes of the Applicable Supervisory Regulations. If this § 3(4) is to be applied on any Interest Determination Date, the Reference Rate applicable to the next and each subsequent Interest Period shall be the Reference Rate determined on the last preceding Interest Determination Date.
- (5) *Interest Amount.* The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the amount of interest (the "**Interest Amount**") payable on the Notes in respect of the Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below) to the Specified Denomination and rounding the resultant figure to the nearest sub-unit of the Specified Currency, with 0.5 of such sub-units being rounded upwards.
- (6) *Notification of Rate of Interest and Interest Amount.* The Calculation Agent will cause the Rate of Interest, each Interest Amount for each Interest Period, each Interest Period and the applicable Interest Payment Date to be notified to the Issuer and to the Noteholders in accordance with § 10 as soon as possible after their determination, but in no event later than the fourth Business Day thereafter, but in

no event later than the first day of the relevant Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements may be made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

- (7) *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Paying Agent and the Noteholders.
- (8) *Accrual of Interest.* The Notes shall cease to bear interest from the expiry of the day preceding the day on which they are due for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding aggregate principal amount of the Notes from the due date until the expiry of the day preceding the day of the actual redemption of the Notes at the default rate of interest established by law.<sup>1</sup>
- (9) *Day Count Fraction.* If interest is required to be calculated for any period of time, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).

**"Day Count Fraction"** means, in respect of the calculation of an amount of interest on any Note for any period of time (the **"Calculation Period"**), the actual number of days in the Calculation Period divided by 360.


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<sup>1</sup> The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 paragraph 1, 247 BGB (German Civil Code).

**SIGNATURE PAGE  
TO THE AMENDMENT AGREEMENT**

This Amendment Agreement has been entered into on the date first stated above.

**J.P. Morgan AG**  
(as Issuer)

  
\_\_\_\_\_  
By: Burkhard Kuebel-Sorger

**J.P. Morgan International Finance Limited**  
(as Purchaser)

\_\_\_\_\_  
By: Daniel Kempfski



**SIGNATURE PAGE  
TO THE AMENDMENT AGREEMENT**

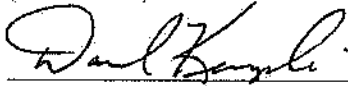
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**J.P. Morgan AG**  
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By: Burkhard Kuebel-Sorger

**J.P. Morgan International Finance Limited**  
(as Purchaser)



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By: Daniel Kempfski