

J.P. Morgan Supports Payment-Versus-Payment Settlement for Foreign Exchange Transactions in Indonesia

Hong Kong, April 19, 2010 - J.P. Morgan Treasury Services today announced that it has developed a solution to facilitate a new currency clearing service for its Indonesian bank clients using Hong Kong's cross-border payment-versus-payment (PvP) settlement system. By having access to this system, J.P. Morgan's clients are able to better mitigate foreign exchange settlement risk and increase operational efficiency.

The PvP infrastructure established by Bank Indonesia and the Hong Kong Monetary Authority links the real time gross settlement (RTGS) systems in both economies to provide simultaneous delivery of Indonesian Rupiah and U.S. Dollar currencies within the Asia business day. This innovative infrastructure represents a new clearing standard between these two currencies. J.P. Morgan also provides clearing services using PvP settlement in Malaysia.

By leveraging J.P. Morgan's global payment network and leading position in U.S. Dollar clearing, financial institutions also can benefit from optimised liquidity, faster payments and high standards of service delivery.

J.P. Morgan was a key participant in the working group of commercial banks brought together by Bank Indonesia to identify a solution to mitigate settlement risk for foreign exchange transactions between Indonesian Rupiahs and U.S. Dollars and to increase efficiency in the inter-bank market for both currencies. J.P. Morgan was in a unique position to deliver thought leadership and share its experience as a major provider of clearing services to the banking industry in Malaysia since the inception of the PvP settlement services in 2006.

"Beyond the role banks normally play in payment clearing and foreign exchange settlement, we are committed to fostering innovation in the industry and are proud to be part of this initiative led by Bank Indonesia and supported by the Hong Kong Monetary Authority. Our client banks in Indonesia value our successful experience with PvP settlement in Malaysia, where we continue to see a high demand for these services and future developments in this area," said Raof Latiff, managing director and Asia head of Treasury Services clearing and foreign exchange at J.P. Morgan.

"J.P. Morgan Treasury Services is actively engaged in promoting best practices and supporting initiatives aiming to reduce risk and enhance efficiency at an industry level. We are pleased to be able to offer a wider range of cash management services to our clients in Malaysia and Indonesia to meet their most advanced clearing needs," added Simon Jones, managing director and regional Treasury Services executive - Asia Pacific at J.P. Morgan.

J.P. Morgan is the world's largest U.S. Dollar clearing and commercial bank. J.P. Morgan Treasury Services leverages the services and products of the bank's Worldwide Securities Services division, as well as its Investment Bank, Asset Management and Private Bank lines of business to provide its clients with integrated banking solutions.

About J.P. Morgan Treasury Services

The Treasury Services business of J.P. Morgan is a top-ranked, full-service provider of innovative payment, collection, liquidity management, trade finance, commercial card and information solutions to corporations, financial services institutions, middle market companies, small businesses, governments and municipalities worldwide. With more than 100,000 clients and services provided in more than 60 countries and 40 U.S. states, J.P. Morgan Treasury Services is one of the world's largest providers of treasury management services and a division of JPMorgan Chase Bank, N.A., member FDIC. More information can be found at www.jpmorgan.com/ts.

About JPMorgan Chase & Co.

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. In Asia Pacific, J.P. Morgan operates through 26 offices in 15 countries and has developed its wholesale banking franchise during a history of almost 160 years in the region. More information about JPMorgan Chase & Co. is available at www.jpmorganchase.com.