

JPMorgan Chase Bank, N.A.
125 London Wall
London EC2Y 5AJ
England

25 January 2011

Financial Trust Company Inc.
C/O American Yacht Harbor
6100 Red Hook Quarter B3
Charlotte Amalie V1 00802
Reference No. []

Re: Share Swap Transaction

Outlined below in this agreement (the "Termsheet") are the principal terms and conditions for the Transaction (the "Transaction") between FINANCIAL TRUST COMPANY INC. (the "Counterparty") and JPMORGAN CHASE BANK, N.A. ("JPMorgan") entered into on the Trade Date specified below. This Transaction shall supplement, form a part of and be subject to the ISDA Master Agreement dated as of 03 October 2001, as amended and supplemented from time to time (the "Agreement"), between JPMorgan and the Counterparty.

This Termsheet shall be superseded by a confirmation subject to the Agreement and until such confirmation is executed, this Termsheet shall be binding upon the parties as to the terms and conditions provided herein. The definitions and provisions contained in the 2002 ISDA Equity Derivatives Definitions (the "Equity Definitions") and the 2006 ISDA Definitions (the "Swap Definitions"), each as published by the International Swaps and Derivatives Association, Inc., are incorporated herein. In the event of any inconsistency between the Equity Definitions and this Termsheet, this Termsheet shall govern for the purpose of this Transaction. This Termsheet supersedes any and all prior written or oral agreements in relation to this Transaction.

1. The terms of the particular Transaction to which this Termsheet relates are as follows:

General Terms:

Trade Date:	January 25, 2011
Effective Date:	January 28, 2011
Termination Date:	The Cash Settlement Payment Date
Shares:	Apple Inc. (the "Issuer") (Exchange Identifier: AAPL)
Exchange:	The NASDAQ Global Select Market
Related Exchange:	All Exchanges

Equity Amounts:

Equity Amount Payer:	JPMorgan
Number of Shares:	8,860

Equity Notional Amount:	The product of the Number of Shares and the Initial Price
Equity Notional Reset:	Not Applicable
Type of Return:	Total Return
Initial Price:	<p>The per Share amount equal to the volume-weighted average price of the Share prices at which JPMorgan (or an affiliate of JPMorgan) establishes its initial hedge of the equity price risk undertaken by JPMorgan with respect to this Transaction on the Trade Date, at times and in amounts as determined by JPMorgan (or an affiliate of JPMorgan) in its sole discretion, plus USD 0.05.</p> <p>JPMorgan may in its sole discretion reduce the Number of Shares to the extent that JPMorgan is unable to hedge its initial market risk in respect of the stated Number of Shares with respect to this Transaction on the Trade Date.</p>
Final Price:	The Volume Weighted Average Price (the "VWAP Price") per Share on the Valuation Date, minus USD 0.05.
VWAP Price:	<p>In respect of the determination of a Final Price or a Relevant Price, as applicable, the volume weighted average price per Share on the relevant Valuation Date, or relevant Averaging Date, as applicable, calculated on the basis of trades executed in the United States during the regular trading session for the Exchange (including and through the time as of which the Exchange determines the official closing price of the relevant Shares), as reported on Bloomberg as the volume-weighted average quote recap price derived from US exchanges and quotation systems; provided that if such price is not reported by Bloomberg on the on the relevant Valuation Date, or relevant Averaging Date, as applicable, (other than due to a Disrupted Day, which consequences shall be those determined for a Disrupted Day pursuant to the terms of the Equity Definitions and the Master Confirmation, including this Product Regional Annex), then the Calculation Agent shall determine such price based on such sources as it deems appropriate. For the avoidance of doubt, the VWAP Price will be what is frequently referred to as the "composite VWAP" which is currently observable on Bloomberg by typing in the ticker symbol and then US Equity AQR.</p> <p>In respect of the determination of a Final Price or a Relevant Price which is a VWAP Price, the following additional amendments shall be made to the Equity Definitions:</p> <p>(a) Section 6.3(a) of the Equity Definitions shall be amended by deleting the words "at any time during the one</p>

hour period that ends at the relevant Valuation Time, Latest Exercise Time, Knock-in Valuation Time or Knock-out Valuation Time, as the case may be" and replacing them with the words "at any time during the regular trading session on the Exchange, without regard to after hours or any other trading outside of the regular trading session hours" and by amending and restating clause (a)(iii) thereof in its entirety to read as follows: "(iii) an Early Closure that the Calculation Agent determines is material".

(b) Section 6.3(d) of the Equity Definitions shall be amended by deleting the remainder of the provision following the term "Scheduled Closing Time" in the fourth line thereof.

(c) Notwithstanding anything to the contrary in the Equity Definitions, to the extent that a Market Disruption Event occurs on any Averaging Date or the Valuation Date, then the Calculation Agent shall make adjustments to the Number of Shares for which such day shall be an Averaging Date or the Valuation Date, as applicable, and shall designate the next Valid Date or Exchange Business Day, as applicable, as the Averaging Date or the Valuation Date, as applicable, for the remaining shares. Such adjustments will be based on, such factors as the Calculation Agent deems relevant, and may include, without limitation, the duration of any Market Disruption Event and the volume, historical trading patterns and price of the Shares.

Valuation Time: The Scheduled Closing Time

Valuation Date: January 31, 2012

Dividends:

Dividend Period: Second Period

Dividend Amount: The Ex Amount multiplied by the Number of Shares.

Dividend Payment Dates: Each Cash Settlement Payment Dates

In any Cash Settlement Payment Date, the Equity Amount Payer shall pay the sum of the Dividend Amounts for each cash dividend for which the Issuer Distribution Date for the relevant Ex Amount occurred during the period from and including the prior Cash Settlement Payment Date (or in the case of the first Cash Settlement Payment Date, from and including the Trade Date) through but excluding such Cash Settlement Payment Date; provided that where the Issuer Distribution Date for any Ex Amount occurs on or after the Termination Date, the relevant Dividend Amount, or portion thereof, shall be paid on the third

Issuer Distribution Date	Currency Business Day following that Issuer Distribution Date.
Re-investment of Dividends:	In respect of any Ex Amount, the date on which the Issuer pays the relevant gross cash dividend relating to such Ex Amount to holders of record of the Shares. Not Applicable

Floating Amounts:

Floating Amount Payer:	Counterparty
Notional Amount:	The Equity Notional Amount
Payment Dates:	April 28, 2011, July 28, 2011, October 28, 2011, and January 28, 2012 subject to adjustment in accordance with the Following Business Day Convention, and the Termination Date.
Floating Rate Option:	USD-LIBOR-BBA
Designated Maturity:	3 months
Spread:	Plus 70 basis points
Floating Rate Day Count Fraction:	Actual/360
Reset Date:	The first day of each Calculation Period
Business Days:	New York and London
Compounding:	Not Applicable
Cash Settlement:	Applicable
Settlement Currency:	USD
Cash Settlement Payment Dates:	Three Currency Business Days following each Valuation Date

Adjustments:

Method of Adjustment:	Calculation Agent Adjustment
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Extraordinary Events:

New Shares:	In the definition of New Shares in Section 12.1(i) of the Equity Definitions, the text in (i) shall be deleted in its entirety and replaced with "publicly quoted, traded or listed on any of the New York Stock Exchange, the
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NASDAQ Global Select Market or the NASDAQ Global Market (or their respective successors)".

Consequences of Merger Events:

Share-for-Share:	Alternative Obligation
Share-for-Other:	Cancellation and Payment
Share-for-Combined:	Component Adjustment
Determining Party:	JPMorgan

Tender Offer:

Applicable

Consequences of Tender Offer:

Share-for-Share:	Modified Calculation Agent Adjustment
Share-for-Other:	Modified Calculation Agent Adjustment
Share-for-Combined:	Modified Calculation Agent Adjustment

Nationalisation, Insolvency or Delisting:

Cancellation and Payment

In addition to the provisions of Section 12.6(a)(iii) of the Equity Definitions, it will also constitute a Delisting if the Exchange is located in the United States and the Shares are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, the NASDAQ Global Select Market or the NASDAQ Global Market (or their respective successors).

Determining Party:

JPMorgan

Composition of Combined Consideration:

Not Applicable

Additional Disruption Events:

(a) Failure to Deliver:	Applicable
(b) Change in Law:	Applicable, provided that the reference in Section 12.9(a)(ii) of the Equity Definitions to "Shares" will be deleted and replaced by "Hedge Positions (as defined in Section 13.2(b) of the Equity Definitions)".
(c) Insolvency Filing:	Applicable
(d) Loss of Stock Borrow:	Not Applicable
Maximum Stock Loan Rate:	Not Applicable
Hedging Party:	Not Applicable

Determining Party: JPMorgan

3. Calculation Agent:

JPMorgan

4. Right to Elective Termination:

Notwithstanding any other termination provision contained in the Agreement and so long as no Termination Event or Event of Default (as defined in the Agreement) has occurred and is then continuing with respect to either party, a party (the "Terminating Party") may, from time to time, give irrevocable notice to the other party (an "Elective Termination Notice") of an early termination of this Transaction in whole or in part only (an "Elective Termination"). Such Elective Termination Notice (which will be oral telephonic notice, if practicable, and otherwise written notice) must be given by the Terminating Party to the other party no later than 16:00 hours, New York time on any Notice Date (or if given thereafter, any such notice shall be deemed to be given on the next following Scheduled Trading Day which is also a New York Business Day, if any, prior to the final scheduled Valuation Date). The Terminating Party shall state in any such Elective Termination Notice (i) the date on which any such Elective Termination is to be effected (the "Elective Termination Date") which must be a Scheduled Trading Day that will be either the Scheduled Trading Day following the relevant Notice Date (which shall be the case if no Elective Termination Date is explicitly specified), or a day between the such Scheduled Trading Day and (but excluding) the final scheduled Valuation Date; and (ii) whether this Transaction is to be terminated in whole or in part only and, in the case of a partial termination, that portion of the Transaction which is subject to such partial termination, which shall be expressed as a Number of Shares. The Terminating Party will execute and deliver a written confirmation confirming the substance of any telephonic notice within one Scheduled Trading Day of that notice. Failure to provide that written confirmation will not affect the validity of the telephonic notice.

Following the delivery of an Elective Termination Notice, the Valuation Date in relation to the Number of Shares subject to the Elective Termination shall be deemed to be the Elective Termination Date and an amount shall be due and payable by the relevant party on the Elective Termination Payment Date in respect of such Elective Termination, as determined by the Calculation Agent in accordance with the method set out above for the calculation of the Equity Amount, Dividend Amount and Floating Amount and the method set forth below for calculating the Breakage Amount.

If the Number of Shares that is subject to an Elective Termination is not equal to the Number of Shares for the Transaction then in effect, then the Calculation Agent will make such adjustments to the Equity Notional Amount, Number of Shares, and any other variable relevant to the operative, settlement and payment terms of this Transaction as it in good faith determines appropriate to take account of such partial Elective Termination.

FOR PURPOSES HEREOF:

"Notice Date" means, any Scheduled Trading Day which is also a New York Business Day during the period from (and including) the Effective Date to (and excluding) the scheduled Valuation Date.

"Elective Termination Payment Date" means, with respect to an Elective Termination, the third Currency Business day following the Elective Termination Date.

"Breakage Amount" means, if JPMorgan is the Terminating Party, zero; and if the Counterparty is the Terminating Party, the product of and the portion of the number of Shares being terminated in respect of the relevant Elective Termination multiplied by the Final Price in respect of the Elective Termination Date for the relevant Elective Termination multiplied by the Breakage Fee. The "Breakage Fee" shall be 20 basis points if the Elective Termination Date occurs on prior to the date which is six months following the Trade Date; and 0 basis points if the Elective

Termination Date occurs after the date which is six months following the Trade Date. For the avoidance of doubt, in addition to any other amounts payable on the Elective Termination Payment Date, if the Counterparty is the Terminating Party in respect of any Elective Termination, the Counterparty shall pay the Breakage Amount to JPMorgan on the related Elective Termination Payment Date.

5. Collateral:

For purposes of the Collateral Agreement, dated as of March 5, 2010, by and between JPMorgan and the Counterparty, the "Independent Collateral Requirement" for this Transaction shall be 30% of the Equity Notional Amount, provided that JPMorgan may increase such Independent Collateral Requirement at any time and from time-to-time in its sole discretion.

6. Account Details:

Account for payments to JPMorgan:

Pay:	JPMORGAN CHASE BANK NA
AC No:	0195006713
Favour:	JPMORGAN CHASE BANK NA - LONDON
Ref:	CHASJPJTXXX

Account for payments to Counterparty: To be separately advised.

7. Offices:

(A) The Office of JPMorgan for the Transaction is:

JPMorgan Chase Bank, N.A.
125 London Wall
London EC2Y 5AJ
England

(B) The Office of the Counterparty for the Transaction is: Not Applicable. The Counterparty is not a Multibranch Party.

8. Other Provisions:

- (a) Non-Reliance: Applicable
- (b) Time of Dealing: The time of dealing will be confirmed by JPMorgan upon written request
- (c) Agreements and Acknowledgements Regarding Hedging Activities: Applicable
- (d) Additional Acknowledgements: Applicable
- (e) Representations, Warranties and Covenants Regarding the Issuer:

Counterparty represents, warrants and covenants to JPMorgan, which representations and warranties shall be deemed to be repeated at all times during the term of the relevant Transaction that (i) Counterparty is not and has not been an "affiliate" (as such term is defined in Rule 405 and Rule 144 under the Securities Act of 1933, as amended) of the Issuer for at least three months prior to the Trade Date and through the final Valuation Date will not be such an affiliate

of the Issuer; and (ii) Counterparty was not, on the Trade Date and will not be on any date that Counterparty and JPMorgan agree to amend or terminate this Transaction in possession of material non-public information regarding the Issuer. Notwithstanding anything to the contrary in the Agreement, it shall be an Additional Termination Event under the Agreement if Counterparty breaches any of the foregoing representations, warranties or covenants under this "Securities Law Representations, Warranties and Covenants" provision for which Counterparty shall be the sole Affected Party and this Transaction shall be the sole Affected Transaction.

(f) Role of Agent: Each party agrees and acknowledges that (i) J.P. Morgan Securities LLC., and affiliate of JPMorgan ("JPMS") has acted solely as agent and not as principal with respect to this transaction and (ii) JPMS has no obligation or liability, by way of guaranty, endorsement or otherwise, in any manner in respect of this Transaction (including, if applicable, in respect of the settlement thereof). Each party agrees it will look solely to the other party (or any guarantor in respect thereof) for performance of such other party's obligations under this Transaction.

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing this Termsheet and returning it to Paolo Azzola by fax on 212-464-1134.

Very truly yours,

**J.P. Morgan Securities Inc. as agent for
JPMORGAN CHASE BANK, N.A.**

By: _____

Name: _____

Title: _____

Accepted and confirmed as of
the date first above written

FINANCIAL TRUST COMPANY INC.

By:  _____

Name: Jeffrey Epstein

Title: President

2/2/11