

AXIALL CORP/DE/  
Form DFAN14A  
May 23, 2016

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, DC 20549**

**SCHEDULE 14A**  
**(Rule 14a-101)**  
**INFORMATION REQUIRED IN PROXY STATEMENT**  
**SCHEDULE 14A INFORMATION**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under § 240.14a-12

**AXIALL CORPORATION**

**(Name of Registrant as Specified In Its Charter)**

**WESTLAKE CHEMICAL CORPORATION**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing party:

(4) Date Filed:

Westlake Chemical Corporation issued the following press release on May 23, 2016:

## **Westlake Chemical Provides Update Regarding Its Proposal to Acquire Axiall Corporation**

**HOUSTON, May 23, 2016** Westlake Chemical Corporation (NYSE: WLK) today provided the following update regarding its proposal to acquire all of the outstanding shares of Axiall Corporation (NYSE: AXLL):

Since Axiall announced on May 4, 2016 that it was considering strategic alternatives, Westlake has sought to engage with Axiall on several occasions with respect to Westlake's proposal to acquire Axiall.

On Friday, May 20, 2016, Axiall's CFO advised Westlake's CFO that Axiall had re-opened its data room to Westlake and requested that Westlake submit a revised proposal to acquire Axiall by June 3, 2016.

Westlake currently intends to submit a revised proposal, or reaffirm its current proposal, on that date.

Westlake will continue to proceed with its current proxy contest to replace Axiall's Board in light of the uncertainty as to whether Axiall's announced process to consider strategic alternatives will conclude, if at all, in advance of Axiall's annual meeting on June 17, 2016.

Westlake does not undertake any obligation to comment further on these matters.

Westlake urges Axiall shareholders to vote the GOLD proxy card for the slate of nine independent and highly qualified nominees.

For additional information about Westlake's proposal and slate of directors, please visit [www.WestlakeAxiall.AcquisitionProposal.com](http://www.WestlakeAxiall.AcquisitionProposal.com).

### **About Westlake Chemical Corporation**

Westlake Chemical Corporation is an international manufacturer and supplier of petrochemicals, polymers and building products with headquarters in Houston, Texas. The company's range of products includes: ethylene, polyethylene, styrene, propylene, caustic, VCM, PVC suspension and specialty resins and PVC building products including pipe and specialty components, windows, fence, deck and film. For more information, visit the company's Web site at [www.westlake.com](http://www.westlake.com).

### **Forward-Looking Statements**

This communication contains forward-looking statements within the meaning of the federal securities laws. These forward-looking statements include, but are not limited to, statements regarding Westlake Chemical Corporation's (Westlake) proposal to acquire Axiall Corporation (Axiall) (including financing of the proposed transaction and the benefits, results, effects and timing of a transaction), all statements regarding Westlake's (and Westlake's and

Axiall's combined) expected future financial position, results of operations, cash flows, dividends, financing plans, business strategy, budgets, capital expenditures, competitive positions, growth opportunities, plans and objectives of management, estimated synergies from the proposed transaction and statements containing the use of forward-looking words, such as may, will, could, would, should, project, believe, anticipate, expect, estimate, forecast, approximate, intend, upside, and the like, or the use of future tense. Statements contained herein concerning the business outlook or future economic performance, anticipated profitability, revenues, expenses, dividends or other financial items, and product or services line growth of Westlake (and the combined businesses of Westlake and Axiall), together with other statements that are not historical facts, are forward-looking statements that are estimates reflecting the best judgment of Westlake based upon currently available information. Statements concerning current conditions may also be forward-looking if they imply a continuation of current conditions.

Such forward-looking statements are inherently uncertain, and stockholders and other potential investors must recognize that actual results may differ materially from Westlake's expectations as a result of a variety of factors, including, without limitation, those discussed below. Such forward-looking statements are based upon management's current expectations and include known and unknown risks, uncertainties and other factors, many of which Westlake is unable to predict or control, that may cause Westlake's actual results, performance or plans with respect to Axiall to differ materially from any future results, performance or plans expressed or implied by such forward-looking statements. These statements involve risks, uncertainties and other factors discussed below and detailed from time to time in Westlake's filings with the Securities and Exchange Commission (the "SEC").

Risks and uncertainties related to the proposed business combination transaction include, but are not limited to: (i) the ultimate outcome of any possible transaction between Westlake and Axiall, including the possibility that Axiall will not accept a transaction with Westlake, (ii) the ultimate outcome and results of integrating the operations of Westlake and Axiall if a transaction is consummated, (iii) the ability to obtain regulatory approvals and meet other closing conditions to any possible transaction, including any necessary stockholder approvals, (iv) potential adverse reactions or changes to business relationships resulting from the announcement, pendency or completion of the proposed transaction, (v) competitive responses to the announcement or completion of the proposed transaction, costs and difficulties related to the integration of Axiall's businesses and operations with Westlake's businesses and operations, (vi) the inability to obtain, or delays in obtaining, cost savings and synergies from the proposed transaction, (vii) uncertainties as to whether the completion of the proposed transaction or any transaction will have the accretive effect on Westlake's earnings or cash flows that it expects, (viii) unexpected costs, liabilities, charges or expenses resulting from the proposed transaction, (ix) litigation relating to the proposed transaction, (x) the inability to retain key personnel, and (xi) any changes in general economic and/or industry-specific conditions.

In addition to the factors set forth above, other factors that may affect Westlake's plans, results or stock price are set forth in Westlake's Annual Report on Form 10-K and in its reports on Forms 10-Q and 8-K.

Many of these factors are beyond Westlake's control. Westlake cautions investors that any forward-looking statements made by Westlake are not guarantees of future performance. We do not intend, and undertake no obligation, to publish revised forward-looking statements to reflect events or circumstances after the date of this communication or to reflect the occurrence of unanticipated events.

## **Additional Information**

This communication relates to a proposal which Westlake has made for a business combination transaction with Axiall. In connection with the solicitation of proxies for Axiall's 2016 annual meeting of stockholders (including any adjournment or postponement thereof and any meeting of Axiall's stockholders that may be called in lieu thereof, the Annual Meeting), Westlake filed an amended definitive proxy statement in connection therewith on Schedule 14A with the SEC on May 4, 2016 (the Westlake Proxy Statement). In connection with the proposal and subject to future developments, Westlake (and, if a negotiated transaction is agreed, Axiall) may also file one or more registration statements, additional proxy statements, tender offer statements, prospectuses or other documents with the SEC. This communication is not a substitute for the Westlake Proxy Statement or any other proxy statement, registration statement, tender offer statement, prospectus or other document Westlake and/or Axiall has filed or may file with the SEC in connection with the proposed transaction. INVESTORS AND SECURITY HOLDERS OF WESTLAKE AND AXIALL ARE URGED TO READ THE WESTLAKE PROXY STATEMENT AND ANY OTHER PROXY STATEMENT(S), REGISTRATION STATEMENT(S), TENDER OFFER STATEMENT(S), PROSPECTUS(ES) AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE ANNUAL MEETING AND/OR PROPOSED TRANSACTION. Westlake has mailed the Westlake Proxy Statement and accompanying GOLD proxy card to stockholders of Axiall. Any other definitive proxy statement(s) or prospectus(es) (if and when available) will be mailed to stockholders of Westlake and Axiall, as applicable. Investors and security holders will be able to obtain copies of these documents (if and when available) as well as other filings containing information about Westlake and Axiall, without charge, at the SEC's website, <http://www.sec.gov>. Those documents, when filed, as well as Westlake's other public filings with the SEC, may be obtained without charge at Westlake's website at <http://www.westlake.com>.

## **Participants in Solicitation**

Westlake, Westlake NG IV Corporation and certain of their respective directors and executive officers and the individuals nominated by Westlake for election to Axiall's Board of Directors may be deemed to be participants in any solicitation of proxies from Axiall's stockholders in connection with the Annual Meeting and/or the proposed transaction, as applicable, under the rules of the SEC. Information about the participants, including a description of their direct and indirect interests, by security holdings or otherwise, is available in the Westlake Proxy Statement and will be available in any other proxy statement(s) or prospectus(es) (if and when available). You can obtain free copies of these documents from Westlake using the contact information above. Investors may obtain additional information regarding the interest of such participants by reading the Westlake Proxy Statement and/or any other proxy statement/prospectus regarding the proposed transaction if and when they become available.

This document shall not constitute an offer to sell, buy or exchange or the solicitation of an offer to sell, buy or exchange any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation

or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.

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old 8pt Arial, Helvetica, Sans-Serif; margin: 0 0 2pt">Principal at Risk Securities

## Investment Summary

The Contingent Income Auto-Callable Securities due April 16, 2020 Based on the Performance of the Common Stock of Newell Brands Inc., which we refer to as the securities, provide an opportunity for investors to earn a contingent quarterly payment, which is an amount equal to at least \$0.275 (at least 2.75% of the stated principal amount) per security, with respect to each quarterly determination date on which the closing price is greater than or equal to 50% of the initial stock price, which we refer to as the downside threshold level. The actual contingent quarterly payment will be provided in the pricing supplement. The contingent quarterly payment, if any, will be payable quarterly on the relevant contingent payment date, which is the third business day after the related determination date or, in the case of the contingent quarterly payment, if any, with respect to the final determination date, the maturity date. If the closing price of the underlying stock is less than the downside threshold level on any determination date, investors will receive no contingent quarterly payment for the related quarterly period. It is possible that the closing price of the underlying stock could be below the downside threshold level on most or all of the determination dates so that you will receive few or no contingent quarterly payments. We refer to these payments as contingent, because there is no guarantee that you will receive a payment on any contingent payment date. Even if the underlying stock was at or above the downside threshold level on some quarterly determination dates, the underlying stock may fluctuate below the downside threshold level on others.



If the closing price is greater than or equal to the initial stock price on any determination date (other than the final determination date), the securities will be automatically redeemed for an early redemption payment equal to the stated principal amount *plus* the contingent quarterly payment with respect to the related determination date. If the securities have not previously been redeemed and the final stock price is greater than or equal to the downside threshold level, the payment at maturity will also be the sum of the stated principal amount and the contingent quarterly payment with respect to the final determination date. However, if the securities have not previously been redeemed and the final stock price is less than the downside threshold level, investors will be exposed to the decline in the closing price of the underlying stock, as compared to the initial stock price, on a 1-to-1 basis. Under these circumstances, the payment at maturity will be (i) the stated principal amount *times* (ii) the stock performance factor, which will be less than 50% of the stated principal amount of the securities and could be zero. Investors in the securities must be willing to accept the risk of losing their entire principal and also the risk of receiving few or no contingent quarterly payments over the term of the securities. In addition, investors will not participate in any appreciation of the underlying stock.

#### Supplemental Terms of the Securities

For purposes of the accompanying product supplement, the underlying stock is a “Reference Stock.”

JPMorgan Chase Financial Company LLC

Contingent Income Auto-Callable Securities due April 16, 2020

Based on the Performance of the Common Stock of Newell Brands Inc.

Principal at Risk Securities

Key Investment Rationale

The securities offer investors an opportunity to earn a contingent quarterly payment equal to at least 2.75% of the stated principal amount with respect to each determination date on which the closing price is greater than or equal to 50% of the initial stock price, which we refer to as the downside threshold level. The actual contingent quarterly payment will be provided in the pricing supplement. The securities may be redeemed prior to maturity for the stated principal amount per security *plus* the applicable contingent quarterly payment, and the payment at maturity will vary depending on the final stock price, as follows:

On any determination date (other than the final determination date), the closing price is *greater than or equal to* the initial stock price.

Scenario 1 The securities will be automatically redeemed for (i) the stated principal amount *plus* (ii) the contingent quarterly payment with respect to the related determination date.

Investors will not participate in any appreciation of the underlying stock from the initial stock price.

The securities are not automatically redeemed prior to maturity, and the final stock price is *greater than or equal to* the downside threshold level.

Scenario 2 The payment due at maturity will be (i) the stated principal amount *plus* (ii) the contingent quarterly payment with respect to the final determination date.

Investors will not participate in any appreciation of the underlying stock from the initial stock price.

The securities are not automatically redeemed prior to maturity, and the final stock price is *less than* the downside threshold level.

Scenario 3 The payment due at maturity will be (i) the stated principal amount *times* (ii) the stock performance factor.

**Investors will lose some, and may lose all, of their principal in this scenario.**

JPMorgan Chase Financial Company LLC

Contingent Income Auto-Callable Securities due April 16, 2020

Based on the Performance of the Common Stock of Newell Brands Inc.

Principal at Risk Securities

How the Securities Work

The following diagrams illustrate the potential outcomes for the securities depending on (1) the closing price and (2) the final stock price.

Diagram #1: Determination Dates (Other Than the Final Determination Date)

Diagram #2: Payment at Maturity if No Automatic Early Redemption Occurs

*For more information about the payment upon an early redemption or at maturity in different hypothetical scenarios, see “Hypothetical Examples” starting on page 5.*

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Principal at Risk Securities

Hypothetical Examples

The below examples are based on the following terms:

Stated principal amount: \$10 per security  
 Hypothetical initial stock price: \$15.00  
 Hypothetical downside threshold level: \$7.50, which is 50% of the hypothetical initial stock price  
 Hypothetical stock adjustment factor: 1.0  
 Hypothetical contingent quarterly payment: \$0.275 (2.75% of the stated principal amount) per security

In Examples 1 and 2, the closing price of the underlying stock fluctuates over the term of the securities and the closing price of the underlying stock is greater than or equal to the initial stock price on one of the first three determination dates. Because the closing price is greater than or equal to the initial stock price on one of the first three determination dates, the securities are automatically redeemed following the relevant determination date. In Examples 3 and 4, the closing price on the first three determination dates is less than the initial stock price, and, consequently, the securities are not automatically redeemed prior to, and remain outstanding until, maturity.

	Example 1			Example 2		
	Hypothetical	Contingent	Early	Hypothetical	Contingent	Early
<b>Dates</b>	Closing Price	Quarterly Payment	Redemption Payment	Closing Price	Quarterly Payment	Redemption Payment
<b>#1</b>	\$15.00	—*	\$10.275	\$8.25	\$0.275	N/A
<b>#2</b>	N/A	N/A	N/A	\$4.50	\$0	N/A
<b>#3</b>	N/A	N/A	N/A	\$18.75	—*	\$10.275
<b>Final</b>						
<b>Determination</b>	N/A	N/A	N/A	N/A	N/A	N/A

**Date**

\*The early redemption payment includes the unpaid contingent quarterly payment with respect to the determination date on which the closing price is greater than or equal to the initial stock price and the securities are redeemed as a result.

In **Example 1**, the securities are automatically redeemed following the first determination date as the closing price on the first determination date is equal to the initial stock price. You receive the early redemption payment, calculated as follows:

stated principal amount + contingent quarterly payment =  $\$10 + \$0.275 = \$10.275$

*In this example, the early redemption feature limits the term of your investment to approximately 3 months and you may not be able to reinvest at comparable terms or returns. If the securities are redeemed early, you will stop receiving contingent quarterly payments.*

In **Example 2**, the securities are automatically redeemed following the third determination date as the closing price on the third determination date is greater than the initial stock price. As the closing price on the first determination date is greater than the downside threshold level, you receive the contingent quarterly payment of \$0.275 with respect to that determination date. Following the third determination date, you receive an early redemption payment of \$10.275, which includes the contingent quarterly payment with respect to the third determination date.

*In this example, the early redemption feature limits the term of your investment to approximately 9 months and you may not be able to reinvest at comparable terms or returns. If the securities are redeemed early, you will stop receiving contingent quarterly payments. Further, although the underlying stock has appreciated by 25% from the initial stock price on the third determination date, you only receive \$10.275 per security upon redemption and do not benefit from this appreciation. The total payments on the securities will amount to \$10.55 per security.*

JPMorgan Chase Financial Company LLC

Contingent Income Auto-Callable Securities due April 16, 2020

Based on the Performance of the Common Stock of Newell Brands Inc.

Principal at Risk Securities

<b>Determination</b>	<b>Example 3</b>			<b>Example 4</b>		
	Hypothetical	Contingent	Early	Hypothetical	Contingent	Early
<b>Dates</b>	Closing Price	Quarterly Payment	Redemption Payment	Closing Price	Quarterly Payment	Redemption Payment
<b>#1</b>	\$6.75	\$0	N/A	\$6.75	\$0	N/A
<b>#2</b>	\$5.25	\$0	N/A	\$5.25	\$0	N/A
<b>#3</b>	\$5.25	\$0	N/A	\$1.88	\$0	N/A
<b>Final</b>						
<b>Determination</b>	\$5.62	\$0	N/A	\$7.50	—*	N/A
<b>Date</b>						
<b>Payment at Maturity</b>	\$3.75			\$10.275		

\*The final contingent quarterly payment, if any, will be paid at maturity.

Examples 3 and 4 illustrate the payment at maturity per security based on the final stock price.

In **Example 3**, the closing price of the underlying stock remains below the downside threshold level throughout the term of the securities. As a result, you do not receive any contingent quarterly payment during the term of the securities and, at maturity, you are fully exposed to the decline in the closing price of the underlying stock. As the final stock price is less than the downside threshold level, you receive a cash payment at maturity calculated as follows:

$$\text{stated principal amount} \times \text{stock performance factor} = \$10 \times \$5.62 / \$15.00 = \$3.75$$

*In this example, the payment you receive at maturity is significantly less than the stated principal amount.*

In **Example 4**, the closing price of the underlying stock decreases to a final stock price of \$7.50. Although the final stock price is less than the initial stock price, because the final stock price is still not less than the downside threshold level, you receive the stated principal amount *plus* a contingent quarterly payment with respect to the final determination date. Your payment at maturity is calculated as follows:

$$\$10 + \$0.275 = \$10.275$$

*In this example, although the final stock price represents a 50% decline from the initial stock price, you receive the stated principal amount per security plus the contingent quarterly payment, equal to a total payment of \$10.275 per security at maturity.*

The hypothetical returns and hypothetical payments on the securities shown above apply **only if you hold the securities for their entire term or until early redemption**. 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 payments shown above would likely be lower.

JPMorgan Chase Financial Company LLC

Contingent Income Auto-Callable Securities due April 16, 2020

Based on the Performance of the Common Stock of Newell Brands Inc.

Principal at Risk Securities

Risk Factors

*The following is a non-exhaustive list of certain key risk factors for investors in the securities. For further discussion of these and other risks, you should read the section entitled "Risk Factors" of the accompanying product supplement. We urge you to consult your investment, legal, tax, accounting and other advisers in connection with your investment in the securities.*

**The securities do not guarantee the return of any principal and your investment in the securities may result in a loss.** The terms of the securities differ from those of ordinary debt securities in that the securities do not guarantee the return of any of the principal amount at maturity. Instead, if the securities have not been automatically redeemed prior to maturity and if the final stock price is less than the downside threshold level, you will be exposed to the decline in the closing price of the underlying stock, as compared to the initial stock price, on a 1-to-1 basis and you will receive for each security that you hold at maturity a cash payment equal to the stated principal amount *times* the stock performance factor. In this case, your payment at maturity will be less than 50% of the stated principal amount and could be zero.

**You will not receive any contingent quarterly payment for any quarterly period where the closing price on the relevant determination date is less than the downside threshold level.** The terms of the securities differ from those of ordinary debt securities in that the securities do not guarantee the payment of regular interest. Instead, a contingent quarterly payment will be made with respect to a quarterly period only if the closing price on the relevant determination date is greater than or equal to the downside threshold level. If the closing price is below the downside threshold level on any determination date, you will not receive a contingent quarterly payment for the relevant quarterly period. It is possible that the closing price of the underlying stock could be below the downside threshold level on most or all of the determination dates so that you will receive few or no contingent quarterly payments. If you do not earn sufficient contingent quarterly payments over the term of the securities, the overall return on the securities may be less than the amount that would be paid on a conventional debt security of ours of comparable maturity.

**The contingent quarterly payment is based solely on the closing prices on the specified determination dates.**

Whether the contingent quarterly payment will be made with respect to a determination date will be based on the closing price on that determination date. As a result, you will not know whether you will receive the contingent quarterly payment until the related determination date. Moreover, because the contingent quarterly payment is based solely on the closing price on a specific determination date, if that closing price is less than the downside threshold level, you will not receive any contingent quarterly payment with respect to that determination date, even if the closing price of the underlying stock was higher on other days during the term of the securities.

**The securities are subject to the credit risks of JPMorgan Financial and JPMorgan Chase & Co., and any actual or anticipated changes to our or JPMorgan Chase & Co.'s credit ratings or credit spreads may adversely affect the market value of the securities.** Investors are dependent on our and JPMorgan Chase & Co.'s ability to pay all amounts due on the securities. Any actual or anticipated decline in our or JPMorgan Chase & Co.'s credit ratings or increase in our or JPMorgan Chase & Co.'s credit spreads determined by the market for taking that credit risk is likely to adversely affect the market value of the securities. If we and JPMorgan Chase & Co. were to default on our payment obligations, you may not receive any amounts owed to you under the securities and you could lose your



entire investment.

**As a finance subsidiary, JPMorgan Financial has no independent operations and has limited assets.** As a finance subsidiary of JPMorgan Chase & Co., we have no independent operations beyond the issuance and administration of our securities. Aside from the initial capital contribution from JPMorgan Chase & Co., substantially all of our assets relate to obligations of our affiliates to make payments under loans made by us or other intercompany agreements. As a result, we are dependent upon payments from our affiliates to meet our obligations under the securities. If these affiliates do not make payments to us and we fail to make payments on the securities, you may have to seek payment under the related guarantee by JPMorgan Chase & Co., and that guarantee will rank pari passu with all other unsecured and unsubordinated obligations of JPMorgan Chase & Co.

**Investors will not participate in any appreciation of the underlying stock.** Investors will not participate in any appreciation of the underlying stock from the initial stock price, and the return on the securities will be limited to the contingent quarterly payment that is paid with respect to each determination date on which the closing price is greater than or equal to the downside threshold level.

**Early redemption risk.** The term of your investment in the securities may be limited to as short as approximately three months by the automatic early redemption feature of the securities. If the securities are redeemed prior to maturity, you will receive no more contingent quarterly payments and may be forced to reinvest in a lower interest rate environment and may not be able to reinvest the proceeds from an investment in the securities at a comparable return for a similar level of risk.

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JPMorgan Chase Financial Company LLC

Contingent Income Auto-Callable Securities due April 16, 2020

Based on the Performance of the Common Stock of Newell Brands Inc.

Principal at Risk Securities

**Economic interests of the issuer, the guarantor, the calculation agent, the agent of the offering of the securities and other affiliates of the issuer may be different from those of investors.** We and our affiliates play a variety of roles in connection with the issuance of the securities, including acting as calculation agent and as an agent of the offering of the securities, hedging our obligations under the securities and making the assumptions used to determine the pricing of the securities and the estimated value of the securities, which we refer to as the estimated value of the securities. In performing these duties, our and JPMorgan Chase & Co.'s economic interests and the economic interests of the calculation agent and other affiliates of ours are potentially adverse to your interests as an investor in the securities. The calculation agent will determine the initial stock price, the downside threshold level and the final stock price and whether the closing price of the underlying stock on any determination date is greater than or equal to the initial stock price or is below the downside threshold level. Determinations made by the calculation agent, including with respect to the occurrence or non-occurrence of market disruption events, may affect the payment to you at maturity or whether the securities are redeemed early.

In addition, our and JPMorgan Chase & Co.'s business activities, including hedging and trading activities, could cause our and JPMorgan Chase & Co.'s economic interests to be adverse to yours and could adversely affect any payment on the securities and the value of the securities. It is possible that hedging or trading activities of ours or our affiliates in connection with the securities could result in substantial returns for us or our affiliates while the value of the securities declines. Please refer to "Risk Factors — Risks Relating to Conflicts of Interest" in the accompanying product supplement for additional information about these risks.

**The estimated value of the securities will be lower than the original issue price (price to public) of the securities.** The estimated value of the securities is only an estimate determined by reference to several factors. The original issue price of the securities will exceed the estimated value of the securities because costs associated with selling, structuring and hedging the securities are included in the original issue price of the securities. These costs include the selling commissions, the structuring fee, the projected profits, if any, that our affiliates expect to realize for assuming risks inherent in hedging our obligations under the securities and the estimated cost of hedging our obligations under the securities. See "Additional Information about the Securities — The estimated value of the securities" in this document.

**The estimated value of the securities does not represent future values of the securities and may differ from others' estimates. The estimated value of the securities is determined by reference to internal pricing models of our affiliates.** This estimated value of the securities is based on market conditions and other relevant factors existing at the time of pricing and assumptions about market parameters, which can include volatility, dividend rates, interest rates and other factors. Different pricing models and assumptions could provide valuations for the securities that are greater than or less than the estimated value of the securities. In addition, market conditions and other relevant factors in the future may change, and any assumptions may prove to be incorrect. On future dates, the value of the securities could change significantly based on, among other things, changes in market conditions, our or JPMorgan Chase & Co.'s creditworthiness, interest rate movements and other relevant factors, which may impact the price, if any, at which JPMS would be willing to buy securities from you in secondary market transactions. See "Additional Information about the Securities — The estimated value of the securities" in this document.

**The estimated value of the securities is derived by reference to an internal funding rate.** The internal funding rate used in the determination of the estimated value of the securities may differ from the market-implied funding rate for vanilla fixed income instruments of a similar maturity issued by JPMorgan Chase & Co. or its affiliates. Any difference may be based on, among other things, our and our affiliates' view of the funding value of the securities as

well as the higher issuance, operational and ongoing liability management costs of the securities in comparison to those costs for the conventional fixed income instruments of JPMorgan Chase & Co. This internal funding rate is based on certain market inputs and assumptions, which may prove to be incorrect, and is intended to approximate the prevailing market replacement funding rate for the notes. The use of an internal funding rate and any potential changes to that rate may have an adverse effect on the terms of the securities and any secondary market prices of the securities. See “Additional Information about the Securities — The estimated value of the securities” in this document.

**The value of the securities as published by JPMS (and which may be reflected on customer account statements) may be higher than the then-current estimated value of the securities for a limited time period.** We generally expect that some of the costs included in the original issue price of the securities will be partially paid back to you in connection with any repurchases of your securities by JPMS in an amount that will decline to zero over an initial predetermined period. These costs can include selling commissions, the structuring fee, projected hedging profits, if any, and, in some circumstances, estimated hedging costs and our internal secondary market funding rates for structured debt issuances. See “Additional Information about the Securities — Secondary market prices of the securities” in this document for additional information relating to this initial period. Accordingly, the estimated value of your securities during this initial period may be lower than the value of the securities as published by JPMS (and which may be shown on your customer account statements).

**Secondary market prices of the securities will likely be lower than the original issue price of the securities.** Any secondary market prices of the securities will likely be lower than the original issue price of the securities because, among other things, secondary market prices take into account our internal secondary market funding rates for structured debt issuances and, also, because secondary market prices (a) exclude the structuring fee and (b) may exclude selling commissions, projected hedging profits, if any, and estimated hedging costs that are included in the original issue price of the securities. As a result, the price, if any, at which JPMS will be willing to buy securities from you in secondary market transactions, if at all, is likely to be lower than the original issue price. Any sale by you prior to the maturity date could result in a substantial loss to you. See the immediately following risk factor for information about additional factors that will impact any secondary market prices of the securities.

The securities are not designed to be short-term trading instruments. Accordingly, you should be able and willing to hold your securities to maturity. See “— Secondary trading may be limited” below.

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Principal at Risk Securities

**Secondary market prices of the securities will be impacted by many economic and market factors.** The secondary market price of the securities during their term will be impacted by a number of economic and market factors, which may either offset or magnify each other, aside from the selling commissions, structuring fee, projected hedging profits, if any, estimated hedging costs and the closing price of one share of the underlying stock, including any actual or potential change in our or JPMorgan Chase & Co.'s creditworthiness or credit spreads; customary bid-ask spreads for similarly sized trades; our internal secondary market funding rates for structured debt issuances; the actual and expected volatility in the prices of the underlying stock; the time to maturity of the securities; whether the closing price of one share of the underlying stock has been, or is expected to be, less than the downside threshold level on any determination date and whether the final stock price is expected to be less than the downside threshold level; the likelihood of an early redemption being triggered; the dividend rate on the underlying stock; interest and yield rates in the market generally; the occurrence of certain events affecting the issuer of the underlying stock that may or may not require an adjustment to the stock adjustment factor, including a merger or acquisition; and

a variety of other economic, financial, political, regulatory and judicial events.

Additionally, independent pricing vendors and/or third party broker-dealers may publish a price for the securities, which may also be reflected on customer account statements. This price may be different (higher or lower) than the price of the securities, if any, at which JPMS may be willing to purchase your securities in the secondary market.

**Investing in the securities is not equivalent to investing in the common stock of Newell Brands Inc.** Investors in the securities will not have voting rights or rights to receive dividends or other distributions or any other rights with respect to the underlying stock.

**No affiliation with Newell Brands Inc.** Newell Brands Inc. is not an affiliate of ours, is not involved with this offering in any way, and has no obligation to consider your interests in taking any corporate actions that might affect the value of the securities. We have not made any due diligence inquiry with respect to Newell Brands Inc. in connection with this offering.

**We may engage in business with or involving Newell Brands Inc. without regard to your interests.** We or our affiliates may presently or from time to time engage in business with Newell Brands Inc. without regard to your interests and thus may acquire non-public information about Newell Brands Inc. Neither we nor any of our affiliates undertakes to disclose any such information to you. In addition, we or our affiliates from time to time have published and in the future may publish research reports with respect to Newell Brands Inc., which may or may not recommend that investors buy or hold the underlying stock.

**The anti-dilution protection for the underlying stock is limited and may be discretionary.** The calculation agent will make adjustments to the stock adjustment factor and other adjustments for certain corporate events affecting the underlying stock. However, the calculation agent will not make an adjustment in response to all events that could affect the underlying stock. If an event occurs that does not require the calculation agent to make an adjustment, the value of the securities may be materially and adversely affected. You should also be aware that the calculation agent may make adjustments in response to events that are not described in the accompanying product supplement to

account for any diluting or concentrative effect, but the calculation agent is under no obligation to do so or to consider your interests as a holder of the securities in making these determinations.

**Hedging and trading activities by the issuer and its affiliates could potentially affect the value of the securities.**

The hedging or trading activities of the issuer's affiliates and of any other hedging counterparty with respect to the securities on or prior to the pricing date and prior to maturity could adversely affect the value of the underlying stock. Any of these hedging or trading activities on or prior to the pricing date could potentially affect the initial stock price and, as a result, the downside threshold level, which is the price at or above which the underlying stock must close on each determination date in order for you to earn a contingent quarterly payment or, if the securities are not redeemed prior to maturity, in order for you to avoid being exposed to the negative price performance of the underlying stock at maturity. Additionally, these hedging or trading activities during the term of the securities could potentially affect the price of the underlying stock on the determination dates and, accordingly, whether investors will receive one or more contingent quarterly payments, whether the securities are automatically redeemed prior to maturity and, if the securities are not redeemed prior to maturity, the payment to you at maturity. It is possible that these hedging or trading activities could result in substantial returns for us or our affiliates while the value of the securities declines.

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**Secondary trading may be limited.** The securities will not be listed on a securities exchange. There may be little or no secondary market for the securities. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the securities easily. JPMS may act as a market maker for the securities, but is not required to do so. Because we do not expect that other market makers will participate significantly in the secondary market for the securities, the price at which you may be able to trade your securities is likely to depend on the price, if any, at which JPMS is willing to buy the securities. If at any time JPMS or another agent does not act as a market maker, it is likely that there would be little or no secondary market for the securities.

**The final terms and valuation of the securities will be provided in the pricing supplement.** The final terms of the securities will be provided in the pricing supplement. In particular, each of the estimated value of the securities and the contingent quarterly payment will be provided in the pricing supplement and each may be as low as the applicable minimum set forth on the cover of this document. Accordingly, you should consider your potential investment in the securities based on the minimums for the estimated value of the securities and the contingent quarterly payment.

**The U.S. federal income tax consequences of an investment in the securities are uncertain.** There is no direct legal authority as to the proper U.S. federal income tax treatment of the securities, and we do not intend to request a ruling from the IRS. The IRS might not accept, and a court might not uphold, the treatment of the securities as prepaid forward contracts with associated contingent coupons, as described in “Additional Information about the Securities — Additional Provisions — Tax considerations” in this document and in “Material U.S. Federal Income Tax Consequences” in the accompanying product supplement. If the IRS were successful in asserting an alternative treatment for the securities, the timing and character of any income or loss on the securities could be materially affected. Although the U.S. federal income tax treatment of contingent quarterly payments (including any contingent quarterly payments paid in connection with an early redemption or at maturity) is uncertain, in determining our reporting responsibilities we intend (in the absence of an administrative determination or judicial ruling to the contrary) to treat any contingent quarterly payments as ordinary income. In addition, in 2007 Treasury and the IRS released a notice requesting comments on the U.S. federal income tax treatment of “prepaid forward contracts” and similar instruments. The notice focuses in particular on whether to require investors in these instruments to accrue income over the term of their investment. It also asks for comments on a number of related topics, including the character of income or loss with respect to these instruments and the relevance of factors such as the nature of the underlying property to which the instruments are linked. While the notice requests comments on appropriate transition rules and effective dates, any Treasury regulations or other guidance promulgated after consideration of these issues could materially affect the tax consequences of an investment in the securities, possibly with retroactive effect. You should review carefully the section entitled “Material U.S. Federal Income Tax Consequences” in the accompanying product supplement and consult your tax adviser regarding the U.S. federal income tax consequences of an investment in the securities, including possible alternative treatments and the issues presented by this notice.

*Non-U.S. Holders — Tax Consideration.* The U.S. federal income tax treatment of contingent quarterly payments is uncertain, and although we believe it is reasonable to take a position that contingent quarterly payments are not subject to U.S. withholding tax (at least if an applicable Form W-8 is provided), a withholding agent may nonetheless withhold on these payments (generally at a rate of 30%, subject to the possible reduction of that rate under an applicable income tax treaty), unless income from your securities is effectively connected with your conduct of a trade or business in the United States (and, if an applicable treaty so requires, attributable to a permanent establishment in the United States). In the event of any withholding, we will not be required to pay any additional amounts with respect to amounts so withheld. If you are not a United States person, you are urged to consult your tax adviser regarding the

U.S. federal income tax consequences of an investment in the securities in light of your particular circumstances.

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## Newell Brands Inc. Overview

Newell Brands is a global consumer goods company. The underlying stock is registered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Information provided to or filed with the SEC by Newell Brands Inc. pursuant to the Exchange Act can be located by reference to the SEC file number 001-09608 through the SEC’s website at [www.sec.gov](http://www.sec.gov). In addition, information regarding Newell Brands Inc. may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated documents.

Information as of market close on April 3, 2019:

Bloomberg Ticker Symbol: NWL 52 Week High (on 7/9/18): \$27.84  
 Current Closing Price: \$15.32 52 Week Low (on 3/22/19): \$15.00  
 52 Weeks Ago (on 4/3/18): \$24.90

The table below sets forth the published high and low closing prices of, as well as dividends on, the underlying stock for each quarter in the period from January 2, 2014 through April 3, 2019. The closing price of the underlying stock on April 3, 2019 was \$15.32. The associated graph shows the closing prices of the underlying stock for each day in the same period. We obtained the closing price information above and in the table and graph below from the Bloomberg Professional® service (“Bloomberg”), without independent verification. The closing prices may have been adjusted by Bloomberg for corporate actions such as stock splits, public offerings, mergers and acquisitions, spin-offs, delistings and bankruptcy.

Since its inception, the closing price of the underlying stock has experienced significant fluctuations. The historical performance of the underlying stock should not be taken as an indication of its future performance, and no assurance can be given as to the price of the underlying stock at any time, including on the determination dates.

Common Stock of Newell Brands Inc. (CUSIP: 651229106) 2014	High Low		Dividends
			(Declared)
First Quarter	\$32.40	\$29.18	\$0.15
Second Quarter	\$31.42	\$28.49	\$0.17
Third Quarter	\$35.01	\$30.85	\$0.17
Fourth Quarter	\$38.41	\$31.92	\$0.17



2015			
First Quarter	\$40.21	\$36.77	\$0.19
Second Quarter	\$41.82	\$38.13	\$0.19
Third Quarter	\$44.46	\$38.56	\$0.19
Fourth Quarter	\$48.16	\$40.29	\$0.19
2016			
First Quarter	\$44.95	\$33.76	\$0.19
Second Quarter	\$49.46	\$43.42	\$0.19
Third Quarter	\$54.89	\$48.02	\$0.19
Fourth Quarter	\$52.68	\$44.65	\$0.19
2017			
First Quarter	\$49.60	\$44.23	\$0.19
Second Quarter	\$54.85	\$45.48	\$0.23
Third Quarter	\$53.90	\$40.96	\$0.23
Fourth Quarter	\$43.90	\$27.97	\$0.23
2018			
First Quarter	\$32.26	\$24.81	\$0.23
Second Quarter	\$27.74	\$23.12	\$0.23
Third Quarter	\$27.84	\$20.30	\$0.23
Fourth Quarter	\$24.17	\$15.40	\$0.23
2019			
First Quarter	\$21.75	\$15.00	\$0.23
Second Quarter (through April 3, 2019)	\$15.44	\$15.32	—

We make no representation as to the amount of dividends, if any, that Newell Brands Inc. may pay in the future. In any event, as an investor in the securities, you will not be entitled to receive dividends, if any, that may be payable on the common stock of Newell Brands Inc.

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The Common Stock of Newell Brands Inc. - Daily Closing Prices\*

January 2, 2014 to April 3, 2019

Source: Bloomberg

\*The solid straight line in the graph indicates the hypothetical downside threshold level, equal to 50% of the closing price on April 3, 2019. The actual downside threshold level will be based on the closing price on the pricing date.

**This document relates only to the securities offered hereby and does not relate to the underlying stock or other securities of Newell Brands Inc. We have derived all disclosures contained in this document regarding the common stock of Newell Brands Inc. from the publicly available documents described in the first paragraph under this “Newell Brands Inc. Overview” section without independent verification. In connection with the offering of the securities, neither we nor the agent has participated in the preparation of such documents or made any due diligence inquiry with respect to Newell Brands Inc. Neither we nor the agent makes any representation that such publicly available documents or any other publicly available information regarding Newell Brands Inc. is accurate or complete. Furthermore, we cannot give any assurance that all events occurring prior to the date hereof (including events that would affect the accuracy or completeness of the publicly available documents described in the first paragraph under this “Newell Brands Inc. Overview” section) that would affect the trading price of the underlying stock (and therefore the price of the underlying stock at the time we price the securities) have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning Newell Brands Inc. could affect the value received at maturity with respect to the securities and therefore the trading prices of the securities.**

**Neither we nor any of our affiliates makes any representation to you as to the performance of the underlying stock.**

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Additional Information about the Securities

Please read this information in conjunction with the summary terms on the front cover of this document.

Additional Provisions

Record date: The record date for each contingent payment date is the date one business day prior to that contingent payment date.

Postponement of maturity date: If the scheduled maturity date is not a business day, then the maturity date will be the following business day. If the scheduled final determination date is not a trading day or if a market disruption event occurs on that day so that the final determination date is postponed and falls less than three business days prior to the scheduled maturity date, the maturity date of the securities will be postponed to the third business day following that final determination date as postponed.

Minimum ticketing size: \$1,000/100 securities

Trustee: Deutsche Bank Trust Company Americas (formerly Bankers Trust Company)

Calculation agent: JPMS

The estimated value of the securities: The estimated value of the securities set forth on the cover of this document is equal to the sum of the values of the following hypothetical components: (1) a fixed-income debt component with the same maturity as the securities, valued using the internal funding rate described below, and (2) the derivative or derivatives underlying the economic terms of the securities. The estimated value of the securities does not represent a minimum price at which JPMS would be willing to buy your securities in any secondary market (if any exists) at any time. The internal funding rate used in the determination of the estimated value of the securities may differ from the market-implied funding rate for vanilla fixed rate debt instruments of a similar maturity issued by JPMorgan Chase & Co. or its affiliates. Any difference may be based on, among other things, our and our affiliates' view of the funding value of the securities as well as the higher issuance, operational and ongoing liability management costs of the securities in comparison to those costs for the conventional fixed income instruments of JPMorgan Chase & Co. This internal funding rate is based on certain market inputs and assumptions, which may prove to be incorrect, and is intended to approximate the prevailing market replacement funding rate for the notes. The use of an internal funding rate and any potential changes to that rate may have an adverse effect on the terms of the notes and any secondary market prices of the notes. For additional information, see "Risk Factors — The estimated value of the securities is derived by reference to an internal funding rate" in this document. The value of the derivative or derivatives underlying the economic terms of the securities is derived from internal pricing models of our affiliates. These models are dependent on inputs such as the traded market prices of comparable derivative instruments and on various other inputs, some of which are market-observable, and which can include volatility, dividend rates, interest rates and other factors, as well as assumptions about

future market events and/or environments. Accordingly, the estimated value of the securities on the pricing date is based on market conditions and other relevant factors and assumptions existing at that time. See “Risk Factors — The estimated value of the securities does not represent future values of the securities and may differ from others’ estimates” in this document.

The estimated value of the securities will be lower than the original issue price of the securities because costs associated with selling, structuring and hedging the securities are included in the original issue price of the securities. These costs include the selling commissions paid to JPMS and other affiliated or unaffiliated dealers, the structuring fee, the projected profits, if any, that our affiliates expect to realize for assuming risks inherent in hedging our obligations under the securities and the estimated cost of hedging our obligations under the securities. Because hedging our obligations entails risk and may be influenced by market forces beyond our control, this hedging may result in a profit that is more or less than expected, or it may result in a loss. We or one or more of our affiliates will retain any profits realized in hedging our obligations under the securities. See “Risk Factors — The estimated value of the securities will be lower than the original issue price (price to public) of the securities” in this document.

Secondary  
market prices  
of the  
securities:

For information about factors that will impact any secondary market prices of the securities, see “Risk Factors — Secondary market prices of the securities will be impacted by many economic and market factors” in this document. In addition, we generally expect that some of the costs included in the original issue price of the securities will be partially paid back to you in connection with any repurchases of your securities by JPMS in an amount that will decline to zero over an initial predetermined period that is intended to be the shorter of six months and one-half of the stated term of the securities. The length of any such initial period reflects the structure of the securities, whether our affiliates expect to earn a profit in connection with our hedging activities, the estimated costs of hedging the securities and when these costs are incurred, as determined by our affiliates. See “Risk Factors — The value of the securities as published by JPMS (and which may be reflected on customer account statements) may be higher than the then-current estimated value of the securities for a limited time period.”

Tax  
considerations:

You should review carefully the section entitled “Material U.S. Federal Income Tax Consequences” in the accompanying product supplement no. MS-1-I. In determining our reporting responsibilities we intend to treat (i) the securities for U.S. federal income tax purposes as prepaid forward contracts with associated contingent coupons and (ii) any contingent quarterly payments as ordinary income, as described in the section entitled “Material U.S. Federal Income Tax Consequences — Tax Consequences to U.S. Holders — Notes Treated as Prepaid Forward Contracts with Associated Contingent Coupons” in the accompanying product supplement. Based on the advice of Davis Polk & Wardwell LLP, our special tax counsel, we believe that this is a reasonable treatment, but that there are other reasonable treatments that the IRS or a court may adopt, in which case the timing and character of any income or loss on the securities could be materially affected. In addition, in 2007

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Treasury and the IRS released a notice requesting comments on the U.S. federal income tax treatment of “prepaid forward contracts” and similar instruments. The notice focuses in particular on whether to require investors in these instruments to accrue income over the term of their investment. It also asks for comments on a number of related topics, including the character of income or loss with respect to these instruments and the relevance of factors such as the nature of the underlying property to which the instruments are linked. While the notice requests comments on appropriate transition rules and effective dates, any Treasury regulations or other guidance promulgated after consideration of these issues could materially affect the tax consequences of an investment in the securities, possibly with retroactive effect. The discussions above and in the accompanying product supplement do not address the consequences to taxpayers subject to special tax accounting rules under Section 451(b) of the Code. You should consult your tax adviser regarding the U.S. federal income tax consequences of an investment in the securities, including possible alternative treatments and the issues presented by the notice described above.

*Non-U.S. Holders — Tax Considerations.* The U.S. federal income tax treatment of contingent quarterly payments is uncertain, and although we believe it is reasonable to take a position that contingent quarterly payments are not subject to U.S. withholding tax (at least if an applicable Form W-8 is provided), a withholding agent may nonetheless withhold on these payments (generally at a rate of 30%, subject to the possible reduction of that rate under an applicable income tax treaty), unless income from your securities is effectively connected with your conduct of a trade or business in the United States (and, if an applicable treaty so requires, attributable to a permanent establishment in the United States). If you are not a United States person, you are urged to consult your tax adviser regarding the U.S. federal income tax consequences of an investment in the securities in light of your particular circumstances.

Section 871(m) of the Code and Treasury regulations promulgated thereunder (“Section 871(m)”) generally impose a 30% withholding tax (unless an income tax treaty applies) on dividend equivalents paid or deemed paid to Non-U.S. Holders with respect to certain financial instruments linked to U.S. equities or indices that include U.S. equities. Section 871(m) provides certain exceptions to this withholding regime, including for instruments linked to certain broad-based indices that meet requirements set forth in the applicable Treasury regulations (such an index, a “Qualified Index”). Additionally, a recent IRS notice excludes from the scope of Section 871(m) instruments issued prior to January 1, 2021 that do not have a delta of one with respect to underlying securities that could pay U.S.-source dividends for U.S. federal income tax purposes (each an “Underlying Security”). Based on certain determinations made by us, we expect that Section 871(m) will not apply to the securities with regard to Non-U.S. Holders. Our determination is not binding on the IRS, and the IRS may disagree with this determination. Section 871(m) is complex and its application may depend on your particular circumstances, including whether you enter into other transactions with respect to an Underlying Security. If necessary, further information regarding the potential application of Section 871(m) will be provided in the pricing supplement for the securities. You should consult your tax adviser regarding the potential application of Section 871(m) to the

securities.

*FATCA*. Withholding under legislation commonly referred to as “*FATCA*” could apply to payments with respect to the securities that are treated as U.S.-source “fixed or determinable annual or periodical” income (“*FDAP Income*”) for U.S. federal income tax purposes (such as interest, if the securities are recharacterized, in whole or in part, as debt instruments, or contingent quarterly payments if they are otherwise treated as *FDAP Income*). If the securities are recharacterized, in whole or in part, as debt instruments, withholding could also apply to payments of gross proceeds of a taxable disposition, including an early redemption or redemption at maturity, although under recently proposed regulations (the preamble to which specifies that taxpayers are permitted to rely on them pending finalization), no withholding will apply to payments of gross proceeds (other than any amount treated as *FDAP Income*). You should consult your tax adviser regarding the potential application of *FATCA* to the securities.

In the event of any withholding on the securities, we will not be required to pay any additional amounts with respect to amounts so withheld.

The securities are offered to meet investor demand for products that reflect the risk-return profile and market exposure provided by the securities. See “How the Securities Work” in this document for an illustration of the risk-return profile of the securities and “Newell Brands Inc. Overview” in this document for a description of the market exposure provided by the securities.

Supplemental  
use of proceeds  
and

hedging:

The original issue price of the securities is equal to the estimated value of the securities plus the selling commissions paid to JPMS and other affiliated or unaffiliated dealers and the structuring fee, plus (minus) the projected profits (losses) that our affiliates expect to realize for assuming risks inherent in hedging our obligations under the securities, plus the estimated cost of hedging our obligations under the securities.

Benefit plan  
investor  
considerations:

See “Benefit Plan Investor Considerations” in the accompanying product supplement

Supplemental  
plan of  
distribution:

Subject to regulatory constraints, JPMS intends to use its reasonable efforts to offer to purchase the securities in the secondary market, but is not required to do so. JPMS, acting as agent for JPMorgan Financial, will pay all of the selling commissions it receives from us to Morgan Stanley Wealth Management. In addition, Morgan Stanley Wealth Management will receive a structuring fee as set forth on the cover of this document for each security.

We or our affiliate may enter into swap agreements or related hedge transactions with one of our other affiliates or unaffiliated counterparties in connection with the sale of the securities and JPMS and/or an affiliate may earn additional income as a result of payments pursuant to the swap or related hedge transactions. See “— Supplemental use of proceeds and hedging” above and “Use of Proceeds and Hedging” in the accompanying product supplement.

We expect that delivery of the securities will be made against payment for the securities on or about the Original Issue Date set forth on the front cover of this preliminary pricing supplement, which will be the third business day

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following the Pricing Date of the securities (this settlement cycle being referred to as “T+3”). Under Rule 15c6-1 of the Securities Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle two business days, unless the parties to that trade expressly agree otherwise. Accordingly, purchasers who wish to trade securities on any date prior to two business days before delivery will be required to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisors.

Morgan Stanley Wealth Management clients may contact their local Morgan Stanley branch office or  
Contact: Morgan Stanley’s principal executive offices at 1585 Broadway, New York, New York 10036 (telephone number (800) 869-3326).

Where you can find more information: You may revoke your offer to purchase the securities at any time prior to the time at which we accept such offer by notifying the applicable agent. We reserve the right to change the terms of, or reject any offer to purchase, the securities prior to their issuance. In the event of any changes to the terms of the securities, we will notify you and you will be asked to accept such changes in connection with your purchase. You may also choose to reject such changes in which case we may reject your offer to purchase.

You should read this document together with the accompanying prospectus, as supplemented by the accompanying prospectus supplement, relating to our Series A medium-term notes of which these securities are a part, and the more detailed information contained in the accompanying product supplement.

This document, together with the documents listed below, contains the terms of the securities and supersedes all other prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, stand-alone fact sheets, brochures or other educational materials of ours. You should carefully consider, among other things, the matters set forth in the “Risk Factors” section of the accompanying product supplement, as the securities involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the securities.

You may access these documents on the SEC website at [www.sec.gov](http://www.sec.gov) as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC website):

**Product supplement no. MS-1-I dated April 5, 2018:**

[http://www.sec.gov/Archives/edgar/data/19617/000095010318004523/dp87526\\_424b2-ms1i.pdf](http://www.sec.gov/Archives/edgar/data/19617/000095010318004523/dp87526_424b2-ms1i.pdf)

**Prospectus supplement and prospectus, each dated April 5, 2018:**

[http://www.sec.gov/Archives/edgar/data/19617/000095010318004508/dp87767\\_424b2-ps.pdf](http://www.sec.gov/Archives/edgar/data/19617/000095010318004508/dp87767_424b2-ps.pdf)

Our Central Index Key, or CIK, on the SEC website is 1665650, and JPMorgan Chase & Co.'s CIK is 19617.

As used in this document, "we," "us," and "our" refer to JPMorgan Financial.