

ATTORNEY GENERAL OF THE STATE OF NEW YORK  
INVESTOR PROTECTION BUREAU

-----X  
IN THE MATTER OF :

JP MORGAN CHASE & CO. :  
: :  
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**ASSURANCE OF DISCONTINUANCE  
PURSUANT TO EXECUTIVE LAW § 63(15)**

On April 15, 2008, the Office of the Attorney General of the State of New York (the "Attorney General"), commenced an investigation, pursuant to Article 23-A of the General Business Law (the "Martin Act"), of JPMorgan Chase & Co. and its subsidiaries and affiliates, including Bear Stearns & Co. and affiliates, which JPMorgan Chase & Co. was then in the process of acquiring (hereinafter "JPMC"), concerning JPMC's marketing, sale and distribution of auction rate securities (the "Investigation"). References to JPMC do not include WaMu Investments Inc., which JPMC acquired on September 25, 2008. This Assurance of Discontinuance ("Assurance") contains the findings of the Attorney General's Investigation and the relief agreed to by the Attorney General and JPMC.

**FINDINGS**

The Attorney General finds as follows:

**I. Relevant Entity**

1. J.P. Morgan Securities Inc. ("JPMSI"), Chase Investment Services Corporation ("CISC") and Bear, Stearns & Co. ("Bear Stearns") are wholly-owned subsidiaries of JPMC, a Delaware corporation. JPMC is licensed to do business in the State of New York and has executive offices located in New York City. JPMSI is a

registered broker/dealer offering brokerage, financial planning and investment products and services to investors across the United States.

## **II. Background on Auction Rate Securities**

2. Auction rate securities are long-term bonds issued by municipalities, corporations and student loan companies, or perpetual equity instruments issued by closed end mutual funds, with variable interest rates that reset through a bidding process known as a Dutch auction.

3. At a Dutch auction, bidders generally state the number of auction rate securities they wish to purchase and the minimum interest rate or dividend rate, as the case may be, they are willing to accept. Bids are ranked, from lowest to highest, according to the minimum interest rate or dividend rate, as the case may be, each bidder is willing to accept. The lowest rate required to sell all of the auction rate securities available at auction, known as the “clearing rate,” becomes the rate paid to all holders of that particular security until the next auction. The process is then repeated, typically every 7, 28 or 35 days.

4. When there are not enough orders to purchase all of the auction rate securities being sold, a “failed” auction occurs. In the event of a failed auction, investors cannot sell their auction rate securities in that auction.

5. As an underwriter of auction rate securities, JPMC also acted as the auction broker-dealer for many issues of auction rate securities. When acting as sole auction broker-dealer, JPMC was the only firm that could submit bids into the auction on behalf of its clients and/or other broker-dealers who wanted to buy and/or sell any auction rate securities. When acting as lead auction broker-dealer, JPMC was the

primary firm that could submit bids into the auction, while other auction broker-dealers were able to submit orders on behalf of their clients, as well. JPMC received revenue in connection with auction rate securities, including an underwriting fee representing a percentage of total issuance and a fee for managing the auctions.

**III. JPMC Made Misrepresentations to Certain Investors in Connection With the Sale of Auction Rate Securities**

6. JPMC represented to certain of its customers that auction rate securities were liquid, safe, short-term investments and failed to highlight the risk that, in the event of a failed auction, the securities might become illiquid.

7. These misrepresentations were made to certain investors. Auction rate securities were in fact different from liquid, safe, short-term investments. As discussed above, the liquidity of an auction rate security depends on the successful operation of the Dutch auction process. In the event of a failed auction, investors cannot sell their auction rate securities in that auction and are stuck holding long-term investments, not cash equivalent securities, until and if auctions clear again. As discussed below, starting in the Fall of 2007, the auction rate securities market faced dislocation and an increased risk of failure.

8. Since the inception of the auction rate securities market, JPMC submitted support bids, purchase orders for the entirety of an auction rate security issue for which it acted as the sole or lead broker. Support bids were JPMC proprietary orders that would be filled, in whole or in part, if there was otherwise insufficient demand in an auction. When JPMC purchased auction rate securities through support bids, auction rate securities were then owned by JPMC and, until the securities could be resold, the holdings were recorded on JPMC's balance sheet.

9. Because investors could not ascertain how much of an auction was filled through JPMC proprietary trades, investors could not determine if auctions were clearing because of normal marketplace demand, or because JPMC was making up for lack of demand through support bids. Many investors were also not aware that the auction rate securities market was dependent upon JPMC's use of support bids for its operation. While JPMC could track its own inventory as a measure of the supply and demand for auction rate securities, ordinary investors had no comparable ability to assess the operation of the market. There was no way for ordinary investors to monitor supply and demand in the market or to assess when broker-dealers may decide to stop submitting support bids, which could cause its collapse.

**IV. In the Fall of 2007, The Auction Rate Securities Market Faced Dislocation**

10. In August 2007, the credit crisis and other deteriorating market conditions strained the auction rate securities market. Some institutional investors withdrew from the market, decreasing demand for auction rate securities.

11. The resulting market dislocation should have been evident to JPMC. JPMC support bids filled the increasing gap in the demand for certain auction rate securities, sustaining the impression that the market was functioning.

12. From the Fall of 2007 through early February of 2008, demand for auction rate securities continued to erode and JPMC's auction rate securities inventory reached unprecedented levels. JPMC knew or should have known of the increasing strains on the auction rate securities market, but nonetheless did not disclose these increasing risks of owning or purchasing auction rate securities to all of its customers.

13. In February 2008, JPMC and other firms stopped supporting the auctions for which it acted as the sole or lead auction broker-dealer. Without the benefit of support bids, the auction rate securities market collapsed, leaving certain investors who had been led to believe that these securities were liquid, safe, short-term investments, appropriate for managing short-term cash needs, holding long-term or perpetual securities that could not be sold at par value.

**V. Violations**

14. The foregoing acts and practices of JPMC violated provisions of the Martin Act, Article 23-A of the General Business Law.

15. The foregoing acts and practices of JPMC violated provisions of § 349 of the General Business Law.

16. The foregoing acts and practices of JPMC violated provisions of § 63(12) of the Executive Law.

**AGREEMENT**

WHEREAS, the parties agree to settle allegations that JPMC's conduct violated the Martin Act, General Business Law § 349 and Executive Law § 63(12) and the Attorney General can bring an action when misrepresentations are made in connection with the sale of securities and scienter need not be proven to establish a violation of the Martin Act, General Business Law § 349 and Executive Law § 63(12);

WHEREAS, JPMC neither admits nor denies the Attorney General's Findings set forth above;

WHEREAS, the Attorney General is willing to accept the terms of the Assurance pursuant to New York Executive Law § 63(15), and to discontinue, as described in paragraph 57 below, its Investigation of JPMC;

WHEREAS, the parties each believe that the obligations imposed by this Assurance are prudent and appropriate;

IT IS HEREBY UNDERSTOOD AND AGREED, by and between the parties, that:

**I. Relief for Auction Rate Security Investors**

**A. Buybacks from Auction Rate Securities Investors**

17. JPMC will have provided liquidity to Eligible Investors by buying-back Eligible Auction Rate Securities that have failed at auction at least once between June 1, 2008 and August 31, 2008, at par, in the manner described below.

18. "Eligible Auction Rate Securities," for the purposes of this Assurance, shall mean auction rate securities purchased at JPMC on or before February 12, 2008.

19. "Eligible Investors," for the purposes of this Assurance, shall mean:

- i. Natural persons (including their IRA accounts, testamentary trust and estate accounts, custodian UGMA and UTMA accounts, and guardianship accounts) who purchased Eligible Auction Rate Securities at JPMC;
- ii. Charities, endowments or foundations with Internal Revenue Code Section 501(c)(3) status that purchased Eligible Auction Rate Securities at JPMC, with the exception of educational endowments and health care organizations that had more than \$10 million in assets in

their accounts with JPMC, net of margin loans, as determined by the customer's aggregate household position(s) at JPMC as of February 13, 2008; and

- iii. Small Businesses that purchased Eligible Auction Rate Securities at JPMC. For purposes of this provision, "Small Businesses" shall mean JPMC customers not otherwise covered in paragraph 19(i) and (ii) above that had \$10 million or less in assets in their accounts with JPMC, net of margin loans, as determined by the customer's aggregate household position(s) at JPMC as of February 13, 2008.

Notwithstanding any other provision, "Small Business" does not include broker-dealers, banks or other financial services firms acting as conduits for their customers, or customers that had annual revenues of greater than \$100 million in their most recent fiscal year, as of February 13, 2008.

- iv. In no event shall JPMC be required by this Assurance to purchase more than \$10 million of auction rate securities from any Small Business.

20. Notwithstanding the foregoing, the term "Eligible Investor" shall not include (i) members of the operating committee of JPMC and former members of the executive committee of The Bear Stearns Companies Inc. ("Bear Stearns"), (ii) executives who report, or who reported, directly to such committee members and who were involved with business units responsible for auction rate securities, (iii) members of the JPMorgan Investment Bank risk management committee, (iv) directors and

officers of JPMC and former directors and officers of Bear Stearns, (v) current and former employees of JPMC or J.P. Morgan Securities Inc., Chase Investment Services Corp. or Bear, Stearns & Co. Inc. and former employees of Bear Stearns, who are or were employed as representatives registered with the Financial Industry Regulatory Authority, and (vi) related household accounts of individuals in categories (i) through (v).

21. No later than October 2, 2008, JPMC shall have offered to purchase, at par plus accrued and unpaid dividends/interest, from Eligible Investors their Eligible Auction Rate Securities that have failed at auction at least once between June 1, 2008 and August 31, 2008 (“Buyback Offer”), and shall have explained what Eligible Investors must do to accept, in whole or in part, the Buyback Offer. The Buyback Offer shall have remained open until at least December 12, 2008 (“Offer Period”).

22. JPMC shall have undertaken its best efforts to identify and provide notice to Eligible Investors, who invested in Eligible Auction Rate Securities that have failed at auction at least once between June 1, 2008 and August 31, 2008 of the relevant terms of the settlement by December 12, 2008. JPMC will also undertake its best efforts to identify and provide notice of the relevant terms of this Assurance to such Eligible Investors not previously identified.

23. No later than December 31, 2009, any Eligible Investor who for good cause (including but not limited to incapacity or failure to receive the notice provided for in paragraph 22) did not accept the Buyback Offer pursuant to paragraph 24 below, shall, upon notice to JPMC, be entitled to sell their Eligible Auction Rate Securities, at

par. to JPMC for (30) days after establishing such good cause, and JPMC shall purchase such Eligible Investor's Eligible Auction Rate Securities promptly.

24. Subject to the provision of paragraph 23 of this Assurance, Eligible Investors shall have accepted the Buyback Offer by having notified JPMC of their acceptance of the Buyback Offer at any time before 5:00 p.m., Eastern Time, December 12, 2008. For Eligible Investors who accepted the Buyback Offer within the Offer Period, JPMC shall have purchased any Eligible Auction Rate Securities on or before December 12, 2008 and paid for on or before December 16, 2008, subject to JPMC's confirmation of the validity to such acceptance of the Buyback Offer.

25. No later than October 2, 2008, JPMC shall have established: (a) a dedicated toll-free telephone assistance line, with appropriate staffing, to provide information and to respond to questions concerning the terms of this Assurance; and (b) a public Internet page on its corporate Web site(s), with a prominent link to that page appearing on JPMC's relevant homepage(s), to provide information concerning the terms of the Term Sheet that are reflected in this Assurance and, via an e-mail address or other reasonable means, to respond to questions concerning the terms of the Term Sheet that are reflected in this Assurance. JPMC shall maintain the telephone assistance line and Internet page through January 31, 2009.

**B. Relief for Eligible Investors Who Sold Below Par**

26. By December 12, 2008, JPMC shall have undertaken its best efforts to identify any Eligible Investor who sold Eligible Auction Rate Securities below par between February 12, 2008 and August 13, 2008 and paid them the difference between par and the price at which the investor sold the Eligible Auction Rate Securities. JPMC

will undertake its best efforts to identify and pay, as soon as reasonably possible, any Eligible Investors identified thereafter who sold Eligible Auction Rate Securities below par between February 12, 2008 and August 13, 2008.

**C. Reimbursement for Related Loan Expenses**

27. JPMC shall make best efforts to identify Eligible Investors who took out loans from JPMC, between February 12, 2008 and the date of this Assurance, that were secured by Eligible Auction Rate Securities that were not successfully auctioning at the time the loan was taken out from JPMC, and paid interest associated with the auction rate securities based portion of those loans in excess of the total interest and dividends received on the auction rate securities during the duration of the loan. JPMC shall reimburse such customers for the excess expense, plus reasonable interest thereon. Such reimbursement shall occur no later than July 1, 2009.

**C. Consequential Damages Arbitration Process**

28. JPMC shall consent to participate in a special arbitration (“Arbitration”) for the exclusive purpose of arbitrating any Eligible Investor’s consequential damages claim arising from their inability to sell Eligible Auction Rate Securities. JPMC shall have notified Eligible Investors of the terms of the Arbitration process through the notice described in paragraph 22 above.

29. The Arbitration shall be conducted by a single public arbitrator (as defined by section 12100(u) of the NASD Code of Arbitration Procedures for Customer Disputes, eff. April 16, 2007), under the auspices of FINRA. JPMC will pay all applicable forum and filing fees.

30. Any Eligible Investors who choose to pursue such claims in the Arbitration shall bear the burden of proving that they suffered consequential damages and that such damages were caused by their inability to access funds invested in Eligible Auction Rate Securities. In the Arbitration, JPMC shall be able to defend itself against such claims; provided, however, that JPMC shall not contest liability related to the sale of the underlying auction rate securities position solely for purposes of the special arbitration process.

31. Eligible Investors who elect to use the special arbitration process provided for herein shall not be eligible for special or punitive damages, or for any other type of damages other than consequential damages.

32. All customers, including but not limited to Eligible Investors who avail themselves of the relief provided pursuant to this Assurance, may pursue any remedies against JPMC available under the law. However, Eligible Investors that elect to utilize the special arbitration process set forth above are limited to the remedies available in that process and may not bring or pursue a claim relating to Eligible Auction Rate Securities in another forum.

**E. Municipal Issuers**

33. JPMC shall promptly refund to municipal issuers underwriting fees the issuers paid to JPMC for the refinancing or conversion of their auction rate securities that occurred between February 12, 2008 and the date of this Assurance, where JPMC acted as underwriter for the primary offering of the auction rate securities between August 1, 2007 and February 12, 2008.

**F. Institutional Investors**

34. JPMC shall endeavor to work with issuers and other interested parties, including regulatory and governmental entities, to expeditiously provide liquidity solutions for institutional investors, not covered by Section I.A. above that purchased auction rate securities from JPMC (“Institutional Investors”).

35. The Attorney General has refrained from taking legal action against JPMC with respect to Institutional Investors. The Attorney General shall issue continuances as it deems appropriate.

36. Within 45 days of the end of each quarter beginning with a report covering the quarter ended December 31, 2008 (due on February 14, 2009) and continuing through and including a report covering the quarter ended December 31, 2009 (due on February 14, 2010), JPMC shall submit a quarterly written report detailing JPMC’s progress with respect to its obligations pursuant to this Assurance. JPMC shall confer with the Attorney General on a quarterly basis to discuss JPMC’s progress to date. Such quarterly reports and conferences/meetings shall continue until the first quarter of 2010. Following every quarterly meeting, the Attorney General shall advise JPMC of any concerns regarding JPMC’s progress in providing liquidity solutions for Institutional Investors and, in response, JPMC shall detail the steps that JPMC plans to implement to address such concerns. The reporting or meeting deadlines set forth above may be amended with written permission from the Attorney General.

**G. Penalty and Remedial Procedures**

37. JPMC shall pay a total civil penalty of TWENTY FIVE MILLION (\$25,000,000) DOLLARS, of which \$6,742,610.71 shall be paid to the State of New

York no later than June 15, 2009, and the remainder to those states and territories that enter administrative or civil consent orders approving the terms of the NASAA settlement to address all underlying conduct relating to the marketing, sale and distribution of auction rate securities. The payment to the State of New York shall be in the form of a certified or bank check made out to "State of New York" and mailed to: Office of the Attorney General of the State of New York, 120 Broadway, 23<sup>rd</sup> Floor, New York, New York, 10271, Attn: David A. Markowitz, Chief, Investor Protection Bureau.

38. JPMC agrees that it shall not, collectively or individually, seek or accept, directly or indirectly, reimbursement or indemnification, including, but not limited to, payment made pursuant to any insurance policy, with regard to any or all of the amounts payable pursuant to paragraph 37 above.

**H. Other Relief**

39. JPMC admits the jurisdiction of the Attorney General. JPMC will cease and desist from engaging in any acts in violation of the Martin Act, General Business Law § 349 and/or Executive Law § 63(12) and will comply with the Martin Act, General Business Law § 349 and Executive Law § 63(12).

**II. Other Provisions**

40. The Attorney General retains the right under Executive Law § 63(15) to compel compliance with this Assurance. Evidence of a violation of this Assurance proven in a court of competent jurisdiction shall constitute prima facie proof of a violation of the Martin Act, General Business Law §349 and/or Executive Law §63(12)

in any civil action or proceeding hereafter commenced by the Attorney General against JPMC.

41. Should the Attorney General prove in a court of competent jurisdiction that a material breach of this Assurance by JPMC has occurred, JPMC shall pay to the Attorney General the cost, if any, of such determination and of enforcing this Assurance, including without limitation legal fees, expenses and court costs.

42. If JPMC defaults on any obligation under this Assurance, the Attorney General may terminate this Assurance, at his sole discretion, upon 10 days written notice to JPMC. JPMC agrees that any statute of limitations or other time related defenses applicable to the subject of the Assurance and any claims arising from or relating thereto are tolled from and after the date of this Assurance. In the event of such termination, JPMC expressly agrees and acknowledges that this Assurance shall in no way bar or otherwise preclude the Attorney General from commencing, conducting or prosecuting any investigation, action or proceeding, however denominated, related to the Assurance, against JPMC, or from using in any way any statements, documents or other materials produced or provided by JPMC prior to or after the date of this Assurance, including, without limitation, such statements, documents or other materials, if any, provided for purposes of settlement negotiations, except as may otherwise be provided in a written agreement with the Attorney General.

43. Except in an action by the Attorney General to enforce the obligations of JPMC in this Assurance or in the event of termination of this Assurance by the Attorney General, neither this Assurance nor any acts performed or documents executed in furtherance of this Assurance: (a) may be deemed or used as an admission of, or

evidence of, the validity of any alleged wrongdoing, liability or lack of wrongdoing or liability; or (b) may be deemed or used as an admission of or evidence of any such alleged fault or omission of JPMC in any civil, criminal, arbitration or administrative proceeding in any court, administrative agency or other tribunal. This Assurance shall not confer any rights upon persons or entities who are not a party to this Assurance.

44. JPMC shall cooperate fully and promptly with the Attorney General and shall use its best efforts to ensure that all the current and former officers, directors, trustees, agents, members, partners and employees of JPMC (and of any of JPMC's parent companies, subsidiaries or affiliates) cooperate fully and promptly with the Attorney General in any pending or subsequently initiated investigation, litigation or other proceeding relating to auction rate securities and/or the subject matter of the Assurance. Such cooperation shall include, without limitation, and on a best efforts basis:

- (a) production, voluntarily and without service of subpoena, upon the request of the Attorney General, of all documents or other tangible evidence requested by the Attorney General and any compilations or summaries of information or data that the Attorney General requests that JPMC (or JPMC's parent companies, subsidiaries or affiliates) prepare, except to the extent such production would require the disclosure of information protected by the attorney-client and/or work product privileges;
- (b) without the necessity of a subpoena, having the current (and making all reasonable efforts to cause the former) officers, directors, trustees, agents, members, partners and employees of JPMC (and of any of JPMC's parent companies, subsidiaries or affiliates) attend any Proceedings (as hereinafter defined) in New York State or elsewhere at which the presence of any such persons is requested by the Attorney General and having such current (and making all reasonable efforts to cause the former) officers, directors, trustees, agents, members, partners and employees answer any and all inquiries that may be put by the Attorney General to any of them at any proceedings or otherwise, except to

the extent such production would require the disclosure of information protected by the attorney-client and/or work product privileges; "Proceedings" include, but are not limited to, any meetings, interviews, depositions, hearings, trials, grand jury proceedings or other proceedings;

- (c) fully, fairly and truthfully disclosing all information and producing all records and other evidence in its possession, custody or control (or the possession, custody or control of JPMC parent companies, subsidiaries or affiliates) relevant to all inquiries made by the Attorney General concerning the subject matter of the Assurance, except to the extent such inquiries call for the disclosure of information protected by the attorney-client and/or work product privileges; and
- (d) making outside counsel reasonably available to provide comprehensive presentations concerning any internal investigation relating to all matters in the Assurance and to answer questions, except to the extent such presentations or questions call for the disclosure of information protected by the attorney-client and/or work product privileges.

45. In the event JPMC fails to comply with paragraph 44 of the Assurance, the Attorney General shall be entitled to specific performance, in addition to any other available remedies.

46. The Attorney General has agreed to the terms of this Assurance based on, among other things, the representations made to the Attorney General by JPMC, its counsel, and the Attorney General's own factual Investigation. To the extent that any material representations are later found to be inaccurate or misleading, this Assurance is voidable by the Attorney General in its sole discretion.

47. JPMC shall, upon request by the Attorney General, provide all documentation and information reasonably necessary for the Attorney General to verify compliance with this Assurance.

48. To the extent applicable, this Assurance hereby waives any disqualification from relying upon the registration exemptions or registration safe harbor provisions that may be contained in the federal securities laws, the rules and regulations thereunder, the rules and regulations of self regulatory organizations or any states' or U.S. Territories' securities laws. In addition, this Assurance is not intended to form the basis for any such disqualifications or any disqualification under Section 3(a)(39) of the Securities Exchange Act of 1934.

49. All notices, reports, requests, and other communications to any party pursuant to this Assurance shall be in writing and shall be directed as follows:

If to JPMC:

Peter H. Bresnan, Esq.  
Simpson Thacher & Bartlett LLP  
601 Pennsylvania Avenue, N.W., North Building  
Washington, DC 20004

If to the Attorney General:

Office of the Attorney General of the State of New York  
120 Broadway, 23<sup>rd</sup> Floor  
New York, New York 10271  
Attn: David A. Markowitz

50. This Assurance and any dispute related thereto shall be governed by the laws of the State of New York without regard to any conflicts of laws principles.

51. JPMC consents to the jurisdiction of the Attorney General in any proceeding or action to enforce this Assurance.

52. JPMC agrees not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any finding in this Assurance or creating the impression that this Assurance is without factual basis. Nothing in this paragraph

affects JPMC's: (a) testimonial obligations; or (b) right to take legal or factual positions in defense of litigation or other legal proceedings to which the Attorney General is not a party. Nothing in this assurance shall be considered an admission of fraud.

53. This Assurance may not be amended except by an instrument in writing signed on behalf of all the parties to this Assurance.

54. This Assurance constitutes the entire agreement between the Attorney General and JPMC and supersedes any prior communication, understanding or agreement, whether written or oral, concerning the subject matter of this Assurance. No representation, inducement, promise, understanding, condition or warranty not set forth in this Assurance has been relied upon by any party to this Assurance.

55. In the event that one or more provisions contained in this Assurance shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.

56. This Assurance may be executed in one or more counterparts, and shall become effective when such counterparts have been signed by each of the parties hereto.

57. Upon execution by the parties to this Assurance, the Attorney General agrees to suspend, pursuant to Executive Law § 63(15), this Investigation as and against JPMC solely with respect to its marketing and sale of auction rate securities to Eligible Investors.

58. Any payments and all correspondence related to this Assurance must reference AOD # 08-181.

**WHEREFORE**, the following signatures are affixed hereto on the dates set forth

below.

**ANDREW M. CUOMO**,  
Attorney General of the State of New York

By: 

David A. Markowitz  
Chief, Investor Protection Bureau  
120 Broadway  
23<sup>rd</sup> Floor  
New York, New York 10271  
(212) 416-8198

Dated: June 2, 2009

JPMORGAN CHASE & CO.

By: Mark E. Segall  
Mark E. Segall  
Senior Vice President and  
Associate General Counsel

ACKNOWLEDGMENT

STATE OF NEW YORK    )  
  :SS.  
COUNTY OF NEW YORK )

On this \_\_\_\_ day of June, 2009, before me personally came Mark E. Segall, known to me, who, being duly sworn by me, did depose and say that he is the Senior Vice President and Associate General Counsel of JPMorgan Chase & Co., the entity described in the foregoing Assurance, and is duly authorized by JPMorgan Chase & Co. to execute the same, and that he signed his name in my presence by like authorization.

[Signature]  
Notary Public

My commission expires: Feb. 12, 2011

Assurance of Discontinuance  
Reviewed By:

\_\_\_\_\_  
Peter H. Bresnan  
Simpson Thacher & Bartlett LLP

*Attorneys for JPMorgan Chase & Co.*

Dated: June \_\_\_\_\_, 2009

MARLENE M. THOMPSON  
Notary Public, State of New York  
No. 01TH6161011  
Qualified in Kings County  
Certificate filed in New York County  
Commission Expires February 12, 2011

JPMORGAN CHASE & CO.

By: \_\_\_\_\_  
Mark E. Segall  
Senior Vice President and  
Associate General Counsel

ACKNOWLEDGMENT

STATE OF NEW YORK    )  
  :ss.  
COUNTY OF NEW YORK )

On this \_\_\_\_ day of June, 2009, before me personally came Mark E. Segall, known to me, who, being duly sworn by me, did depose and say that he is the Senior Vice President and Associate General Counsel of JPMorgan Chase & Co., the entity described in the foregoing Assurance, and is duly authorized by JPMorgan Chase & Co. to execute the same, and that he signed his name in my presence by like authorization.

\_\_\_\_\_  
Notary Public  
My commission expires:

Assurance of Discontinuance  
Reviewed By:

  
\_\_\_\_\_  
Peter H. Bresnan  
Simpson Thacher & Bartlett LLP

*Attorneys for JPMorgan Chase & Co.*

Dated: June   2  , 2009