

BANK ONE CORP
Form DEFM14A
April 20, 2004

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
Pursuant to
Section 240.14a-11(c)
or Section 240.14a-2.

BANK ONE CORPORATION

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-12.

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

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

(3)

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(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

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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:

**To the stockholders of J.P. Morgan Chase & Co. and Bank One Corporation
A MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT**

The boards of directors of J.P. Morgan Chase & Co. and Bank One Corporation have approved an agreement to merge our two companies. The proposed merger will create one of the largest and most globally diversified financial services companies in the world and will establish the second-largest banking company in the United States based on total assets. The combined company, which will retain the J.P. Morgan Chase & Co. name, will have assets of \$1.1 trillion, a strong capital base, 2,300 branches in 17 states and top-tier positions in retail banking and lending, credit cards, investment banking, asset management, private banking, treasury and securities services, middle-market and private equity. We believe the combined company will be well-positioned to achieve strong and stable financial performance and increase stockholder value through its balanced business mix, greater scale and enhanced efficiencies and competitiveness.

In the proposed merger, Bank One will merge into JPMorgan Chase, and Bank One common stockholders will receive 1.32 shares of JPMorgan Chase common stock for each share of Bank One common stock they own. This exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing. Based on the closing price of JPMorgan Chase's common stock on the New York Stock Exchange (trading symbol JPM) on January 13, 2004, the last trading day before public announcement of the merger, the 1.32 exchange ratio represented approximately \$51.35 in value for each share of Bank One common stock. Based on JPMorgan Chase's closing price on April 16, 2004 of \$39.26, the 1.32 exchange ratio represented approximately \$51.82 in value for each share of Bank One common stock. **We urge you to obtain current market quotations of JPMorgan Chase and Bank One common stock.**

We expect the merger will qualify as a reorganization for federal income tax purposes. Accordingly, Bank One stockholders generally will not recognize any gain or loss for federal income tax purposes on the exchange of shares of Bank One common stock for JPMorgan Chase common stock in the merger, except with respect to any cash received instead of fractional shares of common stock of the combined company. Upon completion of the merger, we estimate that Bank One's former stockholders will own approximately 42% of the common stock of JPMorgan Chase.

At our respective annual meetings, which will be held on May 25, 2004, in addition to other business, we will each ask our common stockholders to approve the merger. Information about these meetings and the merger is contained in this document. **In particular, see Risk Factors beginning on page 22.** We urge you to read this document carefully and in its entirety.

Whether or not you plan to attend your annual meeting, please vote as soon as possible to make sure that your shares are represented at the meeting. If you do not vote, it will have the same effect as voting against the merger.

Each of our boards of directors unanimously recommends that stockholders vote FOR the merger. We strongly support this combination of our companies and join our boards in their recommendations.

William B. Harrison, Jr.
Chairman and Chief Executive Officer
J.P. Morgan Chase & Co.

James Dimon
Chairman and Chief Executive Officer
Bank One Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with the merger or determined if this document is accurate or complete. Any representation to the contrary is a criminal offense.

The securities to be issued in connection with the merger are not savings or deposit accounts or other obligations of any bank or non-bank subsidiary of JPMorgan Chase or Bank One, and they are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

This document is dated April 19, 2004, and is first being mailed to stockholders of JPMorgan Chase and Bank One on or about April 21, 2004.

ADDITIONAL INFORMATION

This document incorporates important business and financial information about JPMorgan Chase and Bank One from other documents that are not included in or delivered with this document. This information is available to you without charge upon your written or oral request. You can obtain the documents incorporated by reference in this document through the Securities and Exchange Commission website at <http://www.sec.gov> or by requesting them in writing, by e-mail or by telephone at the appropriate address below:

if you are a JPMorgan Chase stockholder:

MacKenzie Partners, Inc.

By Mail: 105 Madison Ave.

New York, NY 10016

By E-mail: proxy@mackenziepartners.com

By Telephone:

(212) 929-5500 (call collect)

or

(800) 322-2885 (toll free)

if you are a Bank One stockholder:

Georgeson Shareholder Communications, Inc.

By Mail: 17 State Street, 10th Floor

New York, NY 10004

By E-mail: BankOne@gscorp.com

By Telephone:

Banks and Brokers Call: (212) 440-9800

All Others Call Toll Free: (800) 356-1784

If you would like to request any documents, please do so by May 18, 2004 in order to receive them before the meetings.

See **Where You Can Find More Information** beginning on page 173.

VOTING ELECTRONICALLY OR

BY TELEPHONE

JPMorgan Chase stockholders of record may submit their proxies:

through the Internet by visiting a website established for that purpose at <http://www.eproxy.com/jpm> and following the instructions; or

by telephone by calling the toll-free number 1-800-435-6710 in the United States, Puerto Rico or Canada on a touch-tone phone and following the recorded instructions.

Bank One stockholders of record may submit their proxies:

through the Internet by visiting a website established for that purpose at <http://www.ProxyVote.com> and following the instructions; or

by telephone by calling the toll-free number 800-690-6903 in the United States, Puerto Rico or Canada on a touch-tone phone and following the recorded instructions.

J.P. Morgan Chase & Co.

**270 Park Avenue
New York, New York 10017**

Notice of Annual Meeting of Stockholders

Date: May 25, 2004

Time: 9:00 a.m., New York Time

Place: Auditorium

One Chase Manhattan Plaza

New York, New York

To JPMorgan Chase Stockholders:

We are pleased to notify you of and invite you to the JPMorgan Chase annual meeting of stockholders.

At the meeting you will be asked to vote on the following matters:

Proposal to adopt a merger agreement between J.P. Morgan Chase & Co. and Bank One Corporation pursuant to which Bank One will merge into JPMorgan Chase as described in this document.

Election of directors.

Ratification of the appointment of PricewaterhouseCoopers LLP as our external auditor for 2004.

Re-approval of the key executive performance plan.

Adjournment of the annual meeting, if necessary or appropriate, to solicit additional proxies.

Stockholder proposals included in this document, if they are introduced at the meeting.

Any other matters that may properly be brought before the meeting.

Common stockholders of record at the close of business on April 2, 2004 may vote at the annual meeting. In order for the merger agreement to be adopted, the holders of a majority of the outstanding shares of JPMorgan Chase common stock entitled to vote must vote in favor of the merger agreement.

Holders of JPMorgan Chase's 6.63% Cumulative Preferred Stock, Series H, and Fixed/ Adjustable Noncumulative Preferred Stock who submit a written demand for appraisal of their shares in connection with the proposed merger and who perfect their appraisal rights by complying with the applicable statutory procedures under Delaware law will be entitled to receive a cash payment for the fair value of their shares as determined by the Delaware Chancery Court. A summary of the applicable requirements of Delaware law is contained in this document under the caption "The Merger Appraisal Rights" on page 78. In addition, the text of the applicable provisions of Delaware law is attached as Annex F to this document.

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Your vote is important. Whether or not you plan to attend the annual meeting, please complete, sign, date and return your proxy card or voting instruction card in the enclosed envelope promptly, or authorize the individuals named on your proxy card to vote your shares by calling the toll-free telephone number or by using the Internet as described in the instructions included with your proxy card or voting instruction card.

By Order of the Board of Directors

Anthony J. Horan
Secretary

April 19, 2004

Please note that if you attend the annual meeting you will be asked to present photo identification, such as a driver's license. See The JPMorgan Chase Annual Meeting Attending the Annual Meeting on page 28.

Bank One Corporation
1 Bank One Plaza
Chicago, Illinois 60670

Notice of Annual Meeting of Stockholders

Date: May 25, 2004

Time: 9:30 a.m., Chicago Time

Place: Bank One Auditorium
Bank One Corporation
1 Bank One Plaza
Chicago, Illinois 60670

To Bank One Stockholders:

We are pleased to notify you of and invite you to the Bank One annual meeting of stockholders. The purpose of the annual meeting is to consider and vote upon the following matters:

Proposal to adopt a merger agreement between J.P. Morgan Chase & Co. and Bank One Corporation pursuant to which Bank One will merge into JPMorgan Chase as described in this document.

Election of directors.

Ratification of the appointment of KPMG LLP as our independent auditor for 2004.

Any other matters that may properly be brought before the meeting.

Common stockholders of record at the close of business on April 2, 2004 may vote at the meeting. In order for the merger agreement to be adopted, the holders of a majority of the outstanding shares of Bank One common stock entitled to vote must vote in favor of the merger agreement.

Your vote is important. Whether or not you plan to attend the annual meeting, please complete, sign, date and return your proxy card or voting instruction card in the enclosed envelope promptly, or authorize the individuals named on your proxy card to vote your shares by calling the toll-free telephone number or by using the Internet as described in the instructions included with your proxy card or voting instruction card.

By Order of the Board of Directors

Joan Guggenheimer
Secretary

April 19, 2004

Please note that if you attend the annual meeting you will be asked to present photo identification, such as a driver's license. See The Bank One Annual Meeting Attending the Annual Meeting on page 31.

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QUESTIONS AND ANSWERS ABOUT VOTING PROCEDURES FOR THE ANNUAL MEETINGS

Q: What do I need to do now?

A: After carefully reading and considering the information contained in this document, please respond by completing, signing and dating your proxy card or voting instruction card and returning it in the enclosed postage-paid envelope, or, if available, by submitting your proxy or voting instruction by telephone or through the Internet, as soon as possible so that your shares may be represented at your meeting.

Q: If my shares are held in street name by a broker or bank, will my broker or bank vote my shares for me?

A: If you hold your shares in street name and do not provide voting instructions to your broker or bank, your shares will not be voted on any proposal on which your broker or bank does not have discretionary authority to vote. **Your broker or bank does not have discretionary authority to vote on the merger proposal. Accordingly, your broker or bank will vote your shares held by it in street name with respect to the merger proposal only if you provide instructions to it on how to vote. You should follow the directions your broker or bank provides. Shares that are not voted for any reason, including because you do not properly instruct your broker or bank, will have the effect of votes against the merger.**

Q: What if I don't vote?

A: If you fail to respond with a vote on the merger proposal, it will have the same effect as a vote against the merger. If you respond but do not indicate in your response how you want to vote on the merger, your proxy will be counted as a vote in favor of the merger. If you respond and indicate that you are abstaining from voting, your proxy will have the same effect as a vote against the merger.

If you are a JPMorgan Chase stockholder and you withhold authority to vote with respect to any director nominee, your proxy will be counted for purposes of establishing a quorum, but will have no effect on the election of that nominee. If you are a JPMorgan Chase stockholder and you abstain from voting on the other proposals, your proxy will be counted as present for purposes of establishing a quorum, and the abstention will have no effect on the outcome of that proposal. If you are a JPMorgan Chase stockholder and you respond without voting instructions, your proxy will be voted for each director nominee, for the appointment of PricewaterhouseCoopers LLP as external auditor, for the re-approval of the key executive performance plan, for the adjournment of the annual meeting, if necessary, and against the other proposals described in this document.

If you are a Bank One stockholder and you withhold authority to vote with respect to any director nominee, your proxy will be counted for purposes of establishing a quorum, but will have no effect on the election of that nominee. If you are a Bank One stockholder and you abstain from voting on the proposal to ratify the appointment of the independent auditor, your proxy will be counted as present for purposes of establishing a quorum, and the abstention will have no effect on the outcome of that proposal. If you are a Bank One stockholder and you respond without voting instructions, your proxy will be voted for each director nominee and for the appointment of KPMG LLP as independent auditor.

Q: Can I change my vote after I have delivered my proxy or voting instruction card?

A: Yes. You can change your vote at any time before your proxy is voted at your meeting. You can do this in one of three ways:

By submitting a written statement that you would like to revoke your proxy to the Secretary of JPMorgan Chase or Bank One, as appropriate, before your annual meeting.

By submitting a new proxy before your annual meeting. If you submit your proxy electronically through the Internet or by telephone, you can change your vote by submitting a proxy at a later date, in which case your later-submitted proxy will be recorded and your earlier proxy revoked.

If you are a holder of record, you can attend your annual meeting and vote in person.

If your shares are held in an account at a broker or bank, you should contact your broker or bank to change your vote.

Q: Should I send in my stock certificates now?

A: No. If you are a Bank One stockholder, you will receive written instructions from the exchange agent after the merger is completed on how to exchange your stock certificates for JPMorgan Chase shares. **Please do not send in your stock certificates with your proxy.** If you are a JPMorgan Chase stockholder, you will keep your existing shares, which will remain outstanding and unchanged following the merger.

Q: Why am I receiving this document?

A: We are delivering this document to you because it is serving as both a joint proxy statement of JPMorgan Chase and Bank One and a prospectus of JPMorgan Chase. It is a joint proxy statement because it is being used by our boards of directors to solicit the proxies of our common stockholders. It is a prospectus because JPMorgan Chase is offering shares of its common stock in exchange for shares of Bank One common stock if the merger is completed.

This document is also being sent to holders of preferred stock of JPMorgan Chase to provide them with notice of the meetings as required by Delaware law. None of those preferred stockholders is entitled to vote at the meetings; however, holders of JPMorgan Chase's 6.63% Cumulative Preferred Stock, Series H, and Fixed/Adjustable Noncumulative Preferred Stock have appraisal rights in connection with the merger, as described under "The Merger - Appraisal Rights" on page 78.

Q: Who can help answer my questions?

A: If you have any questions about the merger or how to submit your proxy or voting instruction card, or if you need additional copies of this document or the enclosed proxy card or voting instruction card, you should contact:

if you are a JPMorgan Chase stockholder:

MacKenzie Partners, Inc.
By Mail: 105 Madison Ave.
New York, NY 10016
By E-mail: proxy@mackenziepartners.com
By Telephone:
(212) 929-5500 (call collect)
or
(800) 322-2885 (toll free)

if you are a Bank One stockholder:

Georgeson Shareholder Communications, Inc.
By Mail: 17 State Street, 10th Floor
New York, NY 10004
By E-mail: BankOne@gscorp.com
By Telephone:
Banks and Brokers Call:
(212) 440-9800
All Others Call Toll Free:
(800) 356-1784

SUMMARY

This summary highlights selected information in this document and may not contain all of the information that is important to you. You should carefully read this entire document and the other documents we refer you to for a more complete understanding of the matters being considered at the annual meetings. In addition, we incorporate by reference important business and financial information about JPMorgan Chase and Bank One into this document. You may obtain the information incorporated by reference into this document without charge by following the instructions in the section entitled "Where You Can Find More Information" beginning on page 173 of this document.

THE MERGER

Bank One Common Stockholders to Receive 1.32 Shares of JPMorgan Chase Common Stock for Each Bank One Common Share; JPMorgan Chase Stockholders to Keep Their Shares (see page 34)

Bank One common stockholders will receive 1.32 shares of common stock of JPMorgan Chase for each share of Bank One common stock they own.

JPMorgan Chase stockholders will keep their shares, which will remain outstanding and unchanged as shares of JPMorgan Chase following the merger.

Bank One Will Merge With and Into JPMorgan Chase (see page 34 and page 97)

Subject to the terms and conditions of the merger agreement, and in accordance with Delaware law, at the completion of the merger Bank One will merge with and into JPMorgan Chase. JPMorgan Chase will be the surviving corporation. Because JPMorgan Chase does not currently have a sufficient number of authorized but unissued and unreserved shares to complete the merger and related transactions, the merger agreement also provides that, as part of the merger, JPMorgan Chase's certificate of incorporation will be amended to increase the authorized shares of its common stock from 4,500,000,000 to 9,000,000,000 and, as amended, will be the certificate of incorporation of the combined company. This amendment will not be effected unless the merger is approved by stockholders and completed. JPMorgan Chase's by-laws, which will be amended to provide for the agreed-upon succession and governance matters described under "The Merger" Amendments to JPMorgan Chase By-Laws beginning on page 89, will be the by-laws of the combined company.

Assuming the number of shares of Bank One common stock outstanding at the time of the merger equaled the number of shares outstanding on December 31, 2003 and that the value of JPMorgan Chase common stock at the time of the merger equaled \$39.02 per share (the average price from two days prior to two days following the announcement of the merger), the aggregate purchase price for those Bank One shares would be \$57.2 billion. Taking into account the additional fair value of vested options that will be converted into JPMorgan Chase stock options upon completion of the merger (\$1.1 billion), the aggregate estimated purchase price to complete the proposed merger would be \$58.3 billion. As noted below, however, the total value of the shares and options issued upon completion of the merger will fluctuate based on the share price of the JPMorgan Chase common stock and the number of shares of Bank One common stock and options outstanding on the date of the merger.

Exchange Ratio is Fixed and Will Not Be Adjusted in Response to Changes in Our Stock Prices (see page 22)

Because the exchange ratio is fixed in the merger agreement and neither JPMorgan Chase nor Bank One has the right to terminate the merger agreement based on changes in either

party's stock price, **the market value of the JPMorgan Chase common stock that Bank One stockholders receive in the merger may vary significantly from its current value.**

The table below shows the closing prices of JPMorgan Chase and Bank One common stock, which trade on the New York Stock Exchange under the symbols JPM and ONE, respectively, and the pro forma equivalent per share value of Bank One common stock at the close of the regular trading session on January 13, 2004, the last trading day before our public announcement of the merger, and April 16, 2004, the most recent trading day for which that information was available prior to the mailing of this document.

Date	JPMorgan Chase Closing Price	Bank One Closing Price	Bank One Pro Forma Equivalent(a)
January 13, 2004	\$ 38.90	\$ 44.61	\$ 51.35
April 16, 2004	39.26	51.68	51.82

(a) The pro forma equivalent per share value of Bank One common stock is calculated by multiplying the JPMorgan Chase closing price by the exchange ratio of 1.32.

Because the 1.32 exchange ratio is fixed and will not be adjusted as a result of changes in the market price of JPMorgan Chase common stock, the implied value of the merger consideration will fluctuate with the market price of JPMorgan Chase common stock. The merger agreement does not include a price-based termination right or provisions that would compensate for increases or decreases in the market price of JPMorgan Chase common stock. You should obtain current market quotations for the shares of both companies from a newspaper, the Internet or your broker. In addition, set forth below is a table showing the implied value of the merger consideration to Bank One stockholders based on a range of hypothetical JPMorgan Chase common stock prices. This table is for illustrative purposes only, and the actual prices at which shares of JPMorgan Chase common stock may trade between the date of this document and the closing of the merger and thereafter may be above or below the range set forth below.

Hypothetical Value of JPMorgan Chase Common Stock	Implied Value of Bank One Common Stock
\$ 32.50	\$ 42.90
35.00	46.20
37.50	49.50
40.00	52.80
42.50	56.10
45.00	59.40
47.50	62.70

The following table sets forth, for the periods indicated, the high and low sale prices per share of JPMorgan Chase common stock and Bank One common stock as reported on the New York Stock Exchange Composite Tape. Bank One high and low share prices presented in

historical periodic filings are based on close of business prices. The information presented below is based on intra-day prices.

Calendar Quarter	JPMorgan Chase Common Stock		Bank One Common Stock	
	High	Low	High	Low
2001				
First Quarter	\$57.33	\$37.58	\$41.56	\$32.50
Second Quarter	50.60	39.21	39.80	32.90
Third Quarter	46.01	29.04	39.10	27.00
Fourth Quarter	40.95	31.85	40.00	28.92
2002				
First Quarter	39.68	26.70	42.88	33.85
Second Quarter	38.75	30.15	42.75	35.61
Third Quarter	33.68	17.86	41.55	31.60
Fourth Quarter	26.14	15.26	40.75	32.54
2003				
First Quarter	28.29	20.13	38.98	33.14
Second Quarter	36.52	23.75	40.01	34.30
Third Quarter	38.26	32.40	40.51	36.80
Fourth Quarter	36.99	34.45	45.79	38.61
2004				
First Quarter	43.84	36.30	57.49	44.14
Second Quarter (through April 16, 2004)	42.57	38.24	55.70	50.20

Merger Generally Tax-Free to Bank One Stockholders (see page 71)

The merger has been structured to qualify as a reorganization for federal income tax purposes, and it is a condition to our respective obligations to complete the merger that JPMorgan Chase and Bank One each receive a legal opinion to the effect that the merger will so qualify. In addition, in connection with the filing of the registration statement of which this document is a part, JPMorgan Chase and Bank One will each receive a legal opinion to the same effect. Accordingly, holders of Bank One common stock generally will not recognize any gain or loss for federal income tax purposes on the exchange of their Bank One common stock for JPMorgan Chase common stock in the merger, except for any gain or loss that may result from the receipt of cash instead of a fractional share of JPMorgan Chase common stock.

You should be aware that the tax consequences to you of the merger may depend upon your own situation. In addition, you may be subject to state, local or foreign tax laws that are not discussed in this document. You should therefore consult with your own tax advisor for a full understanding of the tax consequences to you of the merger.

Dividend Policy; Anticipated Share Repurchases; Effect on Anticipated Merger Benefits

The merger agreement permits each of us to continue to pay regular quarterly cash dividends to our stockholders. The merger agreement also permits Bank One to increase its regular quarterly cash dividend prior to the completion of the merger to 44.875 cents per share, which is an amount approximately equal to the current JPMorgan Chase quarterly dividend times the exchange ratio. On January 20, 2004, Bank One announced that it increased its quarterly dividend payable on April 1, 2004 to Bank One stockholders of record on March 12, 2004 to 44.875 cents per share. JPMorgan Chase expects to continue to pay quarterly dividends on the common stock of JPMorgan Chase after completion of the merger in an amount equal to

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JPMorgan Chase's current dividend of 34 cents per share per quarter. The payment of dividends by JPMorgan Chase or Bank One on their common stock in the future, before or after the merger is completed, is subject to the discretion of our respective boards of directors and will depend on business conditions, our financial condition and earnings, regulatory considerations and other factors.

We have agreed in the merger agreement to coordinate dividend declarations and the related record dates and payment dates so that our stockholders will not receive two dividends, or fail to receive one dividend, for any single calendar quarter. Accordingly, prior to the merger we may coordinate and amend our record dates and payment dates in order to effect this policy.

JPMorgan Chase and Bank One have announced their intention to repurchase shares in an aggregate amount of approximately \$3.5 billion in each of 2004, 2005 and 2006 (in addition to shares repurchased to provide common stock required for our respective dividend reinvestment and employee equity based plans). The announcement was made based on our respective managements' determinations that, based upon current market conditions and our current business plans and expectations for the combined company, stock repurchases currently present the most attractive use of the excess capital anticipated to result from the merger. We believe that the repurchases will tend to increase earnings per share, enhance the liquidity of the stock of the combined company, return excess capital to stockholders in a tax efficient manner and provide a flexible means of capital management.

The actual amount of shares repurchased will be subject to the discretion of the combined company's board of directors and may be more or less than anticipated due to various factors, including: market conditions; legal considerations affecting the amount and timing of repurchase activity; the combined company's capital position (taking into account purchase accounting adjustments); internal capital generation; and alternative potential investment opportunities over that time frame. If the actual amount of shares repurchased is less than anticipated, the merger could be less accretive or dilutive to JPMorgan Chase's stockholders. See "Risk Factors" beginning on page 22.

Set forth below is an accretion/dilution sensitivity analysis reflecting, under various illustrative buyback scenarios, the potential impact of the merger on Institutional Brokers Estimate System, or I/B/E/S, earnings per JPMorgan Chase share estimates for 2005. This is more fully discussed beginning on page 37 under the caption "JPMorgan Chase's Reasons for the Merger; Recommendation of the Merger by the JPMorgan Chase Board of Directors":

2005E GAAP EPS	65% of Cost Savings Realized
\$3.5 billion of stock repurchases in 2004 and 2005	(3.2)%
\$1.0 billion more of stock repurchases in 2004	(2.6)%
\$1.0 billion less of stock purchases in 2004	(3.8)%
No stock repurchases in 2004 or 2005; related excess capital reinvested at 7% after-tax return ¹	(3.1)%
No stock repurchases in 2004 or 2005; no reinvestment of related excess capital	(6.1)%

2005E CASH EPS	65% of Cost Savings Realized
\$3.5 billion of stock repurchases in 2004 and 2005	1.5%
\$1.0 billion more of stock repurchases in 2004	3.8%
\$1.0 billion less of stock purchases in 2004	(0.6)%
No stock repurchases in 2004 or 2005; related excess capital reinvested at 7% after-tax return ¹	1.3%
No stock repurchases in 2004 or 2005; no reinvestment of related excess capital	(1.6)%

¹ Assumes excess capital not used for anticipated share repurchases is invested in a portfolio of investment securities that earns a 1.00% pre-tax net interest spread and leverages capital 11x. These assumptions are for illustrative purposes only.

Our Boards of Directors Recommend that JPMorgan Chase and Bank One Stockholders Approve the Merger (see pages 37 and 42)

JPMorgan Chase Stockholders. The JPMorgan Chase board of directors has determined that the merger agreement and related agreements are advisable and in the best interests of JPMorgan Chase and its stockholders and unanimously recommends that the JPMorgan Chase stockholders vote FOR the adoption of the merger agreement.

Bank One Stockholders. The Bank One board of directors has determined that the merger agreement and related agreements are advisable and in the best interests of Bank One and its stockholders and unanimously recommends that the Bank One stockholders vote FOR the adoption of the merger agreement.

Factors Considered by Our Boards. In determining whether to approve the merger, our boards of directors each consulted with our respective senior managements and legal and financial advisors and considered the respective strategic, financial and other considerations referred to under The Merger JPMorgan Chase s Reasons for the Merger; Recommendation of the Merger by the JPMorgan Chase Board of Directors beginning on page 37 and The Merger Bank One s Reasons for the Merger; Recommendation of the Merger by the Bank One Board of Directors beginning on page 42.

We Have Received Opinions From Our Financial Advisors that the Merger is Fair (see page 45)

Opinion of JPMorgan Chase s Financial Advisor. JPMorgan Chase s financial advisor, J.P. Morgan Securities Inc., has provided its opinion to the JPMorgan Chase board of directors dated as of January 14, 2004 that, as of that date, and subject to and based on the qualifications and assumptions set forth in its opinion, the exchange ratio in the merger was fair, from a financial point of view, to JPMorgan Chase. The full text of JPMorgan Securities opinion is attached as Annex D to this document. JPMorgan Chase urges its stockholders to read that opinion in its entirety. The opinion of JPMorgan Securities will not reflect any developments that may occur or may have occurred after the date of its opinion and prior to the completion of the merger. JPMorgan Chase does not currently expect that it will request an updated opinion from JPMorgan Securities.

JPMorgan Chase has agreed to allocate a fee of \$40 million to JPMorgan Securities in consideration for its services as financial advisor.

Opinion of Bank One s Financial Advisor. Bank One s financial advisor, Lazard Frères & Co. LLC, has provided its opinion to the Bank One board of directors dated as of January 14, 2004 that, as of that date, and subject to and based on the considerations referred to in its opinion, the exchange ratio in the merger was fair, from a financial point of view, to Bank One s common stockholders. The full text of Lazard s opinion is attached as Annex E to this document. Bank One urges its stockholders to read that opinion in its entirety. The opinion of Lazard will

not reflect any developments that may occur or may have occurred after the date of its opinion and prior to the completion of the merger. Bank One does not currently expect that it will request an updated opinion from Lazard.

Bank One has agreed to pay a fee of \$20 million to Lazard in consideration for its services as financial advisor, a portion of which is payable upon completion of the merger.

JPMorgan Chase's Financial Advisor is an Affiliate of JPMorgan Chase and May be Deemed to Have Conflicts of Interest. JPMorgan Chase decided to engage its subsidiary investment bank as its financial advisor. As a result of its affiliation with JPMorgan Chase, JPMorgan Securities may be deemed to have had potential conflicts of interest in performing its duties as financial advisor. JPMorgan Chase's board of directors considered this potential conflict of interest when making its decision to engage JPMorgan Securities. JPMorgan Chase's board concluded that it was appropriate and in the best interests of JPMorgan Chase and its stockholders to approve the engagement of JPMorgan Securities based on the investment bank's global standing, extensive experience in merger transactions on behalf of unaffiliated parties and familiarity with the businesses in which JPMorgan Chase and Bank One operate, as well as its involvement in the discussions and due diligence that led to the merger agreement. The board also noted that in previous business combinations involving major financial institutions, including the merger of JPMorgan Chase's predecessor institutions, The Chase Manhattan Corporation and J.P. Morgan & Co. Incorporated, one or both of the merging parties had relied on its affiliated investment bank as its financial advisor. See *Risk Factors* beginning on page 22 and *The Merger Opinions of Financial Advisors' Decision by JPMorgan Chase Board to Engage Affiliated Financial Advisor* on page 45.

Appraisal Rights for Some JPMorgan Chase Preferred Stockholders But Not for Common Stockholders (see page 78)

Under Delaware law, the common stockholders of JPMorgan Chase and Bank One are not entitled to appraisal rights in connection with the merger. Holders of JPMorgan Chase's 6.63% Cumulative Preferred Stock, Series H, and Fixed/ Adjustable Noncumulative Preferred Stock who submit a written demand for appraisal of their shares and who perfect their appraisal rights by complying with the applicable statutory procedures required by Delaware law will be entitled to receive payment in cash for the fair value of their shares as determined by the Delaware Chancery Court. Holders of other series of preferred stock of JPMorgan Chase are not entitled to appraisal rights in connection with the merger.

Financial Interests of Our Directors and Executive Officers in the Merger (see page 66)

Some of the directors and executive officers of JPMorgan Chase and Bank One have interests in the merger that are different from, or are in addition to, the interests of stockholders of JPMorgan Chase and Bank One. These interests include:

rights of Bank One's Chairman and Chief Executive Officer, James Dimon, under an employment agreement with JPMorgan Chase for a term of employment to commence upon the completion of the merger, including the right to receive an annual base salary of \$1 million and annual bonuses and equity-based awards no less than 90% of the value of the annual bonuses and equity-based awards provided to Mr. Harrison for the same period, which future bonuses and awards have not been determined at this time. Mr. Dimon's current employment agreement with Bank One provides for an annual base salary of \$1 million, a target annual bonus of 250% of his base salary and annual equity-based awards with a value of at least \$7 million;

rights of JPMorgan Chase's Chairman and Chief Executive Officer, William B. Harrison, Jr., under JPMorgan Chase's severance policy;

the agreed-upon appointment of various members of senior management of JPMorgan Chase and Bank One to senior management positions at JPMorgan Chase after the merger;

rights of Bank One executive officers under stock-based benefit programs and awards (including programs and awards of Bank One under which an aggregate of 5,789,588 options held by current executive officers of Bank One may become exercisable and 869,090 other stock-based awards held by current executive officers of Bank One may be required to be distributed upon completion of the merger or in connection with qualifying terminations of employment after the merger);

rights of Bank One executive officers under existing and contemplated severance arrangements or retirement arrangements;

rights of Bank One executive officers and directors to continued indemnification and insurance coverage by JPMorgan Chase after the merger for acts or omissions occurring prior to the merger; and

compensation of persons designated by Bank One to serve on the combined company's board of directors under JPMorgan Chase's standard director compensation policy.

Our boards of directors were aware of these respective interests when deciding to approve the merger.

Treatment of Bank One Options and Equity-Based Awards (see page 77)

In the merger, JPMorgan Chase will assume all Bank One employee stock options and other equity-based awards and those options and awards will become options and awards exercisable for or based upon JPMorgan Chase common stock. The number of shares issuable under those options and awards, and the exercise prices for those options and awards, will be adjusted to take into account the exchange ratio.

For financial accounting purposes, the fair value of all Bank One employee stock options will be revalued at the closing of the merger, as further described under "Treatment of Stock Options and Other Equity-Based Awards" beginning on page 77.

Directors and Management Following the Merger (see page 70)

Following the merger, the board of directors of JPMorgan Chase will consist of sixteen directors. The board will include Mr. Harrison, currently the Chairman and Chief Executive Officer of JPMorgan Chase, and seven other directors to be designated by JPMorgan Chase. It will also include Mr. Dimon, currently the Chairman and Chief Executive Officer of Bank One, and seven other directors to be designated by Bank One. Other than Messrs. Harrison and Dimon, none of the directors to be designated by JPMorgan Chase or Bank One will be employees of the combined company. Directors who serve on the combined company's board of directors are expected to be compensated for their services in that capacity in accordance with JPMorgan Chase's standard director compensation policy.

Following the merger, Mr. Harrison will continue to serve as Chairman and Chief Executive Officer of JPMorgan Chase and Mr. Dimon will become President and Chief Operating Officer of JPMorgan Chase. As part of the merger, the parties have agreed that as of the second anniversary of the completion of the merger (or, if earlier, when Mr. Harrison ceases for any reason to serve in the position of Chief Executive Officer), Mr. Dimon will become Chief Executive Officer of JPMorgan Chase. Mr. Harrison will continue to serve as Chairman of JPMorgan Chase following the date of Mr. Dimon's succession as Chief Executive Officer. In

addition, the parties have agreed that various members of senior management from each company will be appointed to senior management positions of the combined company following the merger, as further described in The Merger Board of Directors and Management After the Merger beginning on page 70.

Regulatory Approvals We Must Obtain for the Merger (see page 74)

To complete the merger, we must obtain the approval of the Board of Governors of the Federal Reserve System. In addition, we need to obtain approvals or consents from, or make filings with, a number of U.S. federal and state bank, insurance and other regulatory authorities as well as regulatory authorities in various foreign jurisdictions.

Expected Timing of the Merger

We expect to complete the merger by mid-2004 if we have received the stockholder and regulatory approvals required to do so.

Conditions to Completion of the Merger (see page 80)

We may not complete the merger unless the following conditions are satisfied or, where permitted, waived:

the merger agreement must be adopted by the common stockholders of both JPMorgan Chase and Bank One;

the JPMorgan Chase common stock to be issued in, or in connection with, the merger must be approved for listing on the New York Stock Exchange;

we must obtain all necessary regulatory approvals of the merger from domestic and foreign governmental authorities, and none of those approvals may contain a condition or restriction that would have a material adverse effect on JPMorgan Chase after the merger;

the registration statement of which this document is part must be declared effective by the Securities and Exchange Commission and not be subject to a stop order or proceedings seeking a stop order;

no legal prohibition to completion of the merger may be in effect;

our respective representations and warranties in the merger agreement must be true and correct, subject to exceptions that would not have a material adverse effect on JPMorgan Chase or Bank One, as the case may be, or on the combined company following the completion of the merger;

we must each be in compliance in all material respects with our respective covenants in the merger agreement;

we must each receive an opinion of our respective tax counsel that the merger will qualify as a tax-free reorganization; and

in the case of Bank One's obligation to complete the merger, JPMorgan Chase's by-laws must have been amended to provide for the agreed-upon structure of the board of directors and Chief Executive Officer succession arrangements after the merger.

Termination of the Merger Agreement; Fees Payable (see page 84)

We may jointly agree to terminate the merger agreement at any time. Either of us may also terminate the merger agreement if:

a governmental authority that must grant a material regulatory approval denies approval of the merger, or a governmental authority permanently restrains or prohibits the merger, and

in either case that denial or action is final and nonappealable (although this termination right is not available to a party whose failure to comply with the merger agreement resulted in those actions by a governmental authority);

the merger is not completed on or before January 14, 2005 (although this termination right is not available to a party whose failure to comply with the merger agreement resulted in the failure to complete the merger by that date);

the other party's board of directors adversely changes its recommendation that its stockholders vote in favor of the merger or takes any other action inconsistent with such recommendation, or the other party breaches its obligation to hold its stockholders' meeting to vote on adoption of the merger agreement;

the other party is in breach of its representations, warranties, covenants or agreements set forth in the merger agreement and the breach rises to a level that would excuse the terminating party's obligation to complete the merger and is either incurable or is not cured within 60 days; or

the stockholders of either party do not approve the merger at their respective stockholders' meeting.

The merger agreement provides that in several circumstances described more fully beginning on page 84 involving a change in recommendation in favor of the merger agreement or failure to hold a stockholders' meeting to vote on the merger or a third party acquisition proposal, either of us may be required to pay termination fees to the other of up to \$2.30 billion. The termination fees and the stock option agreements described below could discourage other companies from seeking to acquire or merge with either JPMorgan Chase or Bank One.

JPMorgan Chase and Bank One Granted Stock Options to Each Other (see page 90)

Each of us has issued to the other an option to purchase up to 19.9% of our respective outstanding shares of common stock. The exercise price of the option issued by Bank One is \$44.61 per Bank One share, which represented the closing price of Bank One common stock on January 13, 2004, the trading day prior to the announcement of the merger. The exercise price of the option issued by JPMorgan Chase is \$38.90 per JPMorgan Chase share, which represented the closing price of JPMorgan Chase common stock on that same day.

Each option becomes exercisable only if one of the following events occurs:

prior to termination of the merger agreement, without the consent of the option holder, the option issuer enters into an agreement with any person relating to a competing acquisition proposal as described in the stock option agreement;

prior to termination of the merger agreement, any person other than the option holder acquires beneficial ownership of, or a right to acquire beneficial ownership of, voting securities representing 20% or more of the voting power of the option issuer or any of its significant subsidiaries; or

the full \$2.30 billion termination fee under the merger agreement, as described above, becomes payable by the option issuer.

Under the circumstances described in the stock option agreements, the option holder may require the option issuer to repurchase the option and any shares purchased under the option for a price specified in the stock option agreement.

The option holder's profit under the applicable stock option agreement, together with any termination fees paid under the merger agreement, may not exceed \$2.87 billion.

THE ANNUAL MEETINGS

JPMorgan Chase Annual Meeting (see page 27)

The JPMorgan Chase annual meeting will be held at the auditorium of J.P. Morgan Chase & Co., One Chase Manhattan Plaza, New York, New York on May 25, 2004, starting at 9:00 a.m., New York time. At the JPMorgan Chase meeting, JPMorgan Chase's common stockholders will be asked to vote on the following matters:

- adoption of the merger agreement;
- election of directors;
- ratification of the appointment of PricewaterhouseCoopers LLP as JPMorgan Chase's external auditor for 2004;
- re-approval of the key executive performance plan;
- adjournment of the meeting, if necessary or appropriate;
- stockholder proposals included in this document, if they are introduced at the meeting; and
- any other matters that may be properly brought before the meeting.

You may vote at the JPMorgan Chase annual meeting if you owned shares of JPMorgan Chase common stock at the close of business on April 2, 2004. On that date there were 2,081,783,154 shares of JPMorgan Chase common stock outstanding, less than 1% of which were owned and entitled to be voted by JPMorgan Chase directors and executive officers and their affiliates. We currently expect that JPMorgan Chase's directors and executive officers will vote their shares in favor of the merger, although none of them has entered into any agreements obligating them to do so.

You may cast one vote for each share of JPMorgan Chase common stock you own. The proposals require different percentages of votes in order to approve them:

The affirmative vote of a majority of the shares of JPMorgan Chase common stock outstanding on the record date is required to adopt the merger agreement.

The affirmative vote of a plurality of the votes cast at the annual meeting is required to approve the election of each director nominee.

The affirmative vote of a majority of the shares of JPMorgan Chase common stock represented at the annual meeting and entitled to vote is required to ratify the appointment of the external auditor.

The affirmative vote of a majority of the shares of JPMorgan Chase common stock represented at the annual meeting and entitled to vote is required to re-approve the key executive performance plan.

The affirmative vote of a majority of the shares of JPMorgan Chase common stock represented at the annual meeting and entitled to vote is required to adjourn the meeting.

The affirmative vote of a majority of the shares of JPMorgan Chase common stock represented at the annual meeting and entitled to vote is required to adopt the stockholder proposals described in this document.

Bank One Annual Meeting (see page 31)

The Bank One annual meeting will be held at the auditorium of Bank One Corporation, 1 Bank One Plaza, Chicago, Illinois on May 25, 2004, starting at 9:30 a.m., Chicago time. At the

Bank One meeting, Bank One's common stockholders will be asked to vote on the following matters:

adoption of the merger agreement;

election of directors;

ratification of the appointment of KPMG LLP as Bank One's independent auditor for 2004; and

any other matters that may be properly brought before the meeting.

You may vote at the Bank One annual meeting if you owned shares of Bank One common stock at the close of business on April 2, 2004. On that date there were 1,125,809,564 shares of Bank One common stock outstanding, less than 1.25% of which were owned and entitled to be voted by Bank One directors and executive officers and their affiliates. We currently expect that Bank One's directors and executive officers will vote their shares in favor of the merger, although none of them has entered into any agreements obligating them to do so.

You can cast one vote for each share of Bank One common stock you own. The proposals require different percentages of votes in order to approve them:

The affirmative vote of a majority of the shares of Bank One common stock outstanding on the record date is required to adopt the merger agreement.

The affirmative vote of a plurality of the votes cast at the annual meeting is required to approve the election of each director nominee.

The affirmative vote of a majority of the shares of Bank One common stock represented at the annual meeting and entitled to vote is required to ratify the appointment of the independent auditor.

INFORMATION ABOUT JPMORGAN CHASE AND BANK ONE

J.P. Morgan Chase & Co.

270 Park Avenue
New York, New York 10017
(212) 270-6000

JPMorgan Chase is a financial holding company incorporated under Delaware law in 1968. JPMorgan Chase is one of the largest banking institutions in the United States, with approximately \$771 billion in assets and approximately \$46 billion in stockholders' equity as of December 31, 2003.

JPMorgan Chase is a leading global financial services firm with operations in more than 50 countries and more than 30 million retail customers nationwide as of December 31, 2003. Its principal bank subsidiaries are JPMorgan Chase Bank, a New York banking corporation headquartered in New York City, and Chase Manhattan Bank USA, National Association, headquartered in Delaware. JPMorgan Chase's principal nonbank subsidiary is its investment banking subsidiary, JPMorgan Securities. The bank and nonbank subsidiaries of JPMorgan Chase operate nationally as well as through overseas branches and subsidiaries, representative offices and affiliated banks.

JPMorgan Chase's activities are internally organized, for management reporting purposes, into five major business segments: Investment Bank; Treasury & Securities Services; Investment Management & Private Banking; JPMorgan Partners; and Chase Financial Services. The following is a brief description of those businesses.

Investment Bank. The Investment Bank is one of the world's leading investment banks, as evidenced by the breadth of its client relationships and product capabilities. The Investment Bank, which includes JPMorgan Securities, has extensive relationships with corporations, financial institutions, governments and institutional investors worldwide. The Investment Bank provides a full range of investment banking and commercial banking products and services including advising on corporate strategy and structure, capital raising in equity and debt markets, sophisticated risk management and market-making in cash securities and derivative instruments in all major capital markets. The Investment Bank also commits JPMorgan Chase's own capital to proprietary investing and trading activities.

Treasury & Securities Services. Treasury & Securities Services, a global leader in transaction processing and information services to wholesale clients, is composed of three businesses. Institutional Trust Services provides a range of services to debt and equity issuers and broker-dealers, from traditional trustee and paying-agent functions to global securities clearance. Investor Services provides securities custody and related functions, such as securities lending, investment analytics and reporting, to mutual funds, investment managers, pension funds, insurance companies and banks worldwide. Treasury Services provides treasury and cash management, as well as payment, liquidity management and trade finance services, to a diversified global client base of corporations, financial institutions and governments.

Investment Management & Private Banking. Investment Management & Private Banking provides investment management services to institutional investors, high net worth individuals and retail customers, and it provides personalized advice and solutions to wealthy individuals and families.

JPMorgan Partners. JPMorgan Partners, the global private equity organization of JPMorgan Chase, provides equity and mezzanine capital financing to private companies. It is a diversified investor, investing in buyouts and in growth equity and venture opportunities across a variety of industry sectors, with the objective of creating long-term value for JPMorgan Chase and third-party investors.

Chase Financial Services. Chase Financial Services is a major provider of banking, investment and financing products and services to consumers and small and middle market businesses throughout the United States. The majority of its revenues and earnings are produced by its national consumer credit businesses, Chase Home Finance, Chase Cardmember Services and Chase Auto Finance. It also serves as a full-service bank for consumers and small-and medium-sized businesses through Chase Regional Banking and Chase Middle Market.

On December 31, 2000, J.P. Morgan & Co. Incorporated merged with and into The Chase Manhattan Corporation, which changed its name to J.P. Morgan Chase & Co. upon completion of the merger. The merger was accounted for as a pooling of interests. As a result, the financial information provided or incorporated by reference in this document presents the combined results of The Chase Manhattan Corporation and J.P. Morgan & Co. Incorporated as if the merger had been in effect for all periods presented. In addition, certain prior-period amounts for the predecessor institutions' financial statements have been reclassified to conform to the current presentation.

Bank One Corporation

1 Bank One Plaza
Chicago, Illinois 60670
(312) 732-4000

Bank One Corporation is a financial holding company and a multibank bank holding company registered under the Bank Holding Company Act of 1956, and is headquartered in Chicago, Illinois. Bank One was incorporated in Delaware in 1998 to effect the merger of Banc One Corporation and First Chicago NBD Corporation.

Bank One provides domestic retail banking, finance and credit card services; worldwide commercial banking services; and trust and investment management services. Bank One operates banking offices in Arizona, Colorado, Florida, Illinois, Indiana, Kentucky, Louisiana, Michigan, Ohio, Oklahoma, Texas, Utah, West Virginia and Wisconsin and in selected international markets. Bank One also engages in other businesses related to banking and finance, including credit card and merchant processing, consumer and education finance, real estate-secured lending and servicing, insurance, venture capital, investment and merchant banking, trust, brokerage, investment management, leasing, community development and data processing. These activities are conducted through bank subsidiaries and nonbank subsidiaries. Prior to 2001, the bank subsidiaries were operated under separate national or state charters in the 14 states in which the banking offices are located. Since 2001, most of the bank subsidiaries have been consolidated into Bank One, National Association, headquartered in Chicago, Illinois and Bank One, National Association, headquartered in Columbus, Ohio.

SELECTED HISTORICAL AND PRO FORMA FINANCIAL DATA

The following financial information is to aid you in understanding the financial aspects of the merger. The following tables present (1) selected historical financial data of JPMorgan Chase, (2) selected historical financial data of Bank One and (3) selected unaudited pro forma combined financial data reflecting the merger. The historical financial data show the financial results actually achieved by JPMorgan Chase and Bank One for the periods indicated. The pro forma unaudited combined financial data show financial results as if the merger had taken place at the beginning of the earliest period presented and assuming the merger is accounted for as a purchase of Bank One by JPMorgan Chase.

Selected Historical Financial Data of JPMorgan Chase

(in millions, except per share and ratio data)

The selected historical financial data of JPMorgan Chase have been derived from the historical consolidated financial statements and related notes of JPMorgan Chase filed by JPMorgan Chase with the Securities and Exchange Commission. On December 31, 2000, J.P. Morgan & Co. Incorporated merged with and into The Chase Manhattan Corporation, which changed its name to J.P. Morgan Chase & Co. The merger was accounted for as a pooling of interests and accordingly the amounts below include the consolidated results of The Chase Manhattan Corporation and J.P. Morgan & Co. Incorporated prior to that merger. See [Where You Can Find More Information](#) beginning on page 173.

	Years Ended December 31,				
	2003	2002	2001	2000	1999
Income Statement					
Net interest income	\$ 12,337	\$ 11,526	\$ 10,802	\$ 9,512	\$ 10,285
Noninterest revenue	20,919	18,088	18,542	23,674	20,861
Total revenue	33,256	29,614	29,344	33,186	31,146
Provision for credit losses	1,540	4,331	3,182	1,380	1,446
Noninterest expense(e)	21,688	22,764(a)	23,596	23,073	18,211
Income before income tax expense	10,028	2,519	2,566	8,733	11,489
Income tax expense	3,309	856	847	3,006	3,988
Net effect of change in accounting principle			(25)		
Net income	6,719	1,663	1,694	5,727	7,501
Average common shares outstanding:					
Basic	2,009	1,984	1,972	1,884	1,913
Diluted	2,055	2,009	2,024	1,969	2,005
Performance Ratios					
Return on average assets	0.87%	0.23%	0.23%	0.85%	1.19%
Return on average common equity	15.5%	3.9%	3.9%	15.6%	22.5%
Total equity to total assets at December 31	6.0%	5.6%	5.9%	5.9%	5.3%
Total average equity to total average assets	5.7%	5.8%	5.8%	5.6%	5.5%
Dividend payout ratio	43%	171%	168%	42%	28%
Per Common Share					
Net income Basic	\$ 3.32	\$ 0.81	\$ 0.83(d)	\$ 2.99	\$ 3.87
Net income Diluted	3.24	0.80	0.80(d)	2.86	3.69
Cash dividends per common share	1.36	1.36	1.36	1.28	1.08
Book value at December 31	22.10	20.66	20.32	21.17	18.07

Years Ended December 31,

	2003	2002	2001	2000	1999
Selected Balance Sheet Items					
Loans	\$ 219,518	\$ 216,364	\$ 217,444	\$ 216,050	\$ 203,008
Total assets	770,912	758,800	693,575	715,348	667,003
Deposits	326,492	304,753	293,650	279,365	287,064
Long-term debt(b)	54,782	45,190	43,622	47,238	45,540
Common stockholders' equity	45,145	41,297	40,090	40,818	33,434
Capital Ratios					
Risk-based capital:					
Tier-1	8.5%	8.2%	8.3%	8.5%	8.5%
Total	11.8%	12.0%	11.9%	12.0%	12.3%
Leverage	5.6%	5.1%	5.2%	5.4%	5.9%
Market Price Per Share of Common Stock(c)					
Closing	\$ 36.73	\$ 24.00	\$ 36.35	\$ 45.44	\$ 51.79
High	38.26	39.68	59.19	67.17	60.75
Low	20.13	15.26	29.04	32.38	43.88

- (a) Includes a \$1.3 billion charge in connection with the settlement of the Enron-related surety litigation and the establishment of a reserve related to material litigations, proceedings and investigations.
- (b) Includes junior subordinated deferrable interest debentures held by trusts that issued guaranteed preferred beneficial interests and excludes long-term debt classified as Beneficial interests issued by consolidated variable interest entities.
- (c) JPMorgan Chase's common stock is listed and traded on the New York Stock Exchange, the London Stock Exchange Limited and the Tokyo Stock Exchange. The high, low and closing prices of JPMorgan Chase's common stock are from the New York Stock Exchange composite transaction tape. Share-related data have been restated to reflect a three-for-two stock split effective as of the close of business on June 9, 2000.
- (d) Basic and diluted earnings per share have been reduced by \$0.01 in 2001 because of the impact of the adoption of SFAS 133 relating to the accounting for derivative financial instruments and hedging activities.
- (e) Includes merger and restructuring charges of \$1,210 million in 2002, \$2,523 million in 2001, \$1,431 million in 2000 and \$23 million in 1999.

Selected Historical Financial Data of Bank One**(in millions, except per share and ratio data)**

The selected historical financial data of Bank One have been derived from the historical consolidated financial statements and related notes of Bank One filed by Bank One with the Securities and Exchange Commission. See [Where You Can Find More Information](#) beginning on page 173.

	Years Ended December 31,				
	2003	2002	2001	2000	1999
Income Statement					
Net interest income	\$ 8,149	\$ 8,555	\$ 8,605	\$ 8,806	\$ 8,993
Noninterest revenue	8,063	8,180	7,143	5,004	8,609
Total revenue	16,212	16,735	15,748	13,810	17,602
Provision for credit losses	2,045	2,487	2,510	3,398	1,249
Noninterest expense	9,777	9,546	9,490	11,531	11,421
Income (loss) from continuing operations, net of taxes	3,125	3,256	2,649	(536)	3,453
Income from discontinued operations, net of taxes	410	39	33	25	26