

Item 1
Cover Page

**FORM ADV, PART 2A
WRAP FEE PROGRAM BROCHURE**

J.P. MORGAN SECURITIES STRATEGIC INVESTMENT SERVICES PROGRAM

J.P. MORGAN SECURITIES INVESTMENT COUNSELING SERVICE PROGRAM

J.P. MORGAN SECURITIES HORIZON PROGRAM

J.P. MORGAN SECURITIES UNIFIED MANAGED ACCOUNT PROGRAM

J.P. MORGAN CORE ADVISORY PORTFOLIO PROGRAM

J.P. MORGAN SECURITIES LLC
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J.P. Morgan Securities LLC sponsors other wrap fee programs in addition to those discussed in this brochure. You can obtain brochures for the other programs by contacting us at (800) 999-2000.

This wrap fee program brochure provides information about the qualifications and business practices of J.P. Morgan Securities LLC. If you have any questions about the contents of this brochure, please contact us at (800) 999-2000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about J.P. Morgan Securities LLC also is available on the SEC’s website at www.adviserinfo.sec.gov. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

The advisory services described in this brochure are: not insured by the Federal Deposit Insurance Corporation (“FDIC”); not a deposit or other obligation of, or guaranteed by, JPMorgan Chase Bank, N.A. or any of its affiliates; and subject to investment risks, including possible loss of the principal amount invested.

INVESTMENT AND INSURANCE PRODUCTS ARE:

- NOT FDIC INSURED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY
- NOT A DEPOSIT OR OTHER OBLIGATION OF, OR GUARANTEED BY, JPMORGAN CHASE BANK, N.A. OR ANY OF ITS AFFILIATES
- SUBJECT TO INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED

Item 2

Material Changes

The following is a summary of the changes made to this Wrap Fee Programs brochure (the “Brochure”) since it was last amended on March 26, 2020.

All Programs

- Item 4.ii has been updated to include information relating to cash allocations and the sweep feature.
- Item 6.iv has been updated to include a description of infectious disease risks.

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J.P. Morgan Securities Strategic Investment Services Program (“STRATIS”)

Item 4

Services, Fees and Compensation

J.P. Morgan Securities LLC (“JPMS” or the “Firm”) is a wholly-owned subsidiary of JPMorgan Chase & Co. (“JPMC”), a publicly-held financial services holding company. JPMC and its affiliates (together, “J.P. Morgan”) are engaged in a large number of financial businesses worldwide, including banking, asset management, securities brokerage and investment advisory services. JPMS is registered as a broker-dealer and investment adviser with the U.S. Securities and Exchange Commission (the “SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”). JPMS’ investment advisory services include sponsoring a variety of wrap fee programs and providing certain consulting services to defined contribution plan sponsors. JPMS offers investment advisory services through three separate sales channels: J.P. Morgan Securities, Chase Wealth Management and You Invest. Similar wrap fee programs that offer the same and/or similar investment strategies may be offered in the different sales channels and programs, and at different fee levels. The wrap fee clients pay will vary depending on the investment advisory program selected.

This Brochure provides information about JPMS and the J.P. Morgan Securities Strategic Investment Services Program (“STRATIS” or the “Program”) that is offered by J.P. Morgan Securities, a brand name for a wealth management business of JPMS. Information about other wrap fee programs sponsored by JPMS are contained in separate Brochures, which can be obtained upon request from your J.P. Morgan Securities financial advisor (each, a “Financial Advisor”), or at the SEC’s website at www.adviserinfo.sec.gov.

Investing in securities involves risk of loss that clients should be prepared to bear. The investment performance and success of any particular investment cannot be predicted or guaranteed, and the value of a client’s investments will fluctuate due to market conditions and other factors. Investments are subject to various risks including, but not limited to, market, liquidity, currency, economic and political risks, and will not necessarily be profitable. Past performance of investments is not indicative of future performance.

i. Services

Through the Program, J.P. Morgan Securities provides certain investment advisory services to clients and offers clients the discretionary investment management services and investment strategies (each, a “Strategy”) of a select group of affiliated and unaffiliated third-party Portfolio Managers (each, a “Portfolio Manager” and collectively, “Portfolio Managers”). Pursuant to an investment advisory agreement between the client and JPMS (the “Client Agreement”), clients pay an asset-based wrap fee that covers JPMS’s investment advisory services, the Portfolio Managers’ services, and execution of transactions and custody through JPMS and its affiliates. Portfolio Managers and Strategies reviewed and approved by J.P. Morgan are available through STRATIS, and it or one or more third parties engaged by it (which may be affiliates of JPMS) reviews the Portfolio Managers and Strategies on a periodic basis. Accordingly, from time to time JPMS may add or remove specific Portfolio Managers and/or Strategies to or from STRATIS, as further discussed below.

Based on the investment objective(s) and risk tolerance that the clients provide to JPMS, clients consult with one or more J.P. Morgan Securities Financial Advisors to determine how to invest through STRATIS (the “STRATIS Assets”) and for assistance in selecting from the Portfolio Manager(s) and Strategy, or Strategies, from among those available through STRATIS.

Although JPMS will assist clients in identifying suitable Portfolio Managers and Strategies in which to invest, clients are responsible for selecting the Portfolio Managers and Strategy for their accounts. JPMS will notify each Portfolio Manager of a client’s selection of the Portfolio Manager and the applicable Strategy. JPMS will also provide each Portfolio Manager with information about the client and the account, as provided by the client during the account opening process. After receiving such information, the Portfolio Manager may in its sole discretion accept or reject the account. If a Portfolio Manager accepts an account, the Portfolio Manager will manage it on a discretionary basis. JPMS may in its sole discretion refuse to allow a client to utilize a particular Portfolio Manager or Strategy through STRATIS.

In the event a Strategy is removed from the Program, JPMS will provide written notice to clients in which it may designate another Strategy in the Program as the default replacement Strategy for the STRATIS Assets invested in the removed Strategy. If JPMS designates such a default replacement Strategy, each affected client will be notified in writing that, unless the client affirmatively selects, in writing, a replacement Strategy in the Program by the date specified by JPMS, the client’s assets in the removed Strategy will automatically be reinvested into the designated default replacement Strategy, without further notice to or consent of the client. In designating a default replacement Strategy (if any), JPMS will consider the appropriateness of the Strategies available in STRATIS as suitable replacements for the removed Strategy. The sale of the client’s assets in the removed Strategy may have tax consequences for the client.

If a client requests tax harvesting, JPMS or the Portfolio Manager may sell certain investments at a gain or loss to offset the client's tax liability. If utilizing tax harvesting, the client's account holdings can differ from those accounts that do not utilize such election, and therefore performance will likely differ. JPMS or the Portfolio Manager may reject a client's request for tax harvesting in whole or in part, at its discretion.

Each client is responsible for monitoring the client's STRATIS account(s). The actual allocation of the STRATIS Assets may change over time due to fluctuations in the market value of the STRATIS Assets and/or additions to or withdrawals by the client. In addition, clients are responsible for determining whether a change in the client's circumstances may warrant a change to their selected Portfolio Manager and/or Strategy.

Unless JPMS specifically agrees otherwise, clients are also responsible for monitoring a Portfolio Manager's adherence to or consistency with any investment restrictions or guidelines that have been submitted by the client for the account and accepted by the Portfolio Manager. JPMS has no responsibility for monitoring STRATIS accounts, even if JPMS assisted the client in determining an asset allocation and/or identifying Portfolio Managers and/or Strategies. Unless specifically agreed to by JPMS, JPMS is not obligated to provide ongoing advice with respect to the client's selection of any Portfolio Manager or Strategy. JPMS is not responsible for the management of any STRATIS account, including the consistency of the management of any account with the client's investment objective for the account or any other information provided by the client.

Typically, in the Client Agreement, the client authorizes each selected Portfolio Manager to direct transactions in the client's account(s) to JPMS for execution, subject to each Portfolio Manager's duty under applicable law to seek "best execution" and JPMS's capacity and willingness to execute the transaction. By recommending the Program to clients, therefore, JPMS is also recommending itself as broker-dealer. For more information about the factors that a Portfolio Manager may consider in determining which broker or dealer to execute transactions through, please refer to that Portfolio Manager's Form ADV Part 2A or other applicable disclosure document(s). When JPMS executes transactions for Program clients, the division of JPMS that handles the execution may receive compensation (or compensation credits) from one or more other affiliates or divisions of JPMS, including from J.P. Morgan Securities, through which STRATIS is offered. Program clients are not charged for any such intracompany or inter-affiliate compensation.

JPMS will ordinarily provide clearing, settlement and custodial services with respect to transactions and assets in STRATIS accounts. In certain circumstances and subject to certain requirements, a client may request to use a third-party custodian for the provision of such services.

In general, JPMS also provides clients with periodic performance reviews of their STRATIS accounts, which are included in the Program fee paid by the client. Certain STRATIS accounts may not receive such reviews; in its discretion, JPMS may not provide a client with written performance reviews for an account if, for example, the account's assets are not custodied by JPMS, or JPMS concludes that the nature of the Strategy used or securities held in the account makes valuation, performance measurement or performance benchmarking too difficult, infeasible or insufficiently valid or useful to the client.

ii. Fees and Compensation

a. Wrap Fee

The Program is known as a "wrap fee" investment advisory program because, as noted above and pursuant to the Client Agreement, clients in the Program agree to pay JPMS an asset-based fee (the "Fee") that covers the Portfolio Manager's investment management services and JPMS's advisory, trade execution, clearing, settlement, custody, and, as applicable, performance reporting services. Typically, Program accounts are charged the Fee quarterly, in advance, on the net market value of the assets in the account (including all cash and cash alternatives such as money market mutual funds). The Fee is comprised of separate components: JPMS's component and the component of each Portfolio Manager selected by client. Each component of the Fee must be a flat annual rate expressed as a percentage with no more than two decimal places. The maximum annual rate for JPMS's component of the Fee is 2.00%. The rate used for each component of the Fee each quarter will be approximately one-fourth of the applicable annual rate based on the number of days in the quarter. The amount of the Fee is specified in the Program communications that JPMS sends to clients, which include statements for the account.

The Portfolio Manager component of the Fee varies by Portfolio Manager and type of Strategy and generally ranges from 0.12% to 0.75% annually of the net market value of the accounts managed by a Portfolio Manager (e.g. Portfolio Managers typically charge 0.40% per annum for equity investment strategies and 0.12%-0.35% for fixed income investment strategies), generally as set forth in a fee schedule that is part of an agreement between JPMS and each such Portfolio Manager. The fee schedule also may contain breakpoints at which the

percentage of the value of the managed assets paid to the Portfolio Manager goes down as the total of all client assets the Portfolio Manager manages in STRATIS increases.

The Client Agreement typically provides that (i) a prorated Fee will be charged on total same-day contributions to the account (net of total same-day withdrawals from the account) of \$25,000 or more to cover the period from the date of the net same-day contribution until the end of the quarterly billing period; and (ii) a prorated Fee credit will be made for total same-day withdrawals from the account (net of total same-day contributions to the account) of \$25,000 or more to cover the period from the date of the net same-day withdrawal until the end of the quarterly billing period. Upon termination of the account from the Program, JPMS will refund to the client any prepaid amount of the Fee prorated for the number of days remaining in the billing period.

b. Negotiability of Fee

In its discretion, JPMS may negotiate the amount and calculation of JPMS's component of the Fee based on a number of factors, including the type and size of the account, anticipated level of trading activity, services provided to the account, historical factors, and the scope of the client's relationship with JPMS. In addition, JPMS's negotiation of its component of the Fee is generally subject to certain internal guidelines based on the total value of assets invested, or expected to be invested, by the client across JPMS's various investment advisory programs. With respect to the portion of the Fee paid to the Portfolio Manager(s), on a case-by-case basis, Portfolio Managers may agree to apply a lower fee rate with respect to individual client accounts in the Program, (e.g. if an account has over \$5,000,000 in assets).

c. Portion of Fee Paid to Financial Advisors

JPMS typically pays a portion of the JPMS component of the Fee it receives from each client in the Program to the Financial Advisor(s) for that client. The exact portion of such fees paid by JPMS to Financial Advisors may vary and also may depend on a Financial Advisor's overall annual revenue production, but typically ranges from 40% to 50%.

Because the amount received by a Financial Advisor as a result of a client's participation in STRATIS may be more than the Financial Advisor would receive if the client participated in another J.P. Morgan Securities investment advisory program or paid separately for investment advice, brokerage and other services covered by the Fee, the Financial Advisor may have a financial incentive to recommend STRATIS over other programs or services.

d. Comparative Cost of the Program

Participation in STRATIS may cost the client more or less than purchasing the services provided in STRATIS separately. Many factors bear upon the relative cost of STRATIS to the client, including the cost of the services if provided and charged for separately, the client's Fee in STRATIS, the amount of trading activity in the client's account, and the quality and value of the services provided. The Fee (or component of the Fee) paid by a client may be higher or lower than the fees other clients pay (in STRATIS or other investment advisory programs) and/or the cost of similar services offered through other financial firms.

e. Fees in Addition to the Wrap Fee

The Fee does not cover commissions, commission equivalents (mark-ups/mark-downs), or other charges resulting from transactions not effected through JPMS or its affiliates ("trading away"). Portfolio Managers have the authority to effect transactions through brokers or dealers other than JPMS and its affiliates when a Portfolio Manager determines, in its sole discretion, that such other broker or dealer may provide better execution than would be the case if JPMS (or its affiliates) executed the transaction. In general, Portfolio Managers whose Strategies consist primarily of fixed income or debt securities, among others, are more likely to place purchase and sale orders for such securities with broker-dealers other than JPMS and its affiliates for execution. With respect to such trades, the client will incur a commission, commission equivalent (mark-up/mark-down), or other charge by the other broker-dealer that is not covered by the Fee. When Portfolio Managers place orders with broker-dealers other than JPMS (or its affiliates), the trade confirmation issued by JPMS with the details of the trade will typically show a price for the traded security that is inclusive (i.e., net) of the commission, commission equivalent (mark-up/mark-down), or other charge paid by the client to the other broker-dealer, rather than separately broken out. However, if a Portfolio Manager has provided JPMS with the appropriate information, the amount of any such additional costs may be broken out and shown separately from the price of the traded security on the trade confirmations that JPMS provides. Clients can view more specific information about the "trading away" practices of Portfolio Managers in the applicable investment advisory programs – which can result in additional costs for clients that are not covered by the Fee – at <https://www.jpmorgansecurities.com/pages/am/securities/legal/investment-managers-trading-away-practices>. Portfolio Managers are responsible for obtaining best execution. To learn more about Portfolio Manager trading and execution practices, see each Portfolio Manager's Form ADV Part 2A or other disclosure document(s).

In addition, the Fee does not cover mark-ups, mark-downs and dealer spreads charged by dealers unaffiliated with JPMS when JPMS, acting as agent for the client in the Program, effects a transaction with an unaffiliated dealer acting as principal (i.e., for the dealer's own account), typically in connection with certain fixed income and over-the-counter securities that are traded primarily in "dealer" markets. Such mark-ups on securities bought by the client, mark-downs on securities sold by the client and dealer spreads (the difference between the bid price and offer price) are generally incorporated into the net price that the client pays or receives in the transaction.

The Fee does not cover clearing, settlement and custody charges that may be charged by custodians other than JPMS. The Fee also does not cover certain costs or charges that may be imposed by JPMS or third parties, including margin interest, costs associated with exchanging foreign currencies, borrowing fees on short sales, odd-lot differentials, activity assessment fees, transfer taxes, exchange fees, wire transfer fees, postage fees, auction fees, foreign clearing, settlement and custodial fees, and other fees or taxes required by law. The Fee does not cover dealer spreads that JPMS, its affiliates or other broker-dealers may receive when acting as principal in certain transactions.

Portfolio Managers may invest the STRATIS Assets in mutual funds (including money market funds), closed-end funds, exchange-traded funds ("ETFs") and/or other pooled investment vehicles that have various internal fees and expenses, which are paid by the funds but ultimately are borne by clients as fund shareholders; such fees and expenses are in addition, and generally will not be deducted from, the Fee. Assets of Program clients may be invested in a share class of a mutual fund with internal fees and expenses that are higher than one or more other share classes of the fund. JPMS and its affiliates also may receive compensation in addition to the Fee in connection with the operation and/or sale of shares of affiliated or unaffiliated funds to clients in the Program. See "Other Compensation from Affiliated and Unaffiliated Funds" in Item 9.iii for more information. Certain investment companies may not permit shares to be transferred outside of a Program account and in certain circumstances may in their sole discretion redeem fund shares held by clients; the liquidation of these fund shares may have tax consequences to clients. Clients should review the applicable prospectuses for funds in their Program accounts for additional information about such fees and expenses.

Except as otherwise agreed to in writing by JPMS, accounts are charged the Fee with respect to all assets in the account regardless of whether the client has previously paid or incurred commissions, sales charges or "loads," mark-ups, mark-downs, dealer spreads, or other costs, charges, fees or expenses in connection with the client's previous purchase of some or all of the assets in a brokerage account or otherwise outside of the Program.

Portfolio Managers may purchase for certain accounts: (i) American Depository Receipts ("ADRs"); (ii) Global Depository Receipts ("GDRs"); (iii) exchange-traded notes ("ETNs"); and/or (iv) Real Estate Investment Trusts ("REITs"). Clients will bear, in addition to the Fee, a proportionate share of any fees and expenses associated with ADRs, GDRs, ETNs, REITs, and/or other securities with similar characteristics, as applicable. Clients may also bear any fees and expenses associated with converting non-U.S. securities into ADRs or GDRs. When they assist in such conversions, JPMS and its affiliates receive some or all of such fees and expenses borne by the client. For trades in non-U.S. equity securities, the final average price includes a commission to a third-party broker-dealer for execution of the trade, applicable taxes and charges associated with transacting in a non-U.S. security and, if the trade is settled in U.S. Dollars, a service charge for the currency conversion.

f. General Fee and Compensation Issues

In valuing assets in Program accounts, JPMS uses information provided by recognized independent quotation and valuation services or will rely on information it receives from other third parties, if applicable. JPMS believes this information to be reliable but does not verify the accuracy of the information provided by these sources. If any information provided by these sources is unavailable or is believed to be unreliable, JPMS will value assets in a manner JPMS determines in good faith to reflect fair market value. JPMS may use different valuation sources for different purposes. As a result, the determination of asset values may differ for different purposes. For example, the account asset values used in the Fee calculation may not match the asset values listed on the account's custodial statements. Detailed calculations of any account asset values are available upon request.

Because the Fee is typically charged on all assets in the account, in a low interest rate environment, a client may earn less interest on assets held in the account as cash or cash alternatives such as money market funds than the amount of the Fee the client is paying JPMS with respect to such assets, and therefore the client's net yield with respect to such assets may be negative.

JPMS or its affiliates may retain, as compensation for the performance of services, an account's proportionate share of any interest earned on aggregate cash balances held by JPMS or its affiliates with respect to "assets awaiting investment or other processing." This amount, known as "float," is earned by JPMS or its affiliates through investment in a number of short-term investment products and strategies, including without limitation loans to customers and investment securities, with the amount of such earnings retained by JPMS or its affiliates, due to the short-term nature of the investments, being generally at the prevailing Federal Funds interest rate (a publicly available average rate of all Federal Funds transactions entered into by traders in the Federal Funds market on a given date), less FDIC insurance and other associated

costs, if any. “Assets awaiting investment or other processing” for these purposes includes, to the extent applicable, new deposits to the account, including interest and dividends, as well as any uninvested assets held in the account caused by an instruction to purchase and sell securities. JPMS or its affiliates will generally earn float until such time as such funds may be automatically swept into a “sweep” vehicle or otherwise reinvested. “Assets awaiting investment or other processing” may also arise when JPMS facilitates a distribution from the account. Thus, pursuant to standard processes for check disbursement, cash is generally debited from the account on the date on the face of the check (also called the payable date). Such cash is deposited in a non-interest bearing omnibus deposit account held by JPMS or its affiliates, where it remains until the earlier of the date the check is presented for payment or the date payment on the check is stopped at Client’s instruction (in which case the underlying funds are returned to the account). JPMS or its affiliates derive earnings (float) from their use of funds that may be held in this manner, as described above.

Interest rates (such as LIBOR or EURIBOR) and a wide range of other index levels, rates and values are treated as “benchmarks” and are the subject of recent regulatory reform which can have an impact on your account. For example, Clients in the Program can invest in Strategies that are managed to, or in fixed income or other securities that utilize, certain interest rate benchmarks. There are certain risks associated with loans, derivatives, fixed income, floating rate securities and other instruments or investments that rely on a benchmark which changes or is affected by benchmark reforms. While benchmark reforms are intended to make benchmarks more robust, the reforms may cause benchmarks to perform differently than in the past, to disappear entirely or have other consequences which cannot be predicted. This could have a material impact on any investments linked to or referencing such a benchmark. Such impact may include (i) reducing or increasing the volatility of the published rate or level of the benchmark, (ii) early redemption or termination of the investment, or (iii) adjustments to the terms of the investment. Any of these impacts may be disadvantageous to investors. In particular, such reforms may increase costs and risks associated with investments that use an affected benchmark. The regulatory authority that oversees financial services firms and financial markets in the U.K. has announced that, from the end of 2021, it will no longer persuade or compel contributing financial institutions to make submissions for purposes of determining the LIBOR rate. The LIBOR rate is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. As a result, it is possible that commencing in 2022, LIBOR may no longer be available or no longer deemed an appropriate reference rate upon which to determine the interest rate on or impacting certain loans, derivatives and other instruments or investments comprising some or all of an account’s portfolio. In light of this eventuality, public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of LIBOR. There is no assurance that the composition or characteristics of any such alternative reference rate will be similar to or produce the same value or economic equivalence as LIBOR or that it will have the same volume or liquidity as did LIBOR prior to its discontinuance or unavailability, which may affect the value or liquidity or return on certain investments in an account and result in costs incurred in connection with closing out positions and entering into new trades.

JPMS may effect trades on behalf of Program accounts through exchanges, electronic communications networks, alternative trading systems and similar execution systems and trading venues (collectively, “Trading Systems”), including Trading Systems in which JPMS or its affiliates may have a direct or indirect ownership interest. JPMS or its affiliates may receive indirect proportionate compensation based upon its ownership percentage in relation to the transaction fees charged by such Trading Systems in which it has an ownership interest. Currently, JPMS and/or its affiliates have an ownership interest in certain Trading Systems, including: (i) BATS Global Markets; (ii) BIDS Trading; (iii) Chicago Stock Exchange; (iv) Boston Options Exchange; and (v) Luminex Trading & Analytics LLC. Clients authorize JPMS to effect trades on behalf of Program accounts through all such Trading Systems, affiliated and unaffiliated, and all such other Trading Systems in which JPMS or its affiliates have a direct or indirect ownership interest and through which JPMS may determine to trade in the future. An up-to-date list of all Trading Systems in which JPMS or its affiliates have a direct or indirect ownership interest and through which JPMS might trade can be found at <https://www.jpmorgansecurities.com/pages/am/securities/legal/ecn>. Such Trading Systems (and the extent of JPMS’s or its affiliates’ ownership interest in any Trading System) may change from time to time.

JPMS and its affiliates may pay from time to time for certain order flow in the form of discounts, rebates, reductions of fees or credits. Conversely, as a result of sending orders to certain trading centers, JPMS and its affiliates receive payment for order flow in the form of discounts, rebates reduction of fees or credits. Under some circumstances, the amount of such remuneration may exceed the amount that JPMS and its affiliates are charged by such trading centers. This does not alter JPMS’s policy to route customer orders to the trading center where it believes clients will receive the best execution taking into account, among other factors, price, transaction cost, volatility, market depth, quality of service, speed and efficiency.

JPMS may earn additional compensation through brokerage-related services it provides, such as extending margin loans to clients and holding free-credit balances. Certain Financial Advisors may receive production-based bonuses that take into account these amounts in addition to investment advisory fees (including the Fee paid by clients in the Program) and other revenue generated by the Financial Advisor. These bonuses may create a conflict of interest for those Financial Advisors in that they have a financial incentive to recommend that Program accounts incur additional or higher fees for these services by, for example, incurring additional or larger margin loans. In addition, because the rate of fees charged for these brokerage-related services is negotiable, this compensation may give these Financial Advisors a financial incentive to charge clients higher rates for these services.

In general, any margin debit balances held by the client cannot be held in a Program account. This is significant because, for purposes of the calculation of the Fee, the net market value of the assets on which the Fee is based generally will **not** be reduced by the amount of any margin debit balances held by the client in any account outside of the Program – even if some or all of the proceeds of the loan represented by the margin debit balances are held in the client’s Program account(s) or were used to purchase securities held in the client’s Program account(s) and even if some or all of the assets in the client’s Program account(s) are used to collateralize or secure the loan represented by the margin balances. JPMS and the Financial Advisor have a financial incentive for the client to incur margin debt to buy securities in the client’s Program account(s) because: (1) the client will be required to pay JPMS interest and fees on the debt (a portion of which JPMS may pay to the Financial Advisor); and (2) the net market value of the Program account will be increased by the value of the additional securities purchased with the proceeds of the margin loan (and will not be offset by the amount of the client’s margin debit held in the account outside of the Program), resulting in a higher Fee. In addition, any interest and fees paid by the client in connection with any margin debit balances held by the client in any account outside of the Program will not be taken into account in the calculation of the net equity or performance of the client’s Program account(s), as reflected in account statements, written performance reviews or otherwise.

Cash Allocations and the Sweep Feature. Clients in the Program authorize JPMS, to the extent permitted by applicable law, to invest (i.e., “sweep”) available cash balances in the JPMorgan Chase Deposit Account (the “Deposit Account”) or one or more money market mutual funds that are managed by affiliates of JPMS. The Deposit Account is the default “sweep” option for Program clients who reside in the U.S. and do not select an available “sweep” alternative.

Cash “swept” or allocated to the Deposit Account is remitted for deposit by JPMS, acting as the client’s agent, into a demand deposit account maintained at JPMorgan Chase Bank, N.A. (“JPMCB”). Balances in the Deposit Account are covered by FDIC insurance, subject to applicable limits, terms and conditions, but are not protected by the Securities Investor Protection Corporation. JPMS does not review or monitor FDIC insurance limits for clients. Clients are responsible for monitoring the total amount of deposits that they have with JPMCB to determine the extent of FDIC deposit insurance coverage available to them on their deposits. The JPMorgan Chase Deposit Account Disclosure provides further information about the Deposit Account, including the limits, terms and conditions of FDIC insurance coverage.

The interest rate on the Deposit Account may be higher or lower than yields on other available cash alternatives (e.g., money market mutual funds). From time to time, JPMS or Portfolio Manager (and for purposes of UMA, the Overlay Manager or Joint Discretionary Manager), may deem it in the client’s best interest to maintain a certain percentage of assets in cash or cash alternatives, especially when markets are volatile. However, because the Fee is charged on the value of all assets in the account (including cash and cash alternatives), in a low interest rate environment the net investment return on cash and cash alternatives, including the Deposit Account, will be negative. The current rates and yields for available cash options for Program accounts, including the Deposit Account, can be found online at <https://www.jpmorgan.com/securities/legal/sweepoption>. These rates and yields change regularly, so it is prudent to check this website on at least a quarterly basis.

Although there is no charge to clients with respect to the Deposit Account, JPMCB benefits from the Deposit Account because, through the Deposit Account, JPMCB receives a stable, cost-effective source of funding. JPMCB uses customer deposits in the Deposit Account to fund current and new businesses, including lending activities and investments. The profitability on such lending activities and investments is generally measured by the difference, or “spread,” between the interest rate and other costs associated with the Deposit Account paid by JPMCB, and the interest rate and other income earned by JPMCB on the loans and investments made with the deposits. The income that JPMCB earns through its lending and investing activities is usually significantly greater than the interest earned by clients through the Deposit Account. It is typically also greater than the fee earned by all J.P. Morgan entities from managing and distributing money market mutual funds available to Program clients. Additionally, JPMCB has agreed to pay JPMS a monthly flat fee for each account that uses the Deposit Account; however, JPMS is currently waiving receipt of this fee.

Therefore, JPMS and JPMCB have a conflict of interest in offering or utilizing the Deposit Account (and in making it the default “sweep” option for Program clients residing in the U.S.). JPMS believes that the conflict is addressed through:

- the fact that Financial Advisors do not receive any additional compensation for assets held in the Deposit Account as opposed to another cash alternative;
- online disclosure of the available cash options and yields at <https://www.jpmorgan.com/securities/legal/sweepoption>;
- the client’s ability to affirmatively select another available “sweep” option and to change the “sweep” option selection to an available alternative at any time;
- the JPMorgan Chase Deposit Account Disclosure provided to the client; and
- the client’s ability to obtain the prospectus for each money market mutual fund that is an available alternative to the Deposit Account.

Item 5

Account Requirements and Types of Clients

JPMS requires that all clients who wish to open and maintain an account in the Program enter into the Client Agreement, which sets forth the services that JPMS and the applicable Portfolio Manager(s) will provide to the client, and the terms and conditions that will govern the handling of the client's Program account and the investment advisory relationship between the client on the one hand and JPMS and the applicable Portfolio Manager(s) on the other.

The minimum amount of assets required to open an account in STRATIS is typically \$100,000 for investment strategies in asset classes other than tax-exempt fixed income and high yield fixed income and \$250,000 per account for tax-exempt fixed income and high yield fixed income strategies, although JPMS may, in its discretion, waive or reduce the minimum account opening size for certain clients or accounts. JPMS also may impose a higher minimum account opening size if the client wishes to use a custodian other than JPMS and JPMS, in its discretion, is willing to maintain the account on such a basis. A separate account is required for each Strategy selected by the client, even if they are managed by the same Portfolio Manager. Certain Portfolio Managers may impose minimums that are higher or lower than those specified above.

The Program is not intended for investors who seek to maintain control over trading in their account, who have a short-term investment horizon (or expect ongoing and significant withdrawals), or who expect to maintain consistently high levels of cash or money market funds. The types of clients participating in STRATIS generally include individuals, trusts, retirement plans (including IRAs), estates, corporations and other business entities, foundations and endowments.

The accounts of employee benefit plans (as defined in the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) and retirement plans (as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended), which include IRAs, may be subject to certain JPMS policies, restrictions and other terms and conditions that are different from those applicable to other accounts in the Program. Such policies, restrictions and other terms and conditions may affect, for example, the Portfolio Managers that may be available for selection for the management of such accounts, the securities that may be available for investment in such accounts, the manner in which transactions may be effected in such accounts, the ability of such accounts to trade on margin, and the fees and expenses that may be charged to such accounts. As a result, application of the policies, restrictions and other terms and conditions may result in the performance of employee benefit plan and retirement plan accounts being worse than it would have been absent such policies, restrictions and terms and conditions.

Item 6

Portfolio Manager Selection and Evaluation

i. Selection of Portfolio Managers for STRATIS

JPMS selects Portfolio Managers and specific Strategies used by them for inclusion in STRATIS. Thus, JPMS may select certain Strategies of a Portfolio Manager for inclusion in STRATIS, but may not select other Strategies of the same Portfolio Manager for inclusion. As a general matter, JPMS decides whether to include particular Portfolio Managers and their Strategies in the Program (or whether to remove them from the Program) based on a variety of factors, including client need, how many and which Strategies in the relevant asset class are already available in the Program, client demand for a specific Portfolio Manager, Strategy, type of Strategy, JPMS's ability to reach agreement with the Portfolio Manager on the terms and conditions of its participation in the Program, and the results of certain reviews conducted or arranged by JPMS. These reviews generally include examination of the Portfolio Manager's organization, investment processes, level of service, and performance of its investment Strategies. JPMS may engage one or more third parties (including affiliates of JPMS) to perform initial and periodic reviews of Portfolio Managers (each, a "Review Vendor") and/or perform such periodic reviews itself. A Review Vendor may also make recommendations to JPMS about which Portfolio Managers and/or Strategies to include in STRATIS.

JPMS considers both affiliated and unaffiliated Portfolio Managers for inclusion in STRATIS. JPMS's decision to include a particular Portfolio Manager and Strategy in STRATIS is based upon the totality of the results of the review process and other factors like those referred to above, and does not necessarily reflect a rigid application of any or all of the guidelines described.

JPMS identifies to clients only Portfolio Managers and investment Strategies from those it has made available through STRATIS. JPMS identifies suitable Strategies for a client based on the investment objective(s) and other information the client has provided for the STRATIS Assets. Once a Strategy has been identified, JPMS identifies specific Portfolio Managers for a particular client based on asset size, any investment restrictions and/or guidelines the client may wish to impose, or other factors that may make a particular manager more

desirable to the client. Clients are solely responsible for the selection of Portfolio Managers and Strategies from among those identified by JPMS.

ii. **Review of Portfolio Managers in STRATIS**

JPMS or a Review Vendor reviews Portfolio Managers and their Strategies in STRATIS on a periodic basis. Currently, all Portfolio Managers and Strategies, except J.P. Morgan Private Investments Inc. (“JPMPI”) and its Strategies, are reviewed by the Manager Solutions due diligence group (“Manager Solutions”) in the J.P. Morgan Wealth Management division and comprised of employees of JPMorgan Chase Bank, N.A. and other affiliates. For information on the process applicable to JPMPI and its Strategies in the Program, please refer to Item 6.iii below.

In the STRATIS Program, Manager Solutions provides research on Strategies. Manager Solutions also provides research on mutual funds, money market funds and ETFs (together with the investment strategies, the “Researched Products”). For certain investment advisory programs, Manager Solutions utilizes a qualitative analysis of the Researched Products by reviewing the Portfolio Manager’s organization, investment process, investment philosophy and performance of the Researched Products on an ongoing basis (the “Qualitative Research Process”).

Additionally, Manager Solutions uses an internally developed quantitative screening process to evaluate the Researched Products that do not go through the Qualitative Research Process by reviewing the Portfolio Manager’s organization, investment process, service and performance on an ongoing basis (the “Systematic Research Process”). Researched Products may be removed from an investment advisory program if it is determined that they do not meet the criteria set forth in the Systematic Research Process. However, in the event a Researched Product does not pass the Systematic Research Process, Manager Solutions can review the Researched Product and apply the Qualitative Research Process. The STRATIS Program utilizes the Qualitative Research Process.

Changes in a Portfolio Manager’s organization, investment process, service and performance are monitored by Manager Solutions via periodic meetings with the Portfolio Manager’s staff and written quarterly communication. As a result of Manager Solutions’ reviews and/or other information and events, Portfolio Managers and/or specific investment Strategies may be removed from the Program. In addition, JPMS may remove a particular Portfolio Manager and/or Strategy from the Program at any time for any reason. In either such event, JPMS will notify affected clients of the removal and may designate another Strategy in the Program as the default replacement Strategy for the STRATIS Assets invested in the removed Strategy. (JPMS generally does not recommend the replacement of a particular Portfolio Manager or Strategy for a particular client unless JPMS removes the Portfolio Manager or Strategy from the Program.) If JPMS designates such a default replacement Strategy, each affected client will be notified in writing that, unless the client affirmatively selects, in writing, a replacement Strategy in the Program by the date specified by JPMS, the client’s assets in the removed Strategy will automatically be reinvested into the designated replacement Strategy, without further notice to or consent of the client. In designating a default replacement Strategy (if any), JPMS will consider the appropriateness of the Strategies available in the Program as suitable replacements for the removed Strategy. JPMS also may assist the client in identifying a suitable replacement Portfolio Manager and/or Strategy in cases where JPMS does not designate a default replacement, or where the client wishes to consider alternatives to the default replacement Strategy designated by JPMS; such assistance is typically based on the same types of factors used by JPMS to identify Portfolio Managers and Strategies for STRATIS clients in the first instance.

Financial Advisors who learn of JPMS’s decision to remove a Portfolio Manager from the Program may take or recommend action on the basis of such knowledge (i) with respect to certain clients and accounts (inside or outside of the Program) before others or (ii) before JPMS’s written notice of the removal decision has been sent to all affected Program clients.

Manager Solutions’ review of a Portfolio Manager and its Strategies and/or other information and events also may result in a Portfolio Manager and/or one or more of its Strategies in the Program being closed to new investors pending further review. Generally, during this time, only those clients already invested in a Strategy when it was closed to new investors are permitted to contribute additional assets to their account(s) invested in that Strategy, but such clients will generally be notified in writing that the Strategy has been closed to new investors. Further review of an affected Portfolio Manager and/or Strategies by Manager Solutions may result in a re-opening to new investors.

JPMS may provide clients with important information about Portfolio Managers. The information is typically prepared by JPMS (or a third party) and is based on and/or incorporates information provided by Portfolio Managers and other third-party sources. JPMS believes that this information is accurate; however, JPMS does not independently verify or guarantee the accuracy or completeness of the information. JPMS shall have no liability with respect to information provided by Portfolio Managers. Performance information included in the information provided by JPMS is typically provided by Portfolio Managers. ***This performance is calculated by the Portfolio Managers themselves or by third parties and neither JPMS nor a third party engaged by it reviews such performance information to determine or***

verify its accuracy or its compliance with presentation standards. The Portfolio Manager performance information may not be calculated on a uniform and consistent basis.

In addition to Portfolio Manager performance information clients may receive, each Program client typically receives a periodic performance review prepared by JPMS summarizing the investment performance of the client's STRATIS account(s). (As explained in Item 4 above, certain clients may not receive such a performance review.) In preparing such reviews for Program clients, JPMS uses various industry and non-industry standards to measure account performance. *Neither JPMS nor any third party reviews the performance information to determine or verify its accuracy or compliance with presentation standards, and the information may not be calculated on a uniform and consistent basis. Clients receiving periodic performance reviews from JPMS should review carefully the disclosures, definitions and other information contained in the reviews.*

Performance reviews are not a substitute for regular monthly or quarterly account statements or Form 1099, and should not be used to calculate the Fee or to complete income tax returns. JPMS and its affiliates are entitled to rely on the financial and other information that clients or any third party provides to JPMS. Each client is solely responsible for any information that the client provides to JPMS, and JPMS shall not be liable in connection with its use of any information provided by the client or a third party in the periodic review. JPMS does not provide tax advice, and nothing in the performance review should be construed as advice concerning any tax matter.

Subject to JPMS' policies and procedures and applicable law, the periodic performance review typically provided to Program clients may include information about assets in other accounts maintained by the client with J.P. Morgan Securities (including other investment advisory accounts and brokerage accounts) as well as other assets identified to J.P. Morgan Securities by the client. By including such assets in the written performance review, JPMS is not undertaking to provide or be responsible for providing any services with respect to those assets.

In preparing account statements and performance reviews, JPMS may use multiple valuation sources that provide different values for a single asset. As a result, the determination of an account's asset values may differ for different purposes and different statements, reviews and reports. Detailed calculations of a client's account asset values are available from JPMS upon request.

Clients will receive each Portfolio Manager's Form ADV Part 2A and/or other applicable disclosure document(s). Clients should review such disclosure document(s) carefully for important information about the Portfolio Manager, including risks associated with the selected Strategy (if applicable). Each Portfolio Manager is solely responsible for the truthfulness, completeness, and accuracy of its own disclosure document(s).

JPMS is not responsible for the performance of any Portfolio Manager or any Portfolio Manager's compliance with applicable laws and regulations or other matters within the Portfolio Manager's control. Each Portfolio Manager is solely responsible for the management of that Portfolio Manager's designated account(s). If a client selects more than one Portfolio Manager, the Portfolio Managers may engage in contrary transactions with respect to the same security. JPMS will effect transactions for a Program account only if and to the extent instructed by a Portfolio Manager. Without limiting the generality of the foregoing, JPMS shall not be responsible for any act or omission of any Portfolio Manager or any misstatement or omission contained in any document prepared by or with the approval of any Portfolio Manager or any loss, liability, claim, damage, or expense whatsoever, as incurred, arising out of or attributable to such misstatement or omission.

iii. Related Person Portfolio Managers

J.P. Morgan Investment Management Inc. (a/k/a J.P. Morgan Asset Management) ("JPMIM") and JPMPI are affiliates of JPMS that act as Portfolio Managers in STRATIS.

JPMS has a conflict of interest in including JPMIM and JPMPI in STRATIS, in conducting (or having an affiliated Review Vendor conduct) periodic reviews of them and their Strategies in STRATIS, in identifying them and their Strategies in STRATIS to specific clients, and in designating their Strategies as default replacement Strategies for STRATIS Assets invested in Strategies that are removed from the Program because if a client selects (or is automatically re-invested into) one of their Strategies, JPMS and its affiliates will receive greater aggregate compensation than if the client selected (or was automatically re-invested into) the Strategy of an unaffiliated Portfolio Manager. JPMS believes that this conflict is addressed by the fact that neither the persons responsible for the initial and periodic review of Portfolio Managers (including JPMIM and JPMPI) and their Strategies for inclusion in STRATIS and for possible designation as default replacement Strategies for Strategies removed from the Program, nor the Financial Advisors who identify specific Portfolio Managers and Strategies to clients, receive any direct financial benefit (such as additional compensation) from the investment of STRATIS Assets with JPMIM and JPMPI instead of other STRATIS Portfolio Managers. Moreover, because Financial Advisors are typically compensated in the Program through the receipt of a portion of JPMS's component of the Fee, which is typically tied to the value of Program accounts, Financial Advisors are to that extent incentivized to identify Portfolio Managers and Strategies they believe will increase the value of an account, regardless of

whether or not the Portfolio Manager is affiliated with JPMS. In addition, as a matter of policy, JPMS will not designate an affiliated Portfolio Manager's Strategy as the default replacement Strategy for retirement plan accounts (including IRAs and accounts subject to ERISA) invested in a Strategy that has been removed from the Program; if such a Strategy has been designated as the default replacement for non-retirement plan accounts, JPMS will either designate a different Strategy of an unaffiliated Portfolio Manager, or will not designate any default replacement Strategy, for retirement plan accounts.

JPMIM and its Strategies are subject to the same selection and review processes, conducted by Manager Solutions, as the unaffiliated Portfolio Managers and Strategies in the Program. However, JPMPI's Strategies are not subject to the same review process as other Portfolio Managers and Strategies. The review process for JPMPI's Strategies does not involve the same personnel and does not follow the same governance procedure for concluding that a Strategy should be closed to new investors pending further review or removed from the Program, although J.P. Morgan does have a process for taking action on JPMPI's Strategies in STRATIS if warranted as a result of its ongoing internal review process. In addition, the internal review process that J.P. Morgan follows in reviewing JPMPI's Strategies in STRATIS does not include a process to identify an applicable universe of managed Strategies. As a result, there may be one or more Strategies managed by affiliates of JPMS or third parties that may outperform the JPMPI Strategies made available in the Program.

Neither JPMS nor any of its supervised persons acts as a Portfolio Manager in STRATIS.

iv. **Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear. The investment performance and success of any particular investment cannot be predicted or guaranteed, and the value of a client's investments will fluctuate due to market conditions and other factors. Investments are subject to various risks, including, but not limited to, market, liquidity, currency, economic and political risks, and will not necessarily be profitable. Past performance of investments is not indicative of future performance.

Set forth below are certain material risk factors that are associated with the Program. There are certain other risk factors described elsewhere in this Brochure. For a more complete summary of material risk factors and conflicts of interest associated with the Program, please see the applicable Portfolio Manager's Form ADV Part 2A and/or any applicable prospectuses or other relevant disclosure documents.

General Market Risk. Economies and financial markets throughout the world are becoming increasingly interconnected, which increases the likelihood that events or conditions in one country or region will adversely impact markets or issuers in other countries or regions. Securities in any one strategy may underperform in comparison to general financial markets, a particular financial market or other asset classes, due to a number of factors, including inflation (or expectations for inflation), deflation (or expectations for deflation), interest rates, global demand for particular products or resources, market instability, debt crises and downgrades, embargoes, tariffs, sanctions and other trade barriers, regulatory events, other governmental trade or market control programs and related geopolitical events. In addition, the value of a strategy's investments may be negatively affected by the occurrence of global events such as war, terrorism, environmental disasters, natural disasters or events, country instability, and infectious disease epidemics or pandemics.

Infectious Disease Risk. A worldwide outbreak of COVID-19, a novel coronavirus disease, has negatively affected economies, markets and individual companies throughout the world. The effects of this COVID-19 pandemic to public health, and business and market conditions, including exchange trading suspensions and closures may continue to have a significant negative impact on the performance of a portfolio's investments, increase volatility, and exacerbate other pre-existing political, social and economic risks. The risk of further spreading of COVID-19 has led to significant uncertainty and volatility in the financial markets. The impacts of COVID-19, and other epidemics and pandemics that may arise in the future, could adversely affect the economies of many nations, particular regions, or the entire global economy, individual companies and investment products, and the market in general. The full extent of such impacts cannot necessarily be foreseen. The impacts may be short term or may last for an extended period of time, and may exacerbate other pre-existing political, social and economic risks. The value of a portfolio and the securities in which a portfolio invests may be adversely affected by impacts caused by COVID-19 and other epidemics and pandemics that may arise in the future. The impact of a pandemic may also negatively affect the liquidity of certain of a portfolio's holdings and may make it more difficult to value such holdings. Governments, their regulatory agencies, or self-regulatory organizations may take actions that affect the instruments in which a portfolio invests, or the issuers of such instruments, in ways that could also have a significant negative impact on a portfolio's performance.

Data and Information Risk. Although J.P. Morgan obtains data and information from third party sources that it considers to be reliable, J.P. Morgan does not warrant or guarantee the accuracy and/or completeness of any data or information provided by these sources. J.P. Morgan does not make any express or implied warranties of any kind with respect to such data. J.P. Morgan shall not have any liability for any errors or omissions in connection with any data provided by third party sources.

Intellectual Property and Technology Risks Involved in International Operations. There can be risks to technology and intellectual property that can result from conducting business outside the United States. This is particularly true in jurisdictions that do not have comparable levels of protection of corporate proprietary information and assets such as intellectual property, trademarks, trade secrets, know-how and customer information and records. As a result, JPMS and its funds can be more susceptible to potential theft or compromise of data, technology and intellectual property from a myriad of sources, including direct cyber intrusions or more indirect routes such as companies being required to compromise protections or yield rights to technology, data or intellectual property in order to conduct business in a foreign jurisdiction.

Cyber Security Risk. As the use of technology has become more prevalent in the course of business, J.P. Morgan has become more susceptible to operational and financial risks associated with cyber security, including: theft, loss, misuse, improper release, corruption and destruction of, or unauthorized access to, confidential or highly restricted data relating to J.P. Morgan and its clients, and compromises or failures to systems, networks, devices and applications relating to the operations of J.P. Morgan and its service providers. Cyber security risks may result in financial losses to J.P. Morgan and its clients; the inability of J.P. Morgan to transact business with its clients; delays or mistakes in materials provided to clients; the inability to process transactions with clients or other parties; violations of privacy and other laws; regulatory fines, penalties and reputational damage; and compliance and remediation costs, legal fees and other expenses. J.P. Morgan's service providers (including any sub-advisers, administrator, transfer agent, and custodian or their agents), financial intermediaries, companies in which client accounts and funds invest and parties with which J.P. Morgan engages in portfolio or other transactions also may be adversely impacted by cyber security risks in their own businesses, which could result in losses to J.P. Morgan or its clients. While measures have been developed which are designed to reduce the risks associated with cyber security, there is no guarantee that those measures will be effective, particularly since J.P. Morgan does not directly control the cyber security defenses or plans of its service providers, financial intermediaries and companies in which they invest or with which they do business.

Item 7

Client Information Provided to Portfolio Managers

Financial Advisors will collect information about the client's investment time horizon, financial circumstances, investment objective and risk tolerance for each account in the Program, and any reasonable investment restrictions the client wishes to impose on the management of the account(s). Certain information about the client may be set forth in a client profile. JPMS will generally provide Portfolio Managers with the information provided by a client (including the client profile, as applicable) and any changes to the information that the client provides. JPMS and Portfolio Managers will rely on the information provided by clients. JPMS will have no liability for a client's failure to provide JPMS with accurate or complete information or to inform JPMS promptly of any change in the information previously provided.

The investment objective identified by the client for an account in the Program will apply to the account as long as the account is in the Program (unless the client subsequently changes the investment objective by promptly notifying client's Financial Advisor(s)), notwithstanding any different investment objective previously identified by the client for the account when it was a brokerage account or an account in one of the other investment advisory programs offered by J.P. Morgan Securities. If the account is terminated and becomes a brokerage account outside the Program, the investment objective previously identified by the client for the account as a brokerage account will again apply to the account.

Clients are responsible for notifying promptly their Financial Advisor(s) of any changes to the information the client previously provided to JPMS (including financial information and the investment objective for each account), and for providing JPMS with additional information as it may request from time to time to assist it in providing services under the Program. At least once annually, JPMS contacts each client in the Program to determine whether there have been any changes in the client's financial situation, investment objectives or investment restrictions that would require changes to the client's Program account(s).

Clients may seek to impose restrictions on the investments in their accounts, including designating particular securities or types of securities that should not be purchased for an account. JPMS will communicate any requested investment restrictions to the Portfolio Manager who may reject any investment restriction if the Portfolio Manager deems the restriction to be unreasonable.

Clients should be aware that any client-imposed investment restrictions may cause the Portfolio Manager to deviate from the investment decisions it would otherwise make in managing the account in the Program, and as a result may negatively affect the performance of the account. In the absence of client-specified investment restrictions that have been accepted by the Portfolio Manager, it is likely that the Portfolio Manager will manage the account in a manner very similar to that of other clients with similar investment objectives and risk tolerances.

Item 8
Client Contact with Portfolio Managers

JPMS places no restrictions on clients contacting or consulting directly with their Portfolio Managers in STRATIS. Clients should review each Portfolio Manager's Form ADV Part 2A or other applicable disclosure document for any restrictions placed by that Portfolio Manager.

Item 9
Additional Information

i. Disciplinary Information

JPMS has been involved in the following material legal or disciplinary events during the last ten years. With respect to the periods before the merger of J.P. Morgan Securities Inc. into Bear, Stearns & Co. Inc. (and the naming of the surviving entity as J.P. Morgan Securities Inc., now J.P. Morgan Securities LLC) on October 1, 2008, and the merger of Chase Investment Services Corp. ("CISC") into J.P. Morgan Securities LLC on October 1, 2012, the events include those involving any of the three entities.

1) Between June 2009 and October 2011, JPMC, on behalf of itself and its subsidiaries (including JPMS and CISC), entered into substantially similar settlements with the securities regulators of 47 states in connection with investigations concerning alleged misrepresentations and omissions in connection with the marketing, sales and distribution of auction rate securities ("ARS"). The principal allegations were that the relevant JPMorgan entities misrepresented to customers that ARS were safe, highly liquid investments comparable to money market instruments, and when the auctions that provided liquidity for ARS failed in February 2008, customers held illiquid ARS instead of the liquid, short-term investments the JPMorgan entities had represented them to be and were unable to sell the ARS. Without admitting or denying the allegations, JPMC entered into consent decrees pursuant to which the relevant JPMorgan entities repurchased ARS from certain customers and paid fines, penalties, disgorgement and restitution in amounts that varied from state to state.

2) In November 2009, J.P. Morgan Securities Inc. submitted, and the SEC accepted, an Offer of Settlement in connection with allegations by the SEC that in 2002 and 2003 JPMS had made certain payments to firms whose principals or employees were friends of Jefferson County, Alabama public officials in connection with \$5 billion in County bond underwriting and interest rate swap agreement business awarded to JPMS, without disclosing the payments or conflicts of interest in the swap agreement confirmations or bond offering documents. The SEC also alleged that JPMS incorporated certain of the costs of the payments into higher swap interest rates it charged the County, thereby increasing the swap transaction costs to the County and its taxpayers. The SEC found that the alleged conduct violated Sections 17(a)(2) and 17(a)(3) of the Securities Act of 1933, Section 15B(c)(1) of the Securities Exchange Act of 1934, and Municipal Securities Rulemaking Board Rule G-17. Without admitting or denying any of the SEC's substantive findings, JPMS consented to the SEC's entry of an administrative order that included a censure of JPMS, an order to cease and desist from violations of the aforementioned statutes and rules, and an order requiring payment of disgorgement of \$1 and a civil money penalty of \$25 million. In addition, JPMS undertook to make a \$50 million payment to the County and to terminate any obligations of the County to make any payments to JPMS under certain swap agreements.

3) In December 2010, CISC submitted an AWC to FINRA pursuant to which the Firm was censured, fined and required to provide remediation to customers who purchased unit investment trusts ("UITs") and did not receive applicable sales charge discounts. Additionally, CISC's UIT purchase confirmations failed to disclose that a deferred sales charge may be imposed. Without admitting or denying the allegations, CISC consented to the findings and paid a monetary fine of \$100,000.

4) In June 2011, JPMS agreed with the SEC to resolve the SEC's inquiry regarding certain collateralized debt obligations ("CDOs"). Specifically, JPMS agreed to a settlement of allegations that it was negligent in not providing additional disclosure in marketing materials for a CDO called Squared CDO 2007-1, Ltd ("Squared"). The SEC's complaint alleged that JPMS represented in marketing materials that the collateral manager selected the investment portfolio for Squared but failed to disclose that the hedge fund that purchased the subordinated notes (or "equity") issued by Squared, and which also took the short position on roughly half of the portfolio's assets, played a significant role in the selection process. Without admitting or denying the allegations, JPMS consented to the entry of a final judgment against it by the United States District Court for the Southern District of New York. The Final Judgment permanently restrains and enjoins JPMS from violating Sections 17(a)(2) and (3) of the Securities Act of 1933 in the offer or sale of any security or security-based swap agreement, orders JPMS to pay disgorgement of \$18.6 million, together with prejudgment interest thereon in the amount of \$2 million, and a civil penalty in the amount of \$133 million, and orders JPMS to comply with certain undertakings related to the review and approval of offerings of certain mortgage securities.

5) In July 2011, JPMS resolved an SEC investigation regarding conduct alleged to have taken place on the firm's municipal derivatives desk. The SEC alleged that prior to at least 2005, JPMS made misrepresentations and omissions in connection with bidding on certain municipal reinvestment instruments, which the SEC alleged affected the prices of certain reinvestment instruments, deprived certain municipalities of a presumption that the reinvestment instruments were purchased at fair market value, and/or jeopardized the tax-exempt status of certain securities. Without admitting or denying the allegations, JPMS consented to the entry of a final judgment against it by the United States District Court for the District of New Jersey. The Final Judgment permanently enjoins JPMS from violating Section 15(c)(1)(A) of the Securities Exchange Act of 1934 and orders it to pay \$51.2 million to certain municipalities and other tax-exempt issuers.

In coordination with the SEC settlement, JPMC and certain of its affiliates, including JPMS, also entered into settlements with other agencies to resolve concurrent investigations regarding conduct alleged to have taken place on the firm's municipal derivatives desk relating to certain municipal derivative transactions occurring in or prior to 2006. Those settlements are as follows: JPMorgan Chase Bank, N.A. entered into a Formal Agreement and a Consent Order for a Civil Money Penalty with the Office of the Comptroller of the Currency and agreed to pay \$35 million; JPMC, JPMS, and JPMorgan Chase Bank, N.A. entered into a Closing Agreement of Final Determination of Tax Liability and Specific Matters with the Internal Revenue Service and agreed to pay \$50 million; and JPMC entered into written agreements with the Antitrust Division of the U.S. Department of Justice, the Federal Reserve Bank of New York, and 25 State Attorneys General. JPMC agreed to pay \$75 million in connection with its agreement with the State Attorneys General. Of the total funds to be paid, \$129.7 million will be eligible for distribution to municipalities and other tax-exempt issuers. The Firm also consented to implement various remedial measures, including enhanced compliance policies and procedures.

6) In October 2011, CISC consented to the entry of an order of the Florida Office of Financial Regulation in connection with allegations that the Firm engaged in the investment advisory business within the State of Florida without three (3) individuals being registered as investment advisor representatives in the State of Florida. CISC paid an administrative fine in the amount of \$30,000.

7) In November 2011, CISC submitted an AWC to FINRA pursuant to which the Firm was fined, censured and required to provide remediation to customers who purchased certain unit investment trusts ("UITs") and floating rate funds. FINRA alleged that the Firm failed to establish systems and procedures adequate to supervise the sales of such UITs and floating rate funds. Without admitting or denying the allegations, CISC consented to the entry of FINRA's findings, paid a monetary fine of \$1,700,000 and agreed to compensate customers that suffered losses as a result of the alleged supervisory failures.

8) In November 2012, the SEC filed a complaint against JPMS and several of its affiliates in the District Court for the District of Columbia. The complaint related primarily to Bear Stearns' alleged failure to disclose information regarding settlements entered into by a Bear Stearns affiliate with originators of loans that had been securitized into residential mortgage-backed securities ("RMBS") trusts beginning in or about 2005. The complaint also alleged that JPMS, in connection with an RMBS offering by a J.P. Morgan affiliate in 2006, failed to include in the RMBS prospectus supplement's delinquency disclosures approximately 620 loans that the SEC asserted were more than 30 days delinquent at the cut-off date for the offering. Based on the alleged misconduct described above, the complaint alleged that the defendants violated Sections 17(a)(2) and (3) of the Securities Act of 1933. In settlement of the action, the defendants submitted an executed Consent agreeing to the entry of judgment, without admitting or denying allegations made in the proceeding (other than those relating to the jurisdiction of the District Court over it and the subject matter). In January 2013, the District Court entered a judgment against the defendants that enjoined them from violating, directly or indirectly, Sections 17(a)(2) and (3) of the Securities Act. Additionally, the judgment required the defendants to pay disgorgement in the amount of \$177,700,000, prejudgment interest in the amount of \$38,865,536, and a civil monetary penalty of \$84,350,000.

9) On December 18, 2015, JPMS and JPMCB (together, "Respondents") entered into a settlement with the SEC resulting in the SEC issuing an order (the "December 2015 Order"). The Respondents consented to the entry of the December 2015 Order that finds that JPMS violated Sections 206(2), 206(4), and 207 of the Investment Advisers Act of 1940 and Rule 206(4)-7 and JPMCB violated Sections 17(a)(2) and 17(a)(3) of the Securities Act of 1933. The December 2015 Order finds that JPMCB negligently failed to adequately disclose (a) from February 2011 to January 2014, a preference for affiliated mutual funds in certain discretionary investment portfolios (the "Discretionary Portfolios") managed by JPMCB and offered through J.P. Morgan's U.S. Private Bank (the "U.S. Private Bank") and the Chase Private Client lines of business; (b) from 2008 to 2014, a preference for affiliated hedge funds in certain of those portfolios offered through the U.S. Private Bank; and (c) from 2008 to August 2015, a preference for retrocession-paying third-party hedge funds in certain of those portfolios offered through the U.S. Private Bank. With respect to JPMS, the December 2015 Order finds that, from May 2008 to 2013, JPMS negligently failed to adequately disclose, including in documents filed with the SEC, conflicts of interest associated with its use of affiliated mutual funds in the Chase Strategic Portfolio ("CSP") program, specifically, a preference for affiliated mutual funds, the relationship between the discounted pricing of certain services provided by an affiliate and the amount of CSP assets invested in affiliated products, and that certain affiliated mutual funds offered a lower-cost share class than the share class purchased for CSP. In addition, the December 2015 Order finds that JPMS failed to implement written policies and procedures adequate to ensure disclosure of these conflicts of interest. Solely

for the purpose of settling these proceedings, the Respondents consented to the December 2015 Order, admitted to the certain facts set forth in the December 2015 Order and acknowledged that certain conduct set forth in the December 2015 Order violated the federal securities laws. The December 2015 Order censures JPMS and directs the Respondents to cease-and-desist from committing or causing any violations and any future violations of the above-enumerated statutory provisions. Additionally, the December 2015 Order requires the Respondents to pay a total of \$ 266,815,000 in disgorgement, interest and civil penalty.

Concurrently, on December 18, 2015, JPMCB reached a settlement agreement with the Commodity Futures Trading Commission (the “CFTC”) to resolve its investigation of JPMCB’s disclosure of certain conflicts of interest to discretionary account clients of J.P. Morgan Private Bank’s U.S.-based wealth management business. In connection with the settlement, the CFTC issued an order (“CFTC Order”) finding that JPMCB violated Section 4o(1)(B) of the Commodity Exchange Act (“CEA”) and Regulation 4.41(a)(2) by failing to fully disclose to certain clients its preferences for investing certain discretionary portfolio assets in certain commodity pools or exempt pools, namely (a) investment funds operated by JPMorgan Asset Management and (b) third-party managed hedge funds that shared management and/or performance fees with an affiliate of JPMCB. The CFTC Order directs JPMCB to cease-and-desist from violating Section 4o(1)(B) of the CEA and Regulation 4.41(a)(2). Additionally, JPMCB shall pay \$40 million as a civil penalty to the CFTC and disgorgement of \$60 million satisfied by disgorgement to be paid to the SEC by JPMCB and an affiliate in a related and concurrent settlement with the SEC.

10) On July 27, 2016, JPMS and JPMCB (together, “Respondents”) entered into a Consent Agreement (“Agreement”) with the Indiana Securities Division (“ISD”). The Respondents consented to the entry of the Agreement that alleged that certain conduct of the Respondents was outside the standards of honesty and ethics generally accepted in the securities trade and industry, in violation of 710 Ind. Admin. Code § 4-10-1(23) (2016). Specifically, the Agreement alleged that, between 2008 and 2013, JPMS failed to disclose to Indiana investors that certain proprietary mutual funds purchased for CSP clients offered institutional shares that were less expensive than the institutional shares JPMS chose for CSP clients. In addition, the Agreement alleged that, from February 2011 to January 2014, no account opening document or marketing materials disclosed to Indiana investment management account clients or Indiana J.P. Morgan Investment Portfolio clients that JPMCB preferred to invest client assets in proprietary mutual funds, and that between 2008 and January 2014, JPMCB did not disclose its preference for investing certain investment management account assets in certain proprietary hedge funds to Indiana clients. Lastly, the Agreement alleged that JPMCB did not disclose its preference for placement-agent-fee-paying third-party hedge fund managers in certain investment management accounts to Indiana clients until August 2015. Solely for the purpose of settling these proceedings, the Respondents consented to the Agreement, with no admissions as to liability. In the Agreement, the Respondents agreed to pay a total of \$950,000 to resolve the ISD’s investigation, which was paid on August 1, 2016.

11) In October 2018, JPMS submitted an Acceptance, Waiver and Consent to FINRA pursuant to which JPMS was censured and required to certify in writing to FINRA that it had engaged in a risk-based review of Chase Wealth Management (“CWM”) client-facing third-party vendors, that it had corrected any issues detected, and that JPMS had established and implemented systems and policies and procedures (written or otherwise) reasonably designed to achieve compliance with applicable FINRA and NASD rules. JPMS had discovered and self-reported to FINRA that a vendor responsible for the automated realignment of portfolio assets (“rebalancing”) and the calculation of fees was not rebalancing certain accounts due to technology upgrades by the vendor. Similarly, the vendor had converted to a new billing platform that caused billing errors that went undetected. JPMS paid total restitution of \$4,620,140 to impacted customers and provided substantial assistance to FINRA by proactively undertaking an extensive lookback concerning its complex and systemic failures and reporting related findings on an ongoing basis. Without admitting or denying the findings, JPMS consented to the sanctions and to the entry of findings that it failed to establish and maintain a system and procedures reasonably designed to monitor and evaluate the performance of the vendor that handled certain functions on behalf of the Firm.

12) On January 9, 2020, JPMS entered into a settlement with the SEC resulting in the SEC issuing an administrative order (the “January 2020 Order”). JPMS consented to the entry of the January 2020 Order, which found that JPMS violated Section 17(a)(2) and 17(a)(3) of the Securities Act of 1933. The January 2020 Order found that JPMS negligently omitted to state from at least January 2010 through December 2015 that (a) it received greater compensation from eligible customers’ purchases of more expensive mutual fund share classes, resulting in eligible customers not having sufficient information to understand that JPMS had a conflict of interest from sales of the more expensive share classes; and (b) the purchase of the more expensive share classes, when the customers were otherwise eligible for less expensive share classes, would negatively impact the overall return on the eligible customers’ investments, in light of the different fee structures for the different fund share classes. The January 2020 Order also found that JPMS did not have adequate systems and controls in place to determine whether eligible customers were eligible to purchase the less expensive share classes. Solely for the purpose of settling this proceeding, JPMS consented to the January 2020 Order, without admitting or denying the findings set forth in the January 2020 Order. The January 2020 Order censured JPMS and directed JPMS to cease-and-desist from committing or causing any violations and any future violations of Securities Act Sections 17(a)(2) and 17(a)(3). Additionally, the January 2020 Order required JPMS to pay a total of \$1,822,438 in disgorgement, pre-judgment interest, and civil penalty.

13) On March 9, 2020, JPMS entered into an Agreed Order (“March 2020 Order”) with the Kentucky Department of Financial Institutions (“DFI”). JPMS consented to the entry of the March 2020 Order that alleged that JPMS failed to disclose conflicts of interest arising from preferences for J.P. Morgan-managed mutual funds (“Proprietary Mutual Funds”), in violation of KRS 292.320 and 808 KAR 10:450§2(8)(c) and (11)(a). Specifically, the March 2020 Order alleged that, between 2008 and 2013, JPMS failed to disclose to Kentucky investors that (i) CSP was designed and operated with a preference for Proprietary Mutual Funds, (ii) there was an economic incentive to invest CSP assets in Proprietary Mutual Funds as a result of discounted pricing for services provided to JPMS for CSP by a JPMS affiliate, and (iii) until November 2013, JPMS failed to disclose to CSP clients the availability of certain less expensive Proprietary Mutual Fund share classes. Solely for the purpose of settling these proceedings, JPMS consented to the March 2020 Order, with no admissions as to liability. In the Agreement, JPMS agreed to pay a total of \$325,000 to resolve the DFI investigation.

ii. **Other Financial Industry Activities and Affiliations**

a. **Broker-Dealer Registrations**

JPMS is registered with the SEC as a broker-dealer and investment adviser. Some of JPMS’s management personnel and all of the Financial Advisors in the Program and their supervisors are registered with the Financial Industry Regulatory Authority (“FINRA”) as registered representatives of JPMS in its capacity as a broker-dealer.

b. **Futures/Commodities-Related Registrations**

In addition, JPMS is registered with the CFTC as a futures commission merchant and also acts as a commodity pool operator exempt from registration as such with the CFTC. Some of JPMS’s management personnel, and a small number of the Financial Advisors and/or their supervisors, are registered with the CFTC as associated persons of JPMS in its capacity as a futures commission merchant.

c. **Material Relationships with Related Persons**

JPMS has several relationships or arrangements with related persons that are material to its advisory business or to its advisory clients in the Program. Below is a description of such relationships and some of the conflicts of interest that arise from them. JPMS has adopted policies and procedures reasonably designed to appropriately prevent, limit or mitigate conflicts of interest that may arise between JPMS and its affiliates. These policies and procedures include information barriers designed to prevent the flow of information between JPMS and certain other affiliates, as more fully described below.

1. **Affiliated Portfolio Managers**

Please refer to Item 6.iii for a discussion of the conflicts of interest raised by the inclusion of JPMIM and JPMPI as Portfolio Managers in the Program and how that conflict is addressed.

2. **Affiliated Sponsors, Distributors and Advisers of Mutual Funds and Other Pooled Investment Vehicles**

Program account assets may be invested in open-end mutual funds (including money market funds), closed-end funds, ETFs and other pooled investment vehicles that have various internal fees and expenses, which are paid by the funds but which are ultimately borne by the Program client as investor. The sponsors and/or general partners of certain such funds are affiliated with JPMS (potentially including those in which JPMS or its affiliates have a minority and/or non-controlling interest), and JPMS and its affiliates may provide investment management and other services to, and receive compensation from or in connection with, such funds.

The selection of J.P. Morgan-affiliated funds as the vehicle for the temporary investment (i.e., “sweeping”) of available cash balances benefits those funds and their J.P. Morgan-affiliated sponsors and/or general partners. JPMS and its affiliates (including JP Morgan Distribution Services, Inc.) may receive compensation from such funds in connection with the operation and/or sale of shares of the funds to Program clients. See “Other Compensation from Affiliated and Unaffiliated Funds” in Item 9.iii for more information.

In addition, several affiliates of JPMS manage J.P. Morgan-affiliated funds and generally receive an investment management fee for doing so. Although the management fee is paid by the fund itself, ultimately it is borne by investors in the fund. Therefore, to the extent a J.P. Morgan-affiliated fund is selected as the “sweep” vehicle for the account, the JPMS affiliate receives, and the Program client ultimately bears the cost of, an investment management fee with respect to those assets. The affiliates of JPMS that provide such investment management services to funds in which Program account assets may be invested include:

- JPMIM; and

- JPMPI.

The portion of the investment management fee received by JPMS's affiliate that is borne by each Program client is not covered by, and is in addition to, the Fee paid to JPMS by the client. As a result, because JPMS and its affiliates will in the aggregate receive more compensation when Program assets are invested in J.P. Morgan-affiliated funds instead of in unaffiliated funds, JPMS has a conflict of interest (1) when Portfolio Managers invest Program account assets in J.P. Morgan-affiliated funds rather than unaffiliated funds and (2) in making only (or primarily) J.P. Morgan-affiliated funds available to Program clients for the "sweeping" of available cash balances. JPMS believes that this conflict is addressed in the following ways:

- Except for JPMIM and JPMPI with respect to the Program accounts they manage, neither JPMS nor any of its other affiliates controls or recommends specific securities transactions for Program accounts.
- Because the Portfolio Managers are typically compensated on the basis of the net market value of Program accounts, they are to that extent incentivized to exercise their discretion to select funds they believe will increase the value of the account, regardless of whether the funds are affiliated or unaffiliated with JPMS.
- JPMS policy prohibits the purchasing of J.P. Morgan-affiliated funds for retirement plan accounts in the Program (including IRAs and accounts subject to ERISA). In addition, the only "sweep" vehicle other than the Deposit Account (discussed in Item 4.ii) that is available to retirement plan accounts in the Program is an unaffiliated money market mutual fund from which JPMS and its affiliates receive no additional compensation.

Clients should review the applicable prospectuses for funds in their Program accounts for additional information about the internal fees and expenses.

3. JPMorgan Chase & Co. and Other Affiliated Issuers of Securities

In addition to the mutual funds and other pooled investment vehicles sponsored and managed by affiliates of JPMS, other affiliates of JPMS also may issue securities through public or private distributions. JPMS's ultimate parent company, JPMorgan Chase & Co., is a publicly traded corporation the common stock of which is listed and trades on the NYSE. It is also a bank holding company registered with the Board of Governors of the Federal Reserve System (the "Federal Reserve"), subject to the supervision and regulations of the Federal Reserve, as well as certain restrictions imposed by the Bank Holding Company Act (the "BHCA") and other related regulations.

JPMS and its affiliates and other related persons could have an interest in JPMS's investment advisory clients (including clients in the Program) buying (or not selling) securities that JPMorgan Chase & Co. and other affiliates of JPMS (including entities in which JPMS or its affiliates have a minority and/or non-controlling interest) have issued. For example, JPMS and its affiliates and other related persons (including Financial Advisors who personally own or may own shares of JPMorgan Chase & Co. common stock, through the issuance of shares and/or stock options to them as part of their employment compensation or otherwise) could benefit in certain respects from an increase in the securities' market price resulting from increased demand for the securities. These financial interests conflict with the interest of Program clients in buying and holding securities based solely on the furtherance of the clients' investment objectives in the Program. JPMS addresses this conflict in the following ways:

- Except for JPMIM and JPMPI with respect to the Program accounts they manage, neither JPMS nor any of its other affiliates controls or recommends specific securities transactions for Program accounts.
- Because the Portfolio Managers are typically compensated on the basis of the net market value of Program accounts, they are to that extent incentivized to exercise their discretion to select investments they believe will increase the value of the account, regardless of whether the issuer is affiliated with JPMS.

4. JPMorgan Chase Bank, N.A.

JPMCB is a national banking association affiliated with JPMS and is subject to supervision and regulation by the U.S. Department of Treasury's Office of the Comptroller of the Currency. JPMCB provides investment management, trustee, custody, and other services to institutional and non-institutional clients. See Item 4 for additional conflicts of interest and other information relating to the sweep Deposit Account.

All (or substantially all) Financial Advisors also are employees of JPMCB. In their capacities as employees of JPMCB and outside of the Program, Financial Advisors may market and sell to clients products and services of JPMCB and be compensated in connection with such sales.

5. Revenue Sharing Arrangements with Affiliates

In addition, JPMS is party to certain revenue sharing arrangements pursuant to which it may receive compensation from certain affiliates in connection with referrals or introductions of investors by registered representatives in J.P. Morgan Securities (including Financial Advisors in the Program) to the affiliates for the provision by the affiliates of products and services to the investors. The investors referred to affiliates may be existing investment advisory clients of J.P. Morgan Securities, including clients in the Program. When J.P. Morgan Securities makes such a referral of one of its existing investment advisory clients to an affiliate, the revenue sharing arrangement creates a conflict of interest with the client because:

- JPMS has a financial incentive to make the referral because it will be entitled to compensation from the affiliate if the referred client becomes a client or customer of the affiliate;
- JPMS does not necessarily base such referrals on any review or due diligence of the affiliate or its personnel, products or services;
- JPMS does not necessarily conduct an assessment of the suitability of the affiliate's products or services for referred clients; and
- it may not be in the referred client's best interest to become a client or customer of the affiliate.

JPMS believes that this conflict is addressed in the following ways:

- Typically, the referred client is not charged more for the product or service provided by the affiliate by virtue of the fact that the affiliate will compensate JPMS for the referral.
- Clients referred to affiliates by JPMS have no obligation to become clients or customers of those affiliates, and their declining to do business with the affiliate to which they were referred will not affect their relationship with JPMS.

6. J.P. Morgan Acting in Multiple Capacities

J.P. Morgan is a diversified financial services firm that provides a broad range of services and products to its clients and is a major participant in the global currency, equity, commodity, fixed income and other markets in which client accounts invest or may invest. J.P. Morgan is typically entitled to compensation in connection with these activities and clients will not be entitled to any such compensation. In providing services and products to clients other than JPMS' clients, J.P. Morgan, from time to time, faces conflicts of interest with respect to activities recommended to or performed for JPMS' clients on one hand and for J.P. Morgan's other clients on the other hand. For example, J.P. Morgan has, and continues to seek to develop banking and other financial and advisory relationships with numerous U.S. and non-U.S. persons and governments. J.P. Morgan also advises and represents potential buyers and sellers of businesses worldwide. Client accounts have invested in, or may wish to invest in, such entities represented by J.P. Morgan or with which J.P. Morgan has a banking, advisory or other financial relationship. In providing services to its clients and as a participant in global markets, J.P. Morgan from time to time recommends or engages in activities that compete with or otherwise adversely affect a client account or its investments. It should be recognized that such relationships can preclude clients from engaging in certain transactions and can also restrict investment opportunities that may be available to clients. J.P. Morgan reserves the right to act for these companies that may be otherwise available to clients, and providing such services to clients may enhance J.P. Morgan's relationships with various parties, facilitate additional business development and enable J.P. Morgan to obtain additional business and generate additional revenue.

The following are descriptions of certain additional conflicts of interest and potential conflicts of interest that are associated with the financial or other interests that JPMS and J.P. Morgan have in transactions effected by, with or on behalf of its clients. In addition to the specific mitigants described further below, JPMS has adopted policies and procedures reasonably designed to appropriately prevent, limit or mitigate conflicts of interest. In addition, many of the activities that create these conflicts of interest are limited and/or prohibited by law, unless an exception is available.

J.P. Morgan or JPMS's related persons may provide financial, consulting, investment banking, advisory, brokerage (including prime brokerage) and other services to, and receive customary compensation from, an issuer of equity or debt securities held by client accounts. Any fees or other compensation received by J.P. Morgan in connection with such activities will not be shared with clients or used to offset fees charged to clients. Such compensation could include financial advisory fees, monitoring fees, adviser fees or fees in connection with restructuring or mergers and acquisitions, as well as underwriting or placement fees, financing or commitment fees, trustee fees and brokerage fees.

Additionally, from time to time, directors, officers and employees of JPMC serve on the board of directors or hold another senior position with a corporation, investment fund manager or other institution which may desire to sell an investment to, acquire an investment from or otherwise engage in a transaction with, clients. The presence of such persons in such circumstances may require the relevant person to recuse himself or herself from participating in the transaction or cause JPMS, a corporation, investment fund manager or other institution

to determine that it (or its client) is unable to pursue the transaction because of a potential conflict of interest. In such cases, the investment opportunities available to clients and the ability of such clients to engage in transactions or retain certain investments or assets will be limited.

d. Recommendation or Selection of Other Investment Advisers

Certain Portfolio Managers that JPMS may identify to clients in the Program have business relationships outside of the Program with JPMS and/or its affiliates, including relationships in which JPMS and/or its affiliates provide the Portfolio Manager with trading, lending, prime brokerage and/or custody services for compensation. As a result of these relationships, JPMS has a conflict of interest in including Portfolio Managers and their Strategies in the Program and recommending them to Program clients because JPMS may have a financial incentive to favor those Portfolio Managers with which JPMS and/or its affiliates have other business relationships. JPMS believes that this conflict is addressed by the fact that neither the persons responsible for the initial and periodic reviews of Portfolio Managers (and therefore, for deciding to include them in the Program, initially and on an ongoing basis), nor the Financial Advisors who identify specific Portfolio Managers and Strategies to clients receive any direct financial benefit (such as additional compensation) from the investment of Program assets with certain Portfolio Managers instead of others. Moreover, because Financial Advisors are typically compensated in the Program through the receipt of a portion of JPMS's component of the Fee, which is typically tied to the value of Program accounts, Financial Advisors are to that extent incentivized to identify Portfolio Managers and Strategies they believe will increase the value of the account, regardless of whether or not the managers have other business relationships with JPMS and/or its affiliates.

In addition, outside of and separate from the Program, JPMS acts as a solicitor (sometimes also called a "finder" or "referrer") of prospective clients for certain other investment advisers, which may include one or more advisers acting as Portfolio Managers in the Program. Under its solicitation agreements with those advisers, JPMS is entitled to a specified portion of the advisory fees received by the advisers from the investors that were referred to them by JPMS. The investors referred to other advisers by JPMS may be existing investment advisory clients of JPMS, including clients in the Program. When JPMS makes a referral of one of its existing investment advisory clients to another adviser under a solicitation arrangement, the arrangement creates a material conflict of interest with the client because:

- JPMS has a financial incentive to make the referral because it will be entitled to compensation from the other adviser if the referred client becomes a client of the other adviser;
- JPMS does not base such referrals on any review or due diligence of the other advisers or their personnel or investment strategies;
- JPMS does not conduct an assessment of the suitability of the other advisers' services for referred clients; and
- it may not be in the referred client's best interest to become a client of the other adviser.

JPMS addresses this conflict in the following ways:

- The other advisers' payments of solicitation fees to JPMS are typically subject to certain legal requirements and conditions, including the delivery by JPMS to the referred client, at the time of the referral, of a written document that discloses, among other things, the relationship between JPMS and the other adviser, the fact that JPMS will be compensated for the referral, the terms of the compensation arrangement, and the amount (if any) in addition to the advisory fee that the referred client will be charged by the other adviser for the cost of obtaining the client's business.
- Clients referred to other advisers by JPMS have no obligation to become clients of those advisers, and their declining to do business with the adviser to which they were referred will not affect their relationship with JPMS.

iii. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

a. Code of Ethics

Financial Advisors in the Program are bound by the J.P. Morgan Securities Investment Adviser Code of Ethics, adopted by JPMS in accordance with Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the "Advisers Act").

The Code of Ethics describes the general standards of business conduct applicable to JPMS's investment Financial Advisors, including Financial Advisors in the Program, and the fiduciary obligations owed by JPMS and its Financial Advisors to clients in its investment advisory programs. More specifically, the Code of Ethics addresses the following subjects:

- the maintenance of personal securities accounts by JPMS's Financial Advisors;
- the reporting to JPMS Compliance personnel of certain personal securities holdings and transactions by certain of JPMS's Financial Advisors;

- certain trading restrictions and holding periods applicable to personal securities transactions of certain of JPMS's Financial Advisors;
- trading by Financial Advisors while in possession of material non-public information;
- periodic certification by certain of JPMS's Financial Advisors of their review, understanding and compliance with the Code of Ethics;
- JPMS's administration and enforcement of the Code of Ethics; and
- the keeping of certain records relating to the Code of Ethics and its administration and enforcement by JPMS.

JPMS will provide a copy of the J.P. Morgan Securities Investment Adviser Code of Ethics to any client or prospective client upon request.

b. Securities in Which JPMS or a Related Person Has a Material Financial Interest

In the Program, JPMS does not recommend specific securities or securities transactions to clients; the Portfolio Managers make all investment decisions in their sole discretion. In some cases, however, JPMS or a related person, acting as broker or dealer, may effect transactions for, or engage in transactions with, Program accounts in securities in which JPMS or a related person has a material financial interest. In addition, JPMS's affiliates JPMIM and JPMPI are Portfolio Managers in the Program that make the investment decisions for the Program accounts that have selected one or more of their respective Strategies.

1. Principal and "Agency Cross" Transactions

Certain securities, such as over-the-counter stocks and fixed income securities, are traded primarily in "dealer" markets. In such markets, securities are purchased directly from, or sold directly to, a financial institution acting as a dealer, or "principal." Dealers executing principal trades typically include a "mark-up" (an increase in the price paid to the dealer when the dealer is selling a security), "mark-down" (a decrease in the price paid by the dealer when the dealer is buying a security) and/or "dealer spread" (the difference between the bid price and offer price for a security) in the net price at which the transactions are executed.

When acting as principal in connection with transactions in Program accounts, JPMS and its affiliates may charge the Program client a "dealer spread," which will be incorporated into the net price paid (for purchases) or received (for sales) by the client in the transaction. Dealer spreads paid by the client and received by JPMS and its affiliates are not covered by, and are in addition to, the Fee. Therefore, because by acting in a principal capacity JPMS and its affiliates may earn additional amounts at the expense of the client, JPMS and its affiliates have a financial interest in acting in such capacity in connection with transactions in Program accounts that conflicts with the client's interest in avoiding the payment of dealer spreads. JPMS addresses this conflict in several ways, including:

- As a matter of policy, when practicable and consistent with best execution obligations, JPMS generally prohibits the effecting of transactions for Program clients where JPMS or any of its affiliates will act as principal. In certain circumstances exceptions may be permitted, typically for non-retirement plan accounts only.
- In addition, for JPMS or any of its affiliates knowingly to act as principal in connection with a transaction for a Program account managed by JPMIM or JPMPI, the law generally requires that before the completion of each such transaction JPMS must disclose to the client in writing that it or its affiliate will be acting in a principal capacity and obtain the client's consent to the transaction.
- While JPMS and its affiliates may receive a dealer spread in the net price when acting as principal in connection with a transaction for a client in the Program, they will not receive commissions, "mark-ups" or "mark-downs."

When acting as agent for both the client in the Program and the party on the other side of the transaction (known as an "agency cross transaction"), JPMS and its affiliates may receive compensation from both parties and therefore may have a conflicting division of loyalties and responsibilities. To address this conflict:

- As a matter of policy, when practicable and consistent with best execution obligations, JPMS generally prohibits the effecting of transactions for Program clients where JPMS or its affiliate acts as agent for the other side of the transaction. In certain circumstances exceptions may be permitted, typically for non-retirement plan accounts only.
- For JPMS or any of its affiliates knowingly to effect a transaction for a Program account managed by JPMIM or JPMPI where JPMS or its affiliate acts as agent for the other side of the transaction, the law generally requires that JPMS satisfy certain conditions, including the client's prospective written authorization of such agency cross transactions, the right of the client to revoke such authorization at any time in writing, and the provision of certain written disclosure to the client.

The restrictions on the ability of JPMS and its affiliates to effect principal and agency cross trades for Program accounts mean that JPMS will typically execute transactions in “dealer market” securities solely as agent for the client, with a dealer unaffiliated with JPMS on the other side of the transaction. Clients should understand that the restrictions may result in the accounts being precluded from investing in certain securities or in the accounts paying or receiving a less favorable price for certain securities. Generally, the likelihood that there will be such an effect will depend on the particular security in question and the nature of the market for that security. These restrictions could have a negative effect on the performance of Program accounts.

2. J.P. Morgan-Affiliated Sponsors and Advisers of Mutual Funds and Other Pooled Investment Vehicles

Portfolio Managers may invest Program account assets in open-end mutual funds (including money market funds), closed-end funds, ETFs and other pooled investment vehicles that have various internal fees and expenses, which are paid by the funds but which are ultimately borne by the Program client as investor. The sponsors and/or general partners of certain such funds are affiliated with JPMS, and JPMS and its affiliates may provide investment management and other services to, and receive compensation from or in connection with, such funds.

The selection of J.P. Morgan-affiliated funds as the vehicle for the “sweeping” of available cash balances benefits those funds and their J.P. Morgan-affiliated sponsors and/or general partners. In addition, several affiliates of JPMS (including JPMIM) manage J.P. Morgan-affiliated funds and generally receive an investment management fee for doing so. Although the management fee is paid by the fund itself, ultimately it is borne by investors in the fund. Therefore, to the extent a J.P. Morgan-affiliated fund is selected as the “sweep” vehicle for the account, the JPMS affiliate receives, and the Program client ultimately bears the cost of, an investment management fee with respect to those assets.

The portion of the investment management fee received by JPMS’s affiliate that is borne by each Program client is not covered by, and is in addition to, the Fee paid to JPMS by the client. As a result, because JPMS and its affiliates will in the aggregate receive more compensation when Program assets are invested in affiliated funds than they would receive were the client instead invested in unaffiliated funds, JPMS has a conflict of interest (1) when Portfolio Managers invest Program account assets in J.P. Morgan-affiliated funds rather than unaffiliated funds and (2) in making only (or primarily) J.P. Morgan-affiliated funds available to Program clients for the “sweeping” of available cash balances. JPMS believes that this conflict is addressed in the following ways:

- Except for JPMIM and JPMPI with respect to the Program accounts they manage, neither JPMS nor any of its other affiliates controls or recommends specific securities transactions for Program accounts.
- Because the Portfolio Managers are typically compensated on the basis of the net market value of Program accounts, they are to that extent incentivized to exercise their discretion to select funds they believe will increase the value of the account, regardless of whether the funds are affiliated or unaffiliated with JPMS.
- JPMS policy prohibits the purchasing of J.P. Morgan-affiliated funds for retirement plan accounts in the Program (including IRAs and accounts subject to ERISA). In addition, the only “sweep” vehicle other than the Deposit Account (discussed in Item 4.ii) that is available to retirement plan accounts in the Program is an unaffiliated money market mutual fund from which JPMS and its affiliates receive no additional compensation by virtue of retirement plan clients’ selection of the fund as the “sweep” vehicle for their accounts.

3. Other Compensation from Affiliated and Unaffiliated Funds

Mutual funds typically offer different ways to buy shares with different share classes that may assess different fees and expenses. JPMS strives to make available the most appropriate share class on the platform for each fund, with the goal of generally obtaining the lowest cost share class. However, for certain funds, the share classes with the lowest fee structures are not available in the Program (*e.g.*, (1) the fund family restricts access to these share classes or (2) JPMS does not have an agreement with the fund to distribute the share class in the Program). Clients should be aware that the share class of a fund available through the Program can differ from the share class available to similar accounts managed by or held at JPMS or its affiliates, and that certain lower cost fund share classes can be available outside of the Program. Clients should contact their Financial Advisor(s) for information about any limitations on share classes available through the Program. JPMS through its brokerage accounts have other arrangements with fund companies that are described in the relevant brokerage documents.

JPMS and its affiliates receive fees or other forms of compensation from the funds (including money market funds), or their affiliates. JPMS believes that this conflict is addressed in the following ways:

- **12b-1 Distribution Fees:** JPMS receives fees from certain funds pursuant to Rule 12b-1 under the Investment Company Act of 1940 (“12b-1 Distribution Fees”). Rule 12b-1 allows funds to use fund assets to pay the costs of marketing and distribution of the fund’s shares. If JPMS receives 12b-1 Distribution Fees, it will rebate these fees to the client.
- **Other Fees:** JPMS enters into agreements with the funds, their investment managers, distributors, principal underwriters, shareholder servicing agents and/or other affiliates of the funds (“Service Providers”). The funds or their Service Providers pay J.P. Morgan fees for providing certain administrative services, which include maintaining and updating separate records for each client, preparing and delivering client statements, tax reporting, proxy voting and solicitation, processing purchase and redemption orders, processing dividends, distributing prospectuses and other fund reports, and responding to client inquiries. These fees for these services are typically called “shareholder servicing fees,” when paid for by the fund; however these fees can be referred to as “revenue sharing” when they are paid by the fund Service Provider from its own resources (together referred to as “Servicing Fees”). As of December 31, 2019, the Servicing Fees that JPMS received were up to 25 basis points annually of the fund assets, or a rate of \$8 to \$20 per year per fund position; however, these amounts can change. The receipt by JPMS of these fees creates a conflict of interest in the selection of funds for accounts because the fees are different among funds. Similarly, JPMS has a conflict to recommend mutual funds that pay Servicing Fees instead of ETFs or other securities or products that do not pay any Servicing Fee. The Portfolio Managers who are responsible for managing or recommending investments for Program accounts do not receive any direct financial benefit from the Servicing Fees. To that extent, such Portfolio Managers are incentivized to invest in or recommend securities they believe will increase the value of the account. JPMS does not retain any portion of those fees for retirement advisory accounts. When evaluating the fees for, and cost of, the Program, clients should consider the Servicing Fees that JPMS receives in addition to the investment advisory fees. Clients can also request a fund prospectus for additional information regarding fund fees.

Once a particular share class is made available for a particular fund in the Program, clients can only purchase that share class for such fund. JPMS periodically reviews the share classes offered by funds in the Program, but also relies on the fund families to inform JPMS when and if these share classes will be made available. If JPMS identifies and makes available a class of shares for a fund more appropriate than the class of shares previously made available for the fund, to the extent allowed, JPMS will convert client shares of the fund to that more appropriate share class of the same fund. Operational and other considerations can affect the timing of the conversion of shares, and can cause the timing or implementation of such conversions to differ between clients.

Some of the fund share classes available through the Program are not necessarily available to clients outside of the Program. To the extent an account is terminated, clients may not be eligible to continue to hold or purchase certain share classes offered in the Program outside of the Program, as well as outside the firm.

4. Other Securities Issued by JPMS and Its Affiliates

In addition to the mutual funds and other pooled investment vehicles sponsored and managed by affiliates of JPMS, JPMS’s ultimate parent company, JPMorgan Chase & Co., is a publicly traded corporation the common stock of which is listed and trades on the NYSE. JPMS and its other affiliates also may issue securities through public or private distributions.

JPMS and its affiliates and other related persons could have an interest in Portfolio Managers buying (or not selling) securities in Program accounts that JPMS or its affiliates have issued. For example, JPMS and its affiliates and other related persons (including Financial Advisors who personally own or may own shares of JPMorgan Chase & Co. common stock, through the issuance of shares and/or stock options to them as part of their employment compensation or otherwise) could benefit in certain respects from an increase in the securities’ market price resulting from increased demand for the securities. These financial interests conflict with the interest of Program clients in buying and holding securities based solely on the furtherance of the clients’ investment objectives in the Program. JPMS addresses this conflict in the following ways:

- Except for JPMIM and JPMPI with respect to the Program accounts they manage, neither JPMS nor any of its other affiliates controls or recommends specific securities transactions for Program accounts.
- Because Portfolio Managers are typically compensated on the basis of the net market value of Program accounts, they are to that extent incentivized to exercise their discretion to select investments they believe will increase the value of the account, regardless of whether the issuer is affiliated or unaffiliated with JPMS.

c. When JPMS or a Related Person Invests in the Same Securities That It Recommends to or Buys/Sells for Clients

In the Program, JPMS does not recommend specific securities or securities transactions to clients; the Portfolio Managers make all investment decisions in their sole discretion. In some cases, however, JPMS or a related person, acting as broker or dealer, may effect

transactions for Program accounts in the same securities that it or a related person invests in. In addition, JPMS's affiliates JPMIM and JPMPI, acting as Portfolio Managers in the Program, may buy or sell securities for Program accounts that JPMS or a related person (including JPMIM and JPMPI) invests in.

In such circumstances, the interests of JPMS and its related persons conflict with those of Program clients in several respects:

- JPMS or a related person may benefit from (1) clients buying securities that JPMS or the related person then sells or (2) clients selling securities that JPMS or the related person then buys, because client purchases may increase the market price of a security JPMS or the related person owns or borrows and then sells, and client sales may reduce the market price of a security JPMS or the related person then buys. For example, a Financial Advisor who holds a security in his personal account may have a financial interest in a Portfolio Manager buying a large quantity of the security for all of the Program accounts it manages, with the hope that the increased demand for the security will drive up its market price, immediately before selling the security from his personal account at the increased price.
- JPMS or a related person may benefit from (1) buying securities that clients will later buy (because the subsequent client purchases may increase the market price of the security JPMS or the related person already bought and owns) or (2) selling securities that clients will later sell (because subsequent client sales may decrease the market price of the security JPMS or the related person already sold). For example, an Financial Advisor may have a financial interest in buying a security for her personal account if she knows that a Portfolio Manager intends to buy a large quantity of the same security for all of the Program accounts it manages, with the hope that the increased demand for the security will drive up its price, immediately before selling the same security from her personal account at the increased price.
- JPMS or a related person may benefit from principal transactions in which it sells a security directly from its own account to a client account or buys a security into its own account directly from a client account. For example, when a Portfolio Manager enters an order to buy a security for Program accounts it manages, JPMS may have a financial incentive to execute the order through a principal (instead of agency) transaction if it owns the security in its own account, the security is thinly traded or illiquid, and JPMS believes it will decline in value or wants to sell it for another reason.

JPMS believes that these conflicts are addressed by the following:

- the fact that, except for JPMIM and JPMPI with respect to the Program accounts they manage, neither JPMS nor any of its affiliates or other related persons (including the Financial Advisors) controls or recommends specific securities transactions for Program accounts.
- the maintenance of policies (including in the Code of Ethics) prohibiting JPMS employees from engaging in conduct intended to manipulate the price of securities and procedures designed to prevent and/or detect such conduct;
- the maintenance of information barrier procedures designed to control the flow of information between JPMS's and its affiliates' proprietary trading operations and other business units, including J.P. Morgan Securities; and
- the restrictions on principal transactions with Program accounts described in Item 9.iii.b above.

d. When JPMS or a Related Person Buys/Sells Securities for Itself at or About the Same Time It Recommends or Buys/Sells the Same Securities to/for Clients

In the Program, JPMS does not recommend specific securities or securities transactions to clients; the Portfolio Managers make all investment decisions in their sole discretion. In some cases, however, JPMS or a related person, acting as broker or dealer, may effect transactions for Program accounts at or about the same time that it or a related person buys or sells the same securities for its (or a related person's) own account. In addition, JPMS's affiliates JPMIM and JPMPI, acting as Portfolio Managers in the Program, may buy or sell securities for Program accounts at or about the same time that JPMS or a related person (including JPMIM and JPMPI) buys or sells the same securities for its (or a related person's) own account.

In such circumstances, the interests of JPMS and its related persons conflict with those of JPMS's Program clients in all of the respects described in the preceding section, each of which typically involves not only trading in the same securities that clients do, but also trading in them at or about the same time that clients do. Please refer to Item 9.iii.c above for a description of those conflicts and how they are addressed.

Portfolio Managers in the Program and JPMS may, but are not required to, aggregate orders for the sale or purchase of a security for the client's account with orders for the same security for other clients, including orders for a Portfolio Manager's or JPMS's or their affiliates' employees and related persons. Aggregated orders will generally be filled at an average price, with a pro rata share of transaction costs (if applicable). In addition, a Portfolio Manager whose Strategy is available to clients in both STRATIS and another investment advisory program sponsored by JPMS – such as the Investment Counseling Service ("ICS") Program or the UMA Program – may not aggregate orders

for the sale or purchase of a security for clients in both programs; therefore, STRATIS clients with assets invested according to such a Strategy may receive execution of the order at a different time and price than JPMS clients invested according to the same Strategy in the other program. A client order that is not aggregated with one or more other client orders may be executed at a less favorable price and incur greater transaction costs than an aggregated order.

JPMS may have a conflict of interest in connection with the aggregation of orders by multiple Program clients for the purchase or sale of the same security. On occasion, an aggregated order will not be fully executed, or “filled.” A partial “fill” of an aggregated order must be allocated among the affected clients’ accounts. When the affected accounts include a proprietary or personal account for a Portfolio Manager in the Program or JPMS or any of their affiliates or other related persons (including Financial Advisors), or an account that JPMS or its affiliates may have some other reason to favor (because it typically pays JPMS more compensation, for example), the Portfolio Manager or JPMS may have an interest in allocating more shares or units from the partial “fill” to such an account, leaving fewer shares or units for the accounts of other affected clients. JPMS addresses this conflict by processes designed to ensure that the allocation of a partially filled order is fair and equitable in accordance with applicable law. Factors that may affect allocations include, for example, available cash in each account, the size of each account and order, client-imposed or other restrictions on investments in each account, and the desirability of avoiding odd lots. Providing a comparatively favorable allocation to a proprietary or personal account of JPMS or its affiliates or other related persons, however, would not constitute a fair and equitable allocation. For more information about a Portfolio Manager’s aggregation and allocation policies, please refer to its Form ADV Part 2A or other applicable disclosure document.

e. Conflicts of Interest related to Ownership Interest in J.P. Morgan Stock

Certain asset management firms (each, an “asset manager”) through their funds and separately managed accounts currently hold a 5% or more ownership interest in J.P. Morgan publicly traded stock. This ownership interest presents a conflict of interest when JPMCB, JPMS, JPMPI and J.P. Morgan (collectively “JPM”) recommends or purchases the publicly traded security of the asset manager or the separately managed accounts or funds that are managed or advised by the asset manager. JPM addresses this conflict by disclosing the ownership interest of the asset manager and by subjecting the asset manager’s separately managed accounts and funds to a research process. Additionally, the financial advisers and portfolio managers that may purchase or recommend securities, separately managed accounts and funds of an asset manager that has an ownership interest in J.P. Morgan, do not receive any additional compensation for that purchase or recommendation. A fund ownership interest in J.P. Morgan can cause the fund and its affiliates to determine that they are unable to pursue a transaction or the transaction will be limited or the timing altered. J.P. Morgan monitors ownership interests in J.P. Morgan for regulatory purposes and to identify and mitigate actual and perceived conflicts of interest. As of December 31, 2019, both Vanguard and BlackRock hold more than a 5% interest in J.P. Morgan.

iv. Review of Accounts

a. Nature and Frequency of Program Account Reviews

At account opening, the client’s Financial Advisor determines that the account and the investment strategy are suitable investments for the client. Clients have ongoing reasonable access, during normal business hours, to a Financial Advisor who is available for consultation regarding the client’s accounts. Financial Advisors are an essential component to the Program and provide clients with nondiscretionary advisory services and account maintenance support. JPMS contacts clients at least once annually to determine whether there has been any changes in the client’s financial situation, investment objectives or investment restrictions that would require changes to the client’s account. To ensure that the Program remains suitable for the client, clients are instructed to promptly notify their Financial Advisor or JPMS of any material changes to their investment objectives and/or financial situation.

As most discretionary accounts within a Strategy are managed in a similar manner, JPMS does not review individual trades or individual accounts. However, the designated Portfolio Manager performs the ongoing review of the client account. Please see the applicable Portfolio Manager’s Form ADV Part 2A for more information.

JPMS personnel who are knowledgeable about the management of client accounts are available for client consultation upon reasonable request.

The information in this Brochure does not include all of the specific review features associated with each Strategy or applicable to a particular client account. Clients are urged to ask questions regarding JPMS’s review process applicable to a particular Strategy or investment product, to read all product specific disclosures and to determine whether a particular Strategy or investment product is suitable for their account in light of their circumstances, investment objectives and financial situation.

b. Reports to Program Clients

JPMS or one of its affiliates will provide Program clients with separate written confirmations of all transactions executed through JPMS or its affiliates, or clients may instead elect to receive a periodic statement of all transactions executed through JPMS for Program accounts in lieu of separate transaction confirmations, and to have a copy of the confirmations instead sent to the applicable Portfolio Manager. (Notwithstanding such an election by a client, JPMS may in its discretion choose to provide the client with separate written confirmations of some or all of the transactions in the Account.) At least quarterly, each client will receive a written account statement that shows all transactions in the account, all contributions to and withdrawals from the account, and all fees and expenses charged to the account.

Additionally, each Program client typically receives a periodic performance review prepared by JPMS summarizing the investment performance of their account(s). However, certain clients may not receive such performance reviews; in its discretion, JPMS may not provide a client with written performance reviews for a Program account if, for example, the account's assets are not custodied by JPMS, or JPMS concludes that the nature of the investment strategy used or securities held in the account makes valuation, performance measurement, or performance benchmarking too difficult, infeasible or insufficiently valid or useful to the client.

Subject to JPMS's policies and procedures and applicable law, the periodic performance review typically provided to Program clients may include information about assets in other accounts maintained by the client with J.P. Morgan Securities (including other investment advisory accounts and brokerage accounts) as well as other assets identified to JPMS by the client. By including assets in the written performance review, JPMS is not undertaking to provide or be responsible for providing any services with respect to those assets.

Performance reviews are not a substitute for regular monthly or quarterly account statements or Form 1099, and should not be used to calculate the Fee or to complete income tax returns. JPMS and its affiliates are entitled to rely on the financial and other information that clients or any third party provides to JPMS. The client is solely responsible for any information that the client provides to JPMS, and JPMS shall not be liable in connection with its use of any information provided by the client or a third party in the periodic review. JPMS does not provide tax advice, and nothing in the performance review should be construed as advice concerning any tax matter.

In preparing account statements, reviews and/or reports, JPMS may use multiple valuation sources that provide different values for a single asset. As a result, the determination of an account's asset values may differ for different purposes and different statements, reviews and reports. Detailed calculations of a client's account asset values are available from JPMS upon request.

v. Client Referrals and Other Compensation

a. Compensation from Non-Clients to JPMS for JPMS's Provision of Advisory Services

To the best of its knowledge, JPMS does not receive economic benefits from non-clients for providing investment advice or other advisory services to its clients.

JPMS and its affiliates do receive economic benefits from certain mutual funds and other pooled investment vehicles when JPMS's clients' assets in investment advisory accounts are invested in them. Although these benefits are attributable to sales of the funds to JPMS's investment advisory clients, they are not provided to JPMS or its affiliates in exchange for JPMS's provision of investment advisory services to the clients. For a discussion of the benefits and the conflicts of interest they raise, please refer to Items 4, 9.ii and 9.iii above.

As discussed in Item 4.ii above, JPMCB also receives economic benefits when JPMS's investment advisory clients select the Deposit Account as the vehicle for the "sweeping" of available cash balances in their accounts. Again, while these benefits are attributable to the investment of the assets of JPMS's investment advisory clients in the Deposit Account, they are not benefits JPMCB receives in exchange for JPMS's provision of investment advisory services to the clients.

In addition, JPMS and its affiliates may from time to time enter into joint marketing activities with investment managers and/or sponsors of mutual funds offered in JPMS's investment advisory programs. These managers and/or sponsors may pay some or all of the cost of the marketing activities, which payment may take the form of reimbursement of JPMS. Because of the willingness of these managers and/or sponsors to provide financial support for such activities, JPMS has an incentive to allow these managers and/or sponsors (as opposed to other investment managers and/or sponsors who are unwilling to provide such financial support) to participate in such joint marketing activities. However, the payments by the fund managers and/or sponsors are not made in exchange for JPMS's provision of investment advisory services to its clients.

Please refer to Item 9.ii above for a discussion of (1) revenue sharing arrangements between JPMS and certain of its affiliates pursuant to which JPMS may receive compensation from the affiliates in connection with referrals or introductions of clients by JPMS to the

affiliates for the provision by the affiliates of products and services to the clients and (2) solicitation arrangements in which JPMS acts as solicitor for other investment advisers and receives compensation from the other advisers for the referral of clients to them. In such cases the compensation is in exchange for JPMS's referral of clients to other investment advisers – not for JPMS's own provision of investment advisory services to its clients.

b. Compensation from JPMS to Unsupervised Persons for Client Referrals

In addition to compensating certain *supervised* persons (including Financial Advisors) for their provision of investment advisory services to clients on behalf of JPMS and/or for their referral or introduction of investors who become clients of JPMS, JPMS compensates certain persons *not* supervised by it for their referral of investors to JPMS who become clients in JPMS's investment advisory programs, including the Program.

JPMS has engaged certain unaffiliated parties to act as solicitors (sometimes also called "finders" or "referrers") of prospective clients for JPMS's investment advisory programs. The solicitors engaged by JPMS are typically themselves registered investment advisers. JPMS does not supervise either the solicitors' activities generally or their solicitation activities. Under these solicitation arrangements, JPMS agrees to pay each solicitor a specified portion of the advisory fees received by JPMS from each client referred to it by the solicitor.

The clients referred to JPMS do not incur any additional fee or charge by JPMS as a result of JPMS's arrangements with the solicitors or its payment of the solicitation fees to the solicitors. Therefore, because JPMS's sharing of certain advisory fees with solicitors reduces the net advisory fee retained by JPMS, Program accounts for clients referred to JPMS by a solicitor may be less profitable for JPMS than other Program accounts, other things being equal. This creates a conflict of interest between JPMS and the referred clients because, as a result, JPMS and the Financial Advisors (whose own compensation is typically tied to the amount of advisory fees received by JPMS from clients) could have a financial incentive to disfavor Program clients referred by solicitors in, for example, the allocation of trades among accounts and in the receipt of the Financial Advisor's time, attention and best investment ideas. JPMS believes that this conflict is addressed in the following ways:

- The Portfolio Managers – and not JPMS or the Financial Advisors – are responsible for managing Program accounts and making investment decisions.
- JPMS uses processes designed to ensure that the allocation of partially filled orders is fair and equitable in accordance with applicable law.
- Because the Fee paid by clients in the Program may, in JPMS's discretion, be negotiated and can vary among clients, and the absolute amount of such Fee is typically dependent on the size of the client's account, it is not necessarily the case that the account of a client referred to JPMS by a compensated solicitor will be less profitable for JPMS or the Financial Advisor than other Program accounts.

vi. Financial Information

There is no financial condition that is reasonably likely to impair JPMS's ability to meet contractual commitments to its clients.

J.P. Morgan Securities Investment Counseling Service Program (“ICS”)

Item 4 **Services, Fees and Compensation**

J.P. Morgan Securities LLC (“JPMS” or the “Firm”) is a wholly-owned subsidiary of JPMorgan Chase & Co. (“JPMC”), a publicly-held financial services holding company. JPMC and its affiliates (together, “J.P. Morgan”) are engaged in a large number of financial businesses worldwide, including banking, asset management, securities brokerage and investment advisory services. JPMS is registered as a broker-dealer and investment adviser with the U.S. Securities and Exchange Commission (the “SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”). JPMS’ investment advisory services include sponsoring a variety of wrap fee programs and providing certain consulting services to defined contribution plan sponsors. JPMS offers investment advisory services through three separate sales channels: J.P. Morgan Securities, Chase Wealth Management and You Invest. Similar wrap fee programs that offer the same and/or similar investment strategies may be offered in different sales channels and programs, and at different fee levels. The wrap fee clients pay will vary depending on the investment advisory program selected.

This Brochure provides information about JPMS and the J.P. Morgan Securities Investment Counseling Service Program (“ICS” or the “Program”) that is offered by J.P. Morgan Securities, a brand name for a wealth management business of JPMS. Information about other wrap fee programs sponsored by JPMS are contained in separate Brochures, which can be obtained upon request from your J.P. Morgan Securities financial advisor (each, a “Financial Advisor”), or at the SEC’s website at www.adviserinfo.sec.gov.

Investing in securities involves risk of loss that clients should be prepared to bear. The investment performance and success of any particular investment cannot be predicted or guaranteed, and the value of a client’s investments will fluctuate due to market conditions and other factors. Investments are subject to various risks including, but not limited to, market, liquidity, currency, economic and political risks, and will not necessarily be profitable. Past performance of investments is not indicative of future performance.

i. Services

In the Program, third-party portfolio managers (each, a “Portfolio Manager” and collectively, “Portfolio Managers”) provide clients with access to certain of their investment strategies (each, a “Strategy” and collectively, “Strategies”) and discretionary investment management services of client accounts in accordance with such Strategies, and JPMS provides non-discretionary investment advisory services. Clients in ICS pay JPMS an asset-based wrap fee that covers JPMS’s advisory, trade execution and custody services, while contracting with and paying one or more Portfolio Managers directly and separately for their discretionary portfolio management services. Based on the investment objective(s), risk tolerance and other information clients provide to JPMS, clients consult with one or more J.P. Morgan Securities Financial Advisors to determine how to invest through ICS (the “ICS Assets”). Typically, at the client’s request, a Financial Advisor will identify and present the client with one or more Portfolio Managers and Strategies that are in the universe of Portfolio Managers and Strategies that JPMS periodically reviews (the “ICS Universe”). JPMS identifies Portfolio Managers and Strategies that appear to be suitable for the client based on the information the client provides to JPMS, including (unless the client invests assets with a Portfolio Manager or Strategy outside the ICS Universe) the investment objective(s) for the ICS Assets provided by the client. Although JPMS will identify suitable Portfolio Managers and Strategies for clients requesting it, clients are responsible for selecting the Portfolio Managers and Strategies for their accounts.

In addition to entering an ICS Program client agreement with JPMS (the “Client Agreement”), clients will enter into a separate investment management agreement (the “IM Agreement”) with each Portfolio Manager they select. As part of the IM Agreement, clients will grant each selected Portfolio Manager complete and sole discretionary trading authorization over the applicable ICS account(s).

If a client requests tax harvesting, JPMS or the Portfolio Manager may sell certain investments at a gain or loss to offset the client’s tax liability. If utilizing tax harvesting, the client’s account holdings can differ from those accounts that do not utilize such election, and therefore performance will likely differ. JPMS or the Portfolio Manager may reject a client’s request for tax harvesting in whole or in part, at its discretion.

Each client is responsible for monitoring the client’s ICS account(s). This monitoring includes reviewing any asset allocation between or among Strategies on an ongoing basis and determining whether to rebalance and/or reallocate the ICS Assets, as applicable. The actual allocation of the ICS Assets may change over time due to fluctuations in market value of the ICS Assets and/or additions or withdrawals by the client. In addition, clients are responsible for determining whether a change in the client’s circumstances may warrant a change to the client’s Strategy selection.

Clients are also responsible for monitoring a Portfolio Manager's adherence to or consistency with any investment restrictions or guidelines that have been submitted by the client for the account and accepted by the Portfolio Manager. JPMS has no responsibility for monitoring ICS accounts, even if JPMS assisted the client in selecting a Portfolio Manager and Strategy in the ICS Universe, or in determining an asset allocation or in developing investment restrictions and/or guidelines. Unless specifically agreed to by JPMS, JPMS is not obligated to provide ongoing advice with respect to the client's selection of any Portfolio Manager or Strategy. JPMS is not responsible for the management of any ICS account, including the consistency of the management of any account with the client's investment objective for the account or any other information provided by the client.

Typically, in the Client Agreement, the client authorizes each selected Portfolio Manager to effect transactions for the client account(s) through JPMS (or its affiliates), subject to the Portfolio Manager's duty to seek "best execution" and JPMS's capacity and willingness to execute the transaction. By recommending the Program to clients, therefore, JPMS also is recommending itself as broker-dealer. For more information about the factors that a Portfolio Manager may consider in determining which broker or dealer to execute transactions through, please refer to that Portfolio Manager's Form ADV Part 2A or other applicable disclosure document(s). When JPMS executes transactions for Program clients, the division of JPMS that handles the execution may receive compensation (or compensation credits) from one or more other affiliates or divisions of JPMS, including from J.P. Morgan Securities, through which ICS is offered. Program clients are not charged for any such intracompany or inter-affiliate compensation.

JPMS will ordinarily provide clearing, settlement and custodial services with respect to transactions and assets in ICS accounts. In certain circumstances and subject to certain requirements, a client may request to use a third-party custodian for the provision of such services.

In general, JPMS also provides clients with periodic performance reviews of their ICS accounts. Certain ICS accounts may not receive such reviews; in its discretion, JPMS may not provide a client with written performance reviews for an account if, for example, the account's assets are not custodied by JPMS, or JPMS concludes that the nature of the Strategy used or securities held in the account makes valuation, performance measurement or performance benchmarking too difficult, infeasible or insufficiently valid or useful to the client.

JPMS determines which Portfolio Managers and Strategies are available in the ICS Universe, and reviews (or arranges for the review of) such Portfolio Managers and Strategies on a periodic basis to determine whether they will continue to meet the investment needs of ICS clients. Accordingly, from time to time, JPMS may add or remove specific Portfolio Managers and/or Strategies to or from the ICS Universe, as further discussed below.

In certain circumstances, a client may be permitted to maintain the ICS Assets with a Portfolio Manager or in a Strategy that no longer is, or never was, in the ICS Universe. While the client in such cases will typically receive the other services customarily provided by JPMS and its affiliates in the Program to ICS clients, JPMS will *not* perform periodic reviews of any such Portfolio Manager or Strategy. In addition, JPMS (and its affiliates) may have access to or may collect information about Portfolio Managers and Strategies that are not in the ICS Universe, but they have no obligation to share any such information with any client, even if such information is negative or reflects poorly on the relevant Portfolio Manager or Strategy.

JPMS may also determine that it will no longer permit clients to maintain ICS Assets with a Portfolio Manager or in a Strategy that is not in the ICS Universe. In such cases, clients may select a Portfolio Manager or Strategy that is part of the ICS Universe or JPMS may terminate the Program account.

ii. **Fees and Compensation**

a. **Wrap Fee**

JPMS will charge each client account a single, asset-based fee (the "Fee") that covers JPMS's advisory, trade execution, clearing, settlement, custody, and, as applicable, performance reporting services. Typically, the Fee is charged each calendar quarter, in advance, on the net market value of the assets in the account (including all cash and cash alternatives such as money market mutual funds). The maximum Fee, expressed as an annual rate, that JPMS may charge clients in the Program is 2.00%. The Fee must be a flat rate expressed as a percentage with no more than two decimal places. The rate used each quarter will be approximately one-fourth of the annual rate based on the number of days in the quarter. Alternatively, for certain Portfolio Manager strategies, rather than the Fee being charged on the net market value of assets in the account, the Fee is charged on a fixed notional value, also known as the "Mandate Size," as specified by the client (and agreed to separately by and between a client and Portfolio Manager).

The Client Agreement typically provides that (i) a prorated Fee will be charged on total same-day contributions to the Account (net of total same-day withdrawals from the Account) of \$25,000 or more to cover the period from the date of the net same-day contribution until

the end of the quarterly billing period and (ii) a prorated Fee credit will be made for total same-day withdrawals from the Account (net of total same-day contributions to the Account) of \$25,000 or more to cover the period from the date of the net same-day withdrawal until the end of the quarterly billing period. Upon termination of the account, JPMS will refund to the client any prepaid amount of the Fee prorated for the number of days remaining in the billing period.

b. Negotiability of Fee

In its discretion, JPMS may negotiate the amount and calculation of the Fee based on a number of factors, including the type and size of the account, anticipated level of trading activity, services provided to the account, historical factors and the scope of the client's relationship with JPMS. In addition, JPMS's negotiation of the Fee is generally subject to certain internal guidelines based on the total value of assets invested, or expected to be invested, by the client across JPMS's various investment advisory programs.

c. Portion of Wrap Fee paid to Financial Advisors

JPMS typically pays a portion of the Fee it receives from each client in the Program to the Financial Advisor(s) for that client. *Because the amount received by an Financial Advisor as a result of a client's participation in ICS may be more than the Financial Advisor would receive if the client participated in another J.P. Morgan Securities investment advisory program or paid separately for investment advice, brokerage and other services covered by the Fee, the Financial Advisor may have a financial incentive to recommend ICS over other programs or services.*

d. Comparative Cost of the Program

Participation in ICS may cost the client more or less than purchasing the services provided in ICS separately. Many factors bear upon the relative cost of ICS to the client, including the cost of the services if provided and charged for separately, the Fee rate charged to the client by JPMS, the amount of trading activity in the client's account, and the quality and value of the services provided. Fee rates are subject to negotiation between JPMS and each client. The Fee paid by a client may be higher or lower than the fees other clients pay (in ICS or other investment advisory programs) and/or the cost of similar services offered through other financial firms.

e. Fees in addition to the Wrap Fee

The Fee does **not** cover any fees charged by any Portfolio Manager(s) selected by the client to manage the ICS Assets, and clients are responsible for paying Portfolio Managers for their services separately. (Clients typically authorize JPMS to debit their ICS accounts to pay their Portfolio Manager(s) upon JPMS's receipt of instructions from such Portfolio Manager(s).) Depending upon the arrangement negotiated between the client and the Portfolio Manager, the Portfolio Manager's fee may include a performance (or "incentive") fee. No portion of the Fee charged by JPMS is paid to Portfolio Managers for their services to ICS clients and no portion of the Portfolio Manager's fee (including any performance fee) is paid to JPMS.

In addition, the Fee does not cover mark-ups, mark-downs and dealer spreads charged by dealers unaffiliated with JPMS when JPMS, acting as agent for the client in the Program, effects a transaction with an unaffiliated dealer acting as principal (i.e., for the dealer's own account), typically in connection with certain fixed income and over-the-counter securities that are traded primarily in "dealer" markets. Such mark-ups on securities bought by the client, mark-downs on securities sold by the client and dealer spreads (the difference between the bid price and offer price) are generally incorporated into the net price that the client pays or receives in the transaction.

The Fee does not cover clearing, settlement and custody charges that may be charged by custodians other than JPMS. The Fee also does not cover certain costs or charges that may be imposed by JPMS or third parties, including margin interest, costs associated with exchanging foreign currencies, borrowing fees on short sales, odd-lot differentials, activity assessment fees, transfer taxes, exchange fees, wire transfer fees, postage fees, auction fees, foreign clearing, settlement and custodial fees, and other fees or taxes required by law. The Fee does not cover dealer spreads that JPMS, its affiliates or other broker-dealers may receive when acting as principal in certain transactions.

Portfolio Managers may invest the ICS Assets in mutual funds (including money market funds), closed-end funds, exchange-traded funds ("ETFs") and/or other pooled investment vehicles that have various internal fees and expenses, which are paid by the funds but ultimately are borne by clients as fund shareholders; such fees and expenses are in addition to the Fee and generally will not be deducted from the Fee. Assets of Program clients may be invested in a share class of a mutual fund with internal fees and expenses that are higher than one or more other share classes of the fund. JPMS and its affiliates also may receive compensation in addition to the Fee in connection with the operation and/or sale of shares of affiliated or unaffiliated funds to clients in ICS. See "Other Compensation from Affiliated and Unaffiliated Funds" in Item 9.iii for more information. Certain investment companies may not permit shares to be transferred outside of ICS and in certain circumstances may in their sole discretion redeem fund shares held by clients; the liquidation of these fund

shares may have tax consequences to clients. Clients should review the applicable prospectuses for funds in their Program accounts for additional information about the internal fees and expenses ultimately borne by investors in the funds.

Portfolio Managers may purchase for certain accounts: (i) American Depository Receipts ("ADRs"); (ii) Global Depository Receipts ("GDRs"); (iii) exchange-traded notes ("ETNs"); and/or (iv) Real Estate Investment Trusts ("REITs"). Clients will bear, in addition to the Fee, a proportionate share of any fees and expenses associated with ADRs, GDRs, ETNs, REITs, and/or other securities with similar characteristics, as applicable. Clients may also bear any fees and expenses associated with converting non-U.S. securities into ADRs or GDRs. When they assist in such conversions, JPMS and its affiliates receive some or all of such fees and expenses borne by the client. For trades in non-U.S. equity securities, the final average price includes a commission to a third-party broker-dealer for execution of the trade, applicable taxes and charges associated with transacting in a non-U.S. security and, if the trade is settled in U.S. Dollars, a service charge for the currency conversion.

Except as otherwise agreed to in writing by JPMS, accounts are charged the Fee with respect to all assets in the account regardless of whether the client has previously paid or incurred commissions, sales charges or "loads," mark-ups, mark-downs, dealer spreads, or other costs, charges, fees or expenses in connection with the client's previous purchase of some or all of the assets in a brokerage account or otherwise outside of the Program.

f. General Fee and Compensation Issues

Please refer to Item 4.ii.f in the section of this Brochure on the J.P. Morgan Securities STRATIS Program for a discussion of general fee and compensation issues applicable to all Programs in this Brochure.

Item 5
Account Requirements and Types of Clients

JPMS requires that all clients who wish to open and maintain an account in the Program enter into the Client Agreement, which sets forth the services that JPMS will provide to the client, the Fee that client will pay JPMS, and the specific terms and conditions that will govern the handling of the client's Program account and the investment advisory relationship between the client and JPMS. In addition, the client must enter into an IM Agreement directly with each selected Portfolio Manager that will manage the client's ICS Assets, giving the manager(s) trading authority over the ICS Assets. The IM Agreement(s) will govern the terms of the client's investment advisory relationship with the Portfolio Manager(s).

The minimum amount of assets required to open an account in ICS is typically \$100,000 per account, although JPMS may, in its discretion, waive or reduce the minimum account opening size for certain clients or accounts. JPMS also may impose a higher minimum account opening size if the client wishes to use a custodian other than JPMS and JPMS, in its discretion, is willing to maintain the account on such a basis. A separate account is required for each Strategy selected by the client, even if they are managed by the same Portfolio Manager. However, each ICS account is also subject to any minimum amount requirement imposed by the applicable Portfolio Manager. The account opening minimums imposed by Portfolio Managers in the ICS Universe vary, often substantially; information about a particular manager's minimum account opening requirement is available from a client's Financial Advisor(s).

In cases where a Portfolio Manager's Strategy is available in both the ICS Universe and the STRATIS Program, JPMS may, in its sole discretion, require the client to participate in the Strategy through the STRATIS Program rather than through ICS.

ICS is not intended for investors who seek to maintain control over trading in their accounts, who have a short-term investment horizon (or expect ongoing and significant withdrawals), or who expect to maintain consistently high levels of cash or money market funds. The types of clients participating in ICS generally include individuals, trusts, retirement plans (including IRAs), estates, corporations and other business entities, foundations and endowments.

The accounts of employee benefit plans (as defined in ERISA) and retirement plans (as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended), which includes IRAs, may be subject to certain JPMS policies, restrictions and other terms and conditions that are different from those applicable to other accounts in the Program. Such policies, restrictions and other terms and conditions may affect, for example, the securities that may be available for investment in such accounts, the manner in which transactions may be effected in such accounts, the ability of such accounts to trade on margin, and the fees and expenses that may be charged to such accounts.

A client's selection of a Portfolio Manager and Strategy for an ICS account is subject to JPMS's and the Portfolio Manager's acceptance of the client's account in the sole discretion of each of them. JPMS and the Portfolio Manager may each decline to accept a particular client or account in the Program at any time and for any reason.

Item 6
Portfolio Manager Selection and Evaluation

i. Selection of Portfolio Managers for the ICS Universe

JPMS selects Portfolio Managers and certain of their Strategies for inclusion in the ICS Universe. Thus, JPMS may select certain Strategies of a Portfolio Manager for inclusion in the ICS Universe but may not select other Strategies of the same Portfolio Manager for inclusion.

JPMS reviews (or arranges for the review of) Portfolio Managers and their Strategies to determine whether they should be included in the ICS Universe. These reviews generally include reviewing the Portfolio Manager's organization, investment process, level of service, and performance of its Strategies. JPMS may engage one or more third parties (including affiliates of JPMS) to perform initial and periodic reviews of Portfolio Managers (each, a "Review Vendor") and/or perform such periodic reviews itself. A Review Vendor may also make recommendations to JPMS about which Portfolio Managers and/or Strategies to include in the ICS Universe. JPMS's decision to include a particular Portfolio Manager and Strategy in the ICS Universe is based upon the totality of the results of the review process and does not necessarily reflect a rigid application of any or all of the guidelines described.

JPMS identifies to ICS clients only Portfolio Managers and Strategies in the ICS Universe. JPMS identifies suitable Strategies for a client based on the investment objective(s) and other information the client has provided for the ICS Assets. Once a Strategy has been identified, JPMS identifies specific Portfolio Managers for a particular client based on asset size, any investment restrictions the client may wish to impose, any investment guidelines the client may have, or other factors that may make a particular Portfolio Manager more desirable to the client. Clients are solely responsible for the selection of Portfolio Managers and Strategies from among those identified by JPMS.

ii. Review of Portfolio Managers in the ICS Program

a. Portfolio Managers and Strategies in the ICS Universe

JPMS or a Review Vendor reviews Portfolio Managers and their Strategies in the ICS Universe on a periodic basis. Currently, all Portfolio Managers and Strategies in the ICS Universe, except the Parametric DeltaShift options Strategy, are reviewed by the Manager Solutions due diligence group ("Manager Solutions") in the J.P. Morgan Wealth Management division. Manager Solutions is comprised of employees of JPMorgan Chase Bank, N.A. and other affiliates.

In the ICS Program, Manager Solutions provides research on Strategies in the ICS Universe. Manager Solutions also provides research on mutual funds, money market funds and ETFs (together with the Strategies, the "Researched Products"). For certain investment advisory programs, Manager Solutions utilizes a qualitative analysis of the Researched Products by reviewing the Portfolio Manager's organization, investment process, investment philosophy and performance of the Researched Products on an ongoing basis (the "Qualitative Research Process").

Additionally, Manager Solutions uses an internally developed quantitative screening process to evaluate the Researched Products that do not go through the Qualitative Research Process by reviewing the Portfolio Manager's organization, investment process, service and performance on an ongoing basis (the "Systematic Research Process"). Researched Products may be removed from an investment advisory program if it is determined that they do not meet the criteria set forth in the Systematic Research Process. However, in the event a Researched Product does not pass the Systematic Research Process, Manager Solutions can review the Researched Product and apply the Qualitative Researched Process to determine if the Researched Product is eligible. For Strategies in the ICS Universe, the Systematic Research Process is applied.

Changes in the Portfolio Manager's organization, investment process, service and performance are monitored by Manager Solutions via periodic meetings with the Portfolio Manager's staff and written quarterly communication. As a result of Manager Solutions' reviews and/or other information and events, Portfolio Managers and/or specific Strategies may be removed from the Program, in which event, JPMS will notify affected clients of the removal.

JPMS may remove a particular Portfolio Manager and/or Strategy from the ICS Program (including Portfolio Managers and Strategies that are not in the ICS Universe, as discussed in Item 6.ii.b below) at any time for any reason and will notify clients that have selected that Portfolio Manager and/or Strategy of the removal. JPMS generally does not recommend the replacement of a particular Portfolio Manager or Strategy for a particular client unless JPMS removes the Portfolio Manager or Strategy from the Program, in which event JPMS

may assist the client in identifying a suitable replacement manager and/or Strategy based on the same types of factors used by JPMS to identify Portfolio Managers and strategies for ICS clients in the first instance.

Financial Advisors who learn of JPMS's decision to remove a Portfolio Manager from the Program may take or recommend action on the basis of such knowledge (i) with respect to certain clients and accounts (inside or outside of the Program) before others or (ii) before JPMS's written notice of the removal decision has been sent to all affected Program clients.

JPMS' and/or Manager Solutions' review of a Portfolio Manager and its Strategies in the ICS Program and/or other information and events also may result in a Portfolio Manager and/or one or more of its Strategies in the Program being closed to new investors pending further review. Generally, during this time, only those clients with Program assets already invested in an affected Strategy when it was closed to new investors are permitted to contribute additional assets to the account(s). Clients invested according to an affected Strategy will generally be notified in writing that the Strategy has been closed to new investors. Further review of the affected Portfolio Manager and/or Strategies by JPMS and/or Manager Solutions may result in a re-opening to new investors. The Parametric DeltaShift options Strategy is reviewed within a J.P. Morgan due diligence framework distinct from that of Manager Selection. Unlike Manager Solutions' review of the other Strategies in the ICS Universe, the due diligence currently applied to the DeltaShift Strategy does not include a formal process for the removal of the Strategy from the Program.

JPMS may provide clients with important information about Portfolio Managers. The information may be prepared by JPMS or by a third party and is based on and/or incorporates information provided by Portfolio Managers and other third-party sources. JPMS believes that this information is accurate; however, JPMS does not independently verify or guarantee the accuracy or completeness of the information. JPMS shall have no liability with respect to information provided by Portfolio Managers. Performance information included in the information provided by JPMS is typically provided by Portfolio Managers. *This performance is calculated by the Portfolio Managers themselves or by third parties and neither JPMS nor a third party engaged by it reviews such Portfolio Manager performance information to determine or verify its accuracy or its compliance with presentation standards. The performance information may not be calculated on a uniform and consistent basis.*

In addition to Portfolio Manager performance information clients may receive, each Program client typically receives a periodic performance review prepared by JPMS summarizing the investment performance of the client's ICS account(s). (As explained in Item 4 above, certain clients may not receive such a performance review.) In preparing such reviews for Program clients, JPMS uses various industry and non-industry standards to measure account performance. *Neither JPMS nor any third party reviews the performance information to determine or verify its accuracy or compliance with presentation standards, and the information may not be calculated on a uniform and consistent basis. Clients receiving periodic performance reviews from JPMS should review carefully the disclosures, definitions and other information contained in the reviews.*

Performance reviews are not a substitute for regular monthly or quarterly account statements or Form 1099, and should not be used to calculate the Fee or to complete income tax returns. JPMS and its affiliates are entitled to rely on the financial and other information that clients or any third party provides to JPMS. Each client is solely responsible for any information that the client provides to JPMS, and JPMS shall not be liable in connection with its use of any information provided by the client or a third party in the periodic review. JPMS does not provide tax advice, and nothing in the performance review should be construed as advice concerning any tax matter.

Subject to JPMS's policies and procedures and applicable law, the periodic performance review typically provided to Program clients may include information about assets in other accounts maintained by the client with J.P. Morgan Securities (including other investment advisory accounts and brokerage accounts) as well as other assets identified to JPMS by the client. By including such assets in the written performance review, JPMS is not undertaking to provide or be responsible for providing any services with respect to those assets.

In preparing account statements and performance reviews, JPMS may use multiple valuation sources that provide different values for a single asset. As a result, the determination of an account's asset values may differ for different purposes and different statements, reviews and reports. Detailed calculations of a client's account asset values are available from JPMS upon request.

Clients should receive each Portfolio Manager's Form ADV Part 2A and/or other applicable disclosure document(s) directly from the Portfolio Manager. Clients should review such disclosure document(s) carefully for important information about the Portfolio Manager, including risks associated with the selected Strategy (if applicable). Each Portfolio Manager is solely responsible for the truthfulness, completeness, and accuracy of its own disclosure document(s).

JPMS is not responsible for the performance of any Portfolio Manager or any Portfolio Manager's compliance with applicable laws and regulations or other matters within the Portfolio Manager's control. Each Portfolio Manager is solely responsible for the management of that Portfolio Manager's designated account(s). If a client selects more than one Portfolio Manager, the Portfolio Managers may engage in

contrary transactions with respect to the same security. JPMS will typically effect transactions for an account only if and to the extent instructed by a Portfolio Manager. Without limiting the generality of the foregoing, JPMS shall not be responsible for any act or omission of any Portfolio Manager or any misstatement or omission contained in any document prepared by or with the approval of any Portfolio Manager or any loss, liability, claim, damage, or expense whatsoever, as incurred, arising out of or attributable to such misstatement or omission.

b. Portfolio Managers and Strategies Not in the ICS Universe

In certain circumstances, a client may be permitted to maintain assets in ICS with a Portfolio Manager or in a Strategy that has been removed from, or never was in, the ICS Universe. Such cases typically involve a client who wishes to remain invested in a Strategy that JPMS is removing from the ICS Universe or from another wrap fee program sponsored by JPMS, such as the STRATIS Program; a client invested in a Portfolio Manager's Strategy through a wrap fee program sponsored by another firm who wishes to move his or her account to a JPMS wrap fee program but remain invested in the same or a substantially similar strategy; or a client who identifies a Portfolio Manager's Strategy to JPMS. In all cases, it is in JPMS's sole discretion whether to permit the client to maintain an ICS account managed by a Portfolio Manager or in a Strategy outside of the ICS Universe. JPMS may also determine that it will no longer permit clients to maintain ICS Assets with a Portfolio Manager and/or in a Strategy that is not in the ICS Universe. In such cases, clients may select a Portfolio Manager or Strategy that is part of the ICS Universe or JPMS may terminate the Program account.

While clients permitted to maintain such accounts in ICS will typically receive the other services customarily provided by JPMS and its affiliates to ICS clients, JPMS will generally *not* perform periodic reviews of any such Portfolio Manager or Strategy. In addition, JPMS and its affiliates may have access to or may collect information about Portfolio Managers and Strategies that are not in the ICS Universe but have no obligation to share any such information with any ICS client, even if such information is negative or reflects poorly on the relevant Portfolio Manager or Strategy. Notwithstanding that JPMS will not perform such reviews or be obliged to communicate such information to the client in such cases, the client is not entitled to any reduction in the Fee owed to JPMS as a result.

iii. Related Person Portfolio Managers

Neither JPMS nor any of its related persons or supervised persons acts as a Portfolio Manager in the ICS Universe.

iv. Risk of Loss

Please refer to Item 6.iv in the section of this Brochure on the J.P. Morgan Securities STRATIS Program for a discussion of certain relevant risk factors.

Item 7
Client Information Provided to Portfolio Managers

JPMS is not obliged to provide information about clients to the clients' Portfolio Managers in ICS; rather, clients are solely responsible for providing their Portfolio Managers with such information, including any client-specified investment guidelines and/or restrictions.

Notwithstanding the fact that it has no obligation to do so, JPMS may provide a Portfolio Manager with certain information it has collected about the client's investment time horizon, financial circumstances, investment objective and risk tolerance for each account in the Program, and any reasonable investment restrictions the client wishes to impose on the management of the account as provided by the client during the account opening process. Certain information about the client may be set forth in a client profile that JPMS may provide to the Portfolio Manager. JPMS and Portfolio Managers receiving such information from JPMS will rely on the information provided by clients. JPMS will have no liability for a client's failure to provide JPMS with accurate or complete information or to inform JPMS promptly of any change in the information previously provided.

The investment objective identified by the client for an account in the Program will apply to the account as long as the account is in the Program (unless the client subsequently changes the investment objective by promptly notifying the client's Financial Advisor(s)), notwithstanding any different investment objective previously identified by the client for the account when it was a brokerage account or an account in one of the other investment advisory programs offered by J.P. Morgan Securities. If the account is terminated and becomes a brokerage account outside the Program, the investment objective previously identified by the client for the account as a brokerage account will again apply to the account.

Clients are responsible for notifying promptly their Financial Advisor(s) of any changes to the information the client previously provided to JPMS (including financial information and the investment objective for each account), and for providing JPMS with additional information as it may request from time to time to assist it in providing services under the Program. At least once annually, JPMS contacts each client in the Program to determine whether there have been any changes in the client's financial situation, investment objective(s) or investment restrictions that would require changes to the client's Program account(s).

Clients may seek to impose restrictions on the investments in their accounts, including designating particular securities or types of securities that should not be purchased for an account. JPMS will communicate any requested restrictions to the Portfolio Manager. The Portfolio Manager may reject the restriction or the account if the manager deems the restriction to be unreasonable.

Clients should be aware that any client-imposed investment restrictions and/or requests for modified implementation of a Portfolio Manager's investment Strategy may cause the Portfolio Manager to deviate from the investment decisions it would otherwise make in managing the account in the Program, and as a result may negatively affect the performance of the account. In the absence of client-specified investment restrictions and/or modifications to the implementation of a Strategy that have been accepted by the Portfolio Manager, it is likely that the Portfolio Manager will manage the account in a manner very similar to that of other clients with similar investment objectives and risk tolerances.

Item 8

Client Contact with Portfolio Managers

JPMS places no restrictions on clients contacting or consulting directly with their Portfolio Managers in ICS. Clients should review each Portfolio Manager's Form ADV Part 2A or other applicable disclosure document(s) for any restrictions placed by that Portfolio Manager.

Item 9

Additional Information

i. Disciplinary Information

Please refer to Item 9.i in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

ii. Other Financial Industry Activities and Affiliations

Please refer to Item 9.ii in the section of this Brochure on the J.P. Morgan Securities STRATIS Program. However, please note that:

- Unlike in STRATIS, JPMS's affiliates J.P. Morgan Investment Management Inc. (a/k/a J.P. Morgan Asset Management) and J.P. Morgan Private Investments Inc. are **not** Portfolio Managers in the ICS Universe and therefore conflicts of interest resulting from their acting as Portfolio Managers in STRATIS that are discussed in the STRATIS section of this Brochure are not applicable in ICS; and
- The references in Item 9.ii.d in the STRATIS section of this Brochure to JPMS's incentives relating to the designation of default replacement strategies are not applicable in ICS.

iii. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Please refer to Item 9.iii in the section of this Brochure on the J.P. Morgan Securities STRATIS Program. However, please note that, unlike in STRATIS, JPMS's affiliates J.P. Morgan Investment Management Inc. (a/k/a J.P. Morgan Asset Management) and J.P. Morgan Private Investments Inc. are **not** Portfolio Managers in the ICS Universe and therefore conflicts of interest resulting from their acting as Portfolio Managers in STRATIS that are discussed in the STRATIS section of this Brochure are not applicable in ICS.

iv. Review of Accounts

Please refer to Item 9.iv in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

v. Client Referrals and Other Compensation

Please refer to Item 9.v in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

vi. **Financial Information**

There is no financial condition that is reasonably likely to impair JPMS's ability to meet contractual commitments to its clients.

J.P. Morgan Securities Horizon Program

Item 4 Services, Fees and Compensation

J.P. Morgan Securities LLC (“JPMS” or the “Firm”) is a wholly-owned subsidiary of JPMorgan Chase & Co. (“JPMC”), a publicly-held financial services holding company. JPMC and its affiliates (together, “J.P. Morgan”) are engaged in a large number of financial businesses worldwide, including banking, asset management, securities brokerage and investment advisory services. JPMS is registered as a broker-dealer and investment adviser with the U.S. Securities and Exchange Commission (the “SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”). JPMS’ investment advisory services include sponsoring a variety of wrap fee programs and providing certain consulting services to defined contribution plan sponsors. JPMS offers investment advisory services through three separate sales channels: J.P. Morgan Securities, Chase Wealth Management and You Invest. Similar wrap fee programs that offer the same and similar investment strategies may be offered in the different sales channels and programs, and at different fee levels. The wrap fee clients pay will vary depending on the investment advisory program selected.

This Brochure provides information about JPMS and the J.P. Morgan Securities Horizon Program (“Horizon” or the “Program”) that is offered by J.P. Morgan Securities, a brand name for a wealth management business of JPMS. Information about other wrap fee programs sponsored by JPMS are contained in separate Brochures, which can be obtained upon request from your J.P. Morgan Securities financial advisor (each, a “Financial Advisor”), or at the SEC’s website at www.adviserinfo.sec.gov.

Investing in securities involves risk of loss that clients should be prepared to bear. The investment performance and success of any particular investment cannot be predicted or guaranteed, and the value of a client’s investments will fluctuate due to market conditions and other factors. Investments are subject to various risks including, but not limited to, market, liquidity, currency, economic and political risks, and will not necessarily be profitable. Past performance of investments is not indicative of future performance.

i. Services

In the Program, clients select securities made available through Horizon on a non-discretionary basis after consultation with JPMS. The securities available through Horizon are typically mutual funds and exchange-traded funds (“ETFs” and, collectively with mutual funds, “Funds”), but from time to time, may also include other types of securities (all securities offered through Horizon at a point in time being collectively referred to herein as “Program Securities”). Clients in Horizon pay JPMS an asset-based wrap fee that covers JPMS’s advisory services and the execution of transactions and custody of assets by JPMS and its affiliates. Clients determine how to invest through Horizon (the “Horizon Assets”) after consulting with one or more J.P. Morgan Securities Financial Advisors. Clients may request that JPMS assist them in the review, evaluation and/or formulation of investment objectives. Clients are responsible for making all decisions regarding the adoption and implementation of any investment objectives.

Clients may also request that JPMS identify a possible asset allocation for the Horizon Assets and specific Program Securities to fulfill the asset allocation. Clients then select specific Program Securities for their accounts and designate the percentage of Horizon Assets to be invested in each security (the “Target Allocation”). The Target Allocation is set forth on a schedule to the client agreement or other investment advisory agreement entered into between JPMS and the client (the “Client Agreement”). A client may modify the Target Allocation at any time. Clients retain final decision-making authority and sole responsibility for the adoption of a Target Allocation and for the purchase or sale of Program Securities. Accordingly, except as described below, JPMS will perform no discretionary transactions and will effect transactions only as instructed by the client.

JPMS determines which Program Securities are available through Horizon, and reviews (or arranges for the review of) the Program Securities on a periodic basis to determine whether they will continue to meet the investment needs of Horizon clients. Accordingly, from time to time, JPMS may add or remove specific Program Securities to or from Horizon.

In the event it removes a Program Security from the Program, JPMS may designate another Program Security as the default replacement Program Security for the Horizon Assets invested in the removed Program Security. If JPMS designates such a default replacement Program Security, each affected client will be notified in writing that, unless the client, by the date specified by JPMS, affirmatively selects, in writing, a replacement Program Security, the client’s assets in the removed Program Security will automatically be re-invested into the designated replacement Program Security, without further notice to or consent of the client. In designating a default replacement Program Security (if any), JPMS will consider the appropriateness of the Program Securities available in the Program as suitable replacements for the removed Program Security. If a Program Security is removed from the Program and JPMS does not designate a default

replacement Program Security, the client's assets invested in the removed Program Security will automatically be re-invested into an ETF available in the Program, selected by JPMS, that is in an asset class or employs an investment strategy similar (as determined by JPMS) to that of the removed Program Security, unless the client affirmatively selects, in writing, a replacement Program Security of the client's own choosing by the date specified by JPMS. Regardless of whether JPMS designates a default replacement for a removed Program Security, the sale of the client's assets in the removed Program Security may have tax consequences for the client.

The client may elect to have JPMS systematically rebalance the Horizon account at a time frequency of calendar quarterly, semi-annually or annually to maintain the Target Allocation. For each scheduled rebalancing, a review of the allocation of the Horizon Assets will generally occur at the end of the applicable period (the "Review Date"). If the weight of one or more of the Program Securities varies from its target weight in the Target Allocation by more than the variance amount selected by the client, based on the actual value of the securities as of the Review Date, JPMS will rebalance the account by buying and selling shares of the relevant Program Securities to bring their relative weights back to the parameters of the Target Allocation, provided that the purchase amount with respect to a particular Program Security generally exceeds the greater of the prospectus minimum (where the Program Security is offered by prospectus) and that additional shares of each affected Program Security are available for purchase.¹ Although rebalancing trades normally will be effected shortly after the Review Date, market conditions, availability of securities, and orderly purchase and redemption procedures may cause delays in the processing of the rebalancing trades. Although the purchase and sale of securities ordinarily will result in a taxable gain or loss, JPMS will not consider tax issues when rebalancing the account. Clients should consult their own personal tax advisors prior to selecting any scheduled rebalancing option.

In the event a Program Security held by the client is the subject of a merger, acquisition or other reorganization that results in the issuance to the client of shares in a new security, JPMS may substitute the new Program Security for the prior Program Security in the client's Horizon account and Target Allocation without prior notice to or consent of the client

Each client is responsible for monitoring the client's Horizon account. This monitoring includes reviewing the Target Allocation on an ongoing basis, including whether the Target Allocation conforms to the client's investment objectives. The actual allocation of the Horizon Assets may change over time due to fluctuations in market value and/or additions to or withdrawals by the client; each client is solely responsible for monitoring the actual allocation of the Horizon Assets over time and for determining whether to rebalance the account if the client has not selected systematic periodic rebalancing. Unless specifically agreed to by JPMS, JPMS is not obligated to provide ongoing advice with respect to the client's determination of the account's Target Allocation.

Typically, in the Client Agreement clients authorize JPMS, upon the termination of the client's account from the Program, to convert such shares to a retail or other share class. Certain mutual funds may charge a redemption fee in the event of such conversions, and conversions may have tax consequences for clients.

JPMS or one of its affiliates will execute trades for Horizon accounts. By recommending the Program to clients, therefore, JPMS also is recommending itself as broker-dealer. JPMS will accept only market orders for transactions in Horizon. JPMS may execute transactions in Program Securities for Program accounts later than the day on which the client instructs JPMS to effect the transaction, and may execute them at a price higher or lower than the price quoted to the client at the time of such instruction. When JPMS executes transactions for Program clients, the division of JPMS that handles the execution may receive compensation (or compensation credits) from one or more other affiliates or divisions of JPMS, including from J.P. Morgan Securities through which Horizon is offered. Program clients are not charged for any such intracompany or inter-affiliate compensation.

JPMS ordinarily maintains custody of assets in Horizon accounts. In certain circumstances and subject to certain requirements, a client may request to use a third-party custodian for the provision of such services.

In general, JPMS also provides clients with periodic performance reviews of their Horizon accounts, which are also included in the Program fee paid by the client. Certain Horizon accounts may not receive such reviews; in its discretion, JPMS may not provide a client with written performance reviews for an account if, for example, the account's assets are not custodied by JPMS or JPMS concludes that the nature of the Program Securities held in the account makes valuation, performance measurement or performance benchmarking too difficult, infeasible or insufficiently valid or useful to the client.

¹ If the client has elected systematic rebalancing but has not specified a variance amount, a 10% variance will be applied; fractional percentage points of variance are rounded up or down to the nearest whole point. The amount of the applicable variance represents a variance from the target weight in absolute percentage points – not a percentage of the target weight percentage. For example, if the client has selected a rebalance variance of 10%, in order for a Program Security with a target weight of 20% to trigger a rebalancing of the account, the Program Security's actual allocation on a Review Date would have to be more than 30% (20% plus 10%) or less than 10% (20% minus 10%).

Share Class Conversion of Existing Mutual Funds. If a client holds a mutual fund share class that was previously approved and JPMS now deems to be ineligible for the Program, JPMS can exchange them into the newly approved advisory share class of the same mutual fund, under the authority provided to JPMS under the Client Agreement, mutual fund prospectus rules and its own policies, as soon as practicable. The newly approved advisory share class will generally be subject to lower net expenses, though in certain circumstances, can be subject to higher net expenses as compared to the previously approved share class. This section is not applicable to money market funds.

Contribution of Ineligible Funds, ETFs or Share Class. If a client contributes funds, ETFs or certain share classes, JPMS will generally require the client to remove a mutual fund or ETF from the account if the mutual fund, the share class, or ETF is not approved for the Program or is not part of the client's target allocation. If the mutual fund is approved for the platform, however the client's share class of the mutual fund is not the approved share class, then JPMS will not exchange the client's share class into the approved share class. However, clients may sell their share class and purchase the approved share class. Clients should discuss the impact of such sale and purchase of mutual fund shares with their Financial Advisor.

Exchange-Traded Funds and Index Mutual Funds. Shares of ETFs and index mutual funds are marketable securities that are interests in registered funds. Passive ETFs and index mutual funds are designed to track, before fees and expenses, the performance or returns of a relevant basket of assets, usually an underlying index. Unlike a mutual fund, an ETF trades like a common stock on a stock exchange. ETFs experience price changes throughout the day as they are bought and sold. ETFs typically have higher daily liquidity and lower fees than mutual fund shares.

Physical replication and synthetic replication are two of the most common structures used in the construction of passive ETFs and index mutual funds. Physically replicated passive ETFs and index mutual funds buy all or a representative portion of the underlying securities in the index that they track. In contrast, some passive ETFs and index mutual funds do not purchase the underlying assets but gain exposure to them by use of swaps or other derivative instruments.

In addition to the general risks of investing in funds, there are specific risks to consider with respect to an investment in passive ETFs and index mutual funds. Passive ETF and index mutual fund performance may differ from the performance of the applicable index for a variety of reasons. For example, passive ETFs and index mutual funds incur operating expenses and portfolio transaction costs not incurred by the benchmark index, may not be fully invested in the securities of their indices at all times, or may hold securities not included in their indices. In addition, corporate actions with respect to the equity securities underlying passive ETFs and mutual funds (such as mergers and spin-offs) may impact the variance between the performances of the funds and applicable indices. Passive investing differs from active investing in that managers are not seeking to outperform their benchmark. As a result, managers may hold securities that are components of their underlying index, regardless of the current or projected performance of the specific security or market sector. Passive managers do not attempt to take defensive positions based upon market conditions, including declining markets. This approach could cause a passive vehicle's performance to be lower than if it employed an active strategy.

With respect to ETFs, shares are bought and sold in the secondary market at market prices. Although ETFs are required to calculate their net asset values ("NAV") on a daily basis, at times the market price of an ETF's shares may be more than the NAV (trading at a premium) or less than the NAV (trading at a discount). Given the differing nature of the relevant secondary markets for ETFs, certain ETFs may trade at a larger premium or discount to NAV than shares of other ETFs depending on the markets where such ETFs are traded. The risk of deviation from NAV for ETFs generally is heightened in times of market volatility or periods of steep market declines. For example, during periods of market volatility, securities underlying ETFs may be unavailable in the secondary market, market participants may be unable to calculate accurately the NAV per share of such ETFs and the liquidity of such ETFs may be adversely affected. This kind of market volatility may also disrupt the ability of market participants to create and redeem shares in ETFs. Further, market volatility may adversely affect, sometimes materially, the prices at which market participants are willing to buy and sell shares of ETFs. As a result, under these circumstances, the market value of shares of an ETF may vary substantially from the NAV per share of such ETF, and the Client may incur significant losses from the sale of ETF shares.

ii. **Fees and Compensation**

a. **Wrap Fee**

The Program is known as a "wrap fee" investment advisory program because, as noted above, clients in the Program pay JPMS a single, asset-based fee (the "Fee") that covers JPMS's advisory and (if applicable) systematic rebalancing services, its trade execution, clearing, settlement and custody services and, as applicable, performance reporting services. Typically, Program accounts are charged the Fee each calendar quarter, in advance, on the net market value of the assets (including all cash and cash alternatives such as money market mutual funds). The maximum Fee, expressed as an annual rate, that may be charged to clients in the Program is 2.00%. The Fee must be a

flat rate expressed as a percentage with no more than two decimal places. The rate used each quarter will be approximately one-fourth of the annual rate based on the number of days in the quarter.

b. Negotiability of Fee

In its discretion, JPMS may negotiate the amount and calculation of the Fee based on a number of factors, including the type and size of the account, anticipated level of trading activity, services provided to the account, historical factors, and the scope of the client's relationship with JPMS. In addition, JPMS's negotiation of the Fee is generally subject to certain internal guidelines based on the total value of assets invested, or expected to be invested, by the client across JPMS's various investment advisory programs.

The Client Agreement typically provides that (i) a prorated Fee will be charged on total same-day contributions to the Account (net of total same-day withdrawals from the Account) of \$25,000 or more to cover the period from the date of the net same-day contribution until the end of the quarterly billing period and (ii) a prorated Fee credit will be made for total same-day withdrawals from the Account (net of total same-day contributions to the Account) of \$25,000 or more to cover the period from the date of the net same-day withdrawal until the end of the quarterly billing period. Upon termination of the Program account, JPMS will refund to the client any prepaid amount of the Fee prorated for the number of days remaining in the billing period.

c. Portion of Wrap Fee Paid to Financial Advisors

JPMS typically pays a portion of the Fee it receives from each client to the Financial Advisor(s) for that client. *Because the amount received by a Financial Advisor as a result of a client's participation in Horizon may be more than the Financial Advisor would receive if the client participated in another J.P. Morgan Securities investment advisory program or paid separately for investment advice, brokerage and other services covered by the Fee, the Financial Advisor may have a financial incentive to recommend Horizon over other programs or services.*

d. Comparative Cost of the Program

Participation in Horizon may cost the client more or less than purchasing the services provided in Horizon separately. Many factors bear upon the relative cost of Horizon to the client, including the cost of the services if provided and charged for separately, the client's Fee in Horizon, the amount of trading activity in the client's account, and the quality and value of the services provided. The Fee paid by a client may be higher or lower than the fees other clients pay (in Horizon or other investment advisory programs), and/or the cost of similar services offered through other financial firms.

e. Fees in Addition to the Wrap Fee

The Fee does not cover brokerage commissions or other charges resulting from transactions not effected through JPMS or its affiliates. The Fee does not cover clearing, settlement and custody charges that may be charged by custodians other than JPMS. The Fee also does not cover certain costs or charges that may be imposed by JPMS or third parties, including margin interest, costs associated with exchanging foreign currencies, borrowing fees on short sales, odd-lot differentials, activity assessment fees, transfer taxes, exchange fees, wire transfer fees, postage fees, auction fees, foreign clearing, settlement and custodial fees, and other fees or taxes required by law. The Fee does not cover "mark-ups," "mark-downs" or "dealer spreads" that other broker-dealers may receive when JPMS, acting as agent for the client in the Program, effects a transaction with an unaffiliated dealer acting as principal (i.e., for the dealer's own account). Such mark-ups on securities bought by the client, mark-downs on securities sold by the client and dealer spreads (the difference between the bid price and offer price) are generally incorporated into the net price that the client pays or receives in the transaction. The Fee also does not include dealer spreads that JPMS, its affiliates or other broker-dealers may receive when acting as principal in certain transactions.

Funds in the Program have various internal fees and expenses, which are paid by the Funds but are ultimately borne by clients as Fund shareholders; such fees and expenses are in addition to the Fee and generally will not be deducted from the Fee. Assets of Program clients may be invested in a share class of a mutual fund with internal fees and expenses that are higher than one or more other share classes of the fund. JPMS and its affiliates also receive compensation in addition to the Fee in connection with the operation and/or sale of Funds to clients in Horizon. See "Other Compensation from Affiliated and Unaffiliated Funds" in Item 9.iii for more information. Clients should review the applicable prospectuses for Funds in their Program accounts for additional information about the internal fees and expenses ultimately borne by investors in the Funds. Certain Funds may not permit shares to be transferred outside of Horizon and in certain circumstances may in their sole discretion redeem fund shares held by clients, which may have tax consequences for clients.

The Program Securities may be available to investors directly from the issuers of the Program Securities or a broker-dealer, as applicable, pursuant to the terms of their prospectuses and without paying the Horizon Fee. Further, to the extent that cash used for investment

in Horizon comes from redemptions of investments outside of Horizon, there may be tax consequences or additional cost from sales charges previously paid and/or redemption fees incurred. Any such sales charges and applicable redemption fees incurred by clients in connection with the liquidation of mutual funds or other securities for investment of the proceeds in Horizon are in addition to the Fee.

Except as otherwise agreed to in writing by JPMS, accounts are charged the Fee with respect to all assets in the account regardless of whether the client has previously paid or incurred commissions, sales charges or "loads," mark-ups, mark-downs, dealer spreads, or other costs, charges, fees or expenses in connection with the client's previous purchase of some or all of the assets in a brokerage account or otherwise outside of the Program.

f. General Fee and Compensation Issues

Please refer to Item 4.ii.f in the section of this Brochure on the J.P. Morgan Securities STRATIS Program for a discussion of general fee and compensation issues applicable to all Programs in this Brochure.

Item 5
Account Requirements and Types of Clients

JPMS requires that all clients who wish to open and maintain an account in the Program enter into the Client Agreement, which sets forth the services that JPMS will provide to the client, the Fee, and the specific terms and conditions that will govern the handling of the client's Program account and the investment advisory relationship between the client and JPMS. JPMS may decline to accept a particular client or account in the Program at any time and for any reason.

The minimum amount of total assets required to open an account in Horizon is typically \$25,000, although JPMS may, in its discretion, waive or reduce the minimum account opening size for certain clients or accounts. JPMS also may impose certain other requirements with respect to accounts in the Program, such as a minimum number of Program Securities and/or a maximum level of cash or cash alternatives (such as money market funds) in an account.

Beginning in October 2015, clients opening new accounts in Horizon will be required to include a minimum of three Program Securities in their Target Allocation, and existing clients holding, or who come to hold, three or more Program Securities will not be permitted to reduce the number of Program Securities to fewer than three. Also beginning in October 2015, Horizon accounts will be subject to a maximum Target Allocation to cash of 10%. Existing clients with cash allocations greater than 10% as of October 2015 will be notified of the new requirement and asked to reduce the allocation to 10% or less within a specified time period.

Horizon is intended for investment purposes and is not intended to be used for market timing or excessive trading of Program Securities. The types of clients participating in Horizon generally include individuals, trusts, retirement plans (including IRAs), estates, corporations and other business entities, foundations and endowments.

The accounts of employee benefit plans (as defined in ERISA) and retirement plans (as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended), which includes IRAs, may be subject to certain JPMS policies, restrictions and other terms and conditions that are different from those applicable to other accounts in the Program. Such policies, restrictions and other terms and conditions may affect, for example, the securities that may be available for investment in such accounts, the manner in which transactions may be effected in such accounts, the ability of such accounts to trade on margin, and the fees and expenses that may be charged to such accounts.

Item 6
Portfolio Manager Selection and Evaluation

JPMS does not select, recommend or make available Portfolio Managers in Horizon. JPMS identifies, reviews and makes available a universe of Program Securities, which in most or all cases are shares of Funds that have engaged their own Portfolio Managers to manage the Funds' assets. In this Item, therefore, JPMS discusses its processes with respect to the selection and review of Program Securities.

i. Selection of Program Securities

JPMS selects only certain securities as Program Securities available to clients through Horizon. JPMS reviews (or arranges for the review of) Funds and may review other types of securities to determine whether they should be Program Securities. JPMS may engage one or more third parties (including affiliates of JPMS) to perform initial and periodic reviews of Program Securities (each, a "Review Vendor").

A Review Vendor may also make recommendations to JPMS about which Funds or other securities to include as Program Securities in Horizon.

At the client's request, JPMS will identify Program Securities to the client for the Target Allocation to be adopted by the client. JPMS's selection of the particular Program Securities to identify to particular clients is typically based on the information the client has provided regarding his or her financial circumstances, investment objectives and risk tolerance.

ii. **Review of Program Securities**

JPMS or a Review Vendor reviews the Program Securities available through Horizon on a periodic basis. Currently, all Program Securities on the Select list are reviewed by the Manager Solutions due diligence group ("Manager Solutions") in the J.P. Morgan Wealth Management division; Manager Solutions is comprised of employees of JPMorgan Chase Bank, N.A. and other affiliates.

Manager Solutions provides research on funds and investment strategies (collectively referred to herein as "Researched Products"). For certain investment advisory programs, Manager Solutions utilizes a qualitative analysis of the Researched Products by reviewing the portfolio manager's organization, investment process, investment philosophy and performance of the Researched Products on an ongoing basis (the "Qualitative Research Process").

Additionally, Manager Solutions uses an internally developed quantitative screening process to evaluate the Researched Products that do not go through the Qualitative Research Process by reviewing the portfolio manager's organization, investment process, service and performance on an ongoing basis (the "Systematic Research Process"). Research Products may be removed from an investment advisory program if it is determined that they do not meet the criteria set forth in the Systematic Research Process. However, in the event a Researched Product does not pass the Systematic Research Process, Manager Solutions can review the Researched Product and apply the Qualitative Research Process to determine if the Researched Product is eligible. The Horizon Program utilizes the Systematic Research Process.

JPMS generally does not recommend the replacement of a particular Program Security for a particular client unless JPMS removes the Program Security from Horizon. If a Program Security is removed from Horizon, JPMS will notify affected clients and may designate another Program Security as the default replacement for the removed Program Security. If JPMS designates such a default replacement Program Security, each affected client will be notified in writing that, unless the client, by the date specified by JPMS, affirmatively selects, in writing, a replacement Program Security, the client's assets in the removed Program Security will automatically be re-invested into the designated replacement Program Security, without further notice to or consent of the client. In designating a default replacement Program Security (if any), JPMS will consider the appropriateness of the Program Securities available in the Program as suitable replacements for the removed Program Security. JPMS also may assist the client in identifying a suitable replacement Program Security in cases where JPMS does not designate a default replacement Program Security or where the client wishes to consider alternatives to the default replacement Program Security designated by JPMS; such assistance is typically based on the same types of factors used by JPMS to identify Program Securities for Horizon clients in the first instance. If a Program Security is removed from the Program and JPMS does not designate a default replacement Program Security, the client's assets invested in the removed Program Security will automatically be re-invested into an ETF available in the Program, selected by JPMS, that is in an asset class or employs an investment strategy similar (as determined by JPMS) to that of the removed Program Security, unless the client affirmatively selects, in writing, a replacement Program Security of the client's own choosing by the date specified by JPMS. Regardless of whether JPMS designates a default replacement for a removed Program Security, the sale of the client's assets in the removed Program Security may have tax consequences for the client.

Financial Advisors who learn of JPMS's decision to remove a Program Security from the Program may take or recommend action on the basis of such knowledge (i) with respect to certain clients and accounts (inside or outside of the Program) before others or (ii) before JPMS's written notice of the removal decision has been sent to all affected Program clients.

The review of a Program Security and/or other information and events also may result in a Program Security being closed to new investors pending further review. Generally, during this time, only clients already holding the Program Security when it was closed to new investors are permitted to purchase more of it, through systematic rebalancing or otherwise. Clients holding an affected Program Security will generally be notified in writing that it has been closed to new investors. Further review of the Program Security may result in a re-opening to new investors. JPMS may provide clients with information about Program Securities. The information may be prepared by JPMS or by a third party and may be based on and/or incorporates information from prospectuses, annual reports and other third-party sources. JPMS does not independently verify or guarantee the accuracy or completeness of the information. JPMS shall have no liability with respect to information provided by third parties. Program Security performance information – typically relating to Funds in the Program – may be included in the information provided by JPMS. *This performance is calculated by the Funds or by third parties and neither JPMS nor a third party engaged by it reviews the performance information to determine or verify its accuracy or its compliance with presentation standards. The performance information may not be calculated on a uniform and consistent basis.*

Before investing in a Fund through Horizon, clients should review the Fund's prospectus carefully and consider all of the information in it. A Fund's prospectus contains important information about the Fund, including the Fund's investment objectives, risks, charges and expenses. Each Fund is solely responsible for the truthfulness, completeness, and accuracy of its own prospectus.

JPMS is not responsible for the performance of any Program Security or the compliance of any Program Security or its issuer or adviser with its prospectus, applicable laws and regulations or other matters within the control of the Program Security or its issuer or adviser. Each Program Security's adviser is solely responsible for the management of the Program Security as described in the Program Security's prospectus. Without limiting the generality of the foregoing, JPMS shall not be responsible for any act or omission of any Program Security or any party acting on behalf of the Program Security or any misstatement or omission contained in any document prepared by or with the approval of any Program Security or any party acting on behalf of the Program Security, or any loss, liability, claim, damage, or expense, whatsoever, as incurred, arising out of or attributable to such misstatement or omission.

iii. Related Person Program Securities

Certain Program Securities and their issuers and/or advisers are affiliated with JPMS. More specifically, some of the Funds available to clients in Horizon are sponsored by affiliates of JPMS and/or have engaged investment advisers affiliated with JPMS, including J.P. Morgan Investment Management Inc. (a/k/a J.P. Morgan Asset Management) ("JPMIM"), to manage their investment portfolios.

JPMS has a conflict of interest in including such Funds in Horizon, in conducting (or having an affiliated Review Vendor conduct) periodic reviews of such Funds for inclusion in Horizon, in identifying such Funds to clients in Horizon, and in designating such Funds as default replacement Program Securities for Horizon Assets invested in Program Securities that are removed from the Program because (1) if a client selects (or is automatically re-invested into) a Fund sponsored by an affiliate of JPMS, the Fund will benefit from the client's investment and (2) if a client selects (or is automatically re-invested into) a Fund managed by JPMIM or another affiliate of JPMS, the affiliated manager will receive more in investment management fees from the Fund (which fees are ultimately borne by the client as a shareholder of the Fund and are in addition to the Horizon Fee). Accordingly, JPMS and its affiliates receive greater aggregate compensation when a client in Horizon selects (or is automatically re-invested into) a J.P. Morgan-affiliated Fund than when the client selects (or is automatically re-invested into) an unaffiliated Fund.

JPMS believes that this conflict is addressed by the fact that neither the persons responsible for the initial and periodic review of Funds for inclusion in Horizon and for possible designation as default replacement Program Securities, nor the Financial Advisors who identify specific Funds to clients, receive any direct financial benefit (such as additional compensation) from the investment of Horizon Assets in J.P. Morgan-affiliated Funds rather than in unaffiliated Funds. Moreover, because Financial Advisors are typically compensated in the Program through the receipt of a portion of the Fee, which is calculated based on the market value of a Program account, Financial Advisors are to that extent incentivized to identify Funds they believe will increase the value of the account, regardless of whether or not the Fund is affiliated with JPMS. In addition, as a matter of policy, JPMS will not designate a J.P. Morgan-affiliated Fund as the default replacement Program Security for retirement plan accounts (including IRAs and accounts subject to ERISA) invested in a Program Security that has been removed from the Program; if such a Fund has been designated as the default replacement Program Security for non-retirement plan accounts, JPMS will designate a different, unaffiliated Fund, or will not designate any default replacement Program Security, for retirement plan accounts.

Funds in the Program that are affiliated with JPMS are subject to the same selection and review processes as the other Program Securities in the Program.

iv. Risk of Loss

Please refer to Item 6.iv in the section of this Brochure on the J.P. Morgan Securities STRATIS Program for a discussion of certain relevant risk factors.

Item 7
Client Information Provided to Portfolio Managers

Clients in Horizon select from a universe of Program Securities, not Portfolio Managers. JPMS does not provide the issuers or investment managers of with information about clients in Horizon.

Item 8
Client Contact with Portfolio Managers

Clients in Horizon select from a universe of Program Securities, not Portfolio Managers. JPMS does not place any restrictions on clients' ability to contact and consult with the issuers and investment managers of Program Securities. However, the issuers and investment managers do not have investment advisory relationships directly with clients in Horizon, and may themselves restrict such contact and consultation.

Item 9
Additional Information

i. Disciplinary Information

Please refer to Item 9.i in the first section of this Brochure on the J.P. Morgan Securities STRATIS Program.

ii. Other Financial Industry Activities and Affiliations

a. Broker-Dealer Registrations

JPMS is registered with the SEC as a broker-dealer and investment adviser. Some of JPMS's management personnel and all of the Financial Advisors in the Program and their supervisors are registered with the Financial Industry Regulatory Authority ("FINRA") as registered representatives of JPMS in its capacity as a broker-dealer.

b. Futures/Commodities-Related Registrations

In addition, JPMS is registered with the CFTC as a futures commission merchant and also acts as a commodity pool operator exempt from registration as such with the CFTC. Some of JPMS's management personnel, and a small number of the Financial Advisors in the Program and/or their supervisors, are registered with the CFTC as associated persons of JPMS in its capacity as a futures commission merchant.

c. Material Relationships with Related Persons

JPMS has several relationships or arrangements with related persons that are material to its advisory business or to its advisory clients in the Program.

1. Affiliated Sponsors and Advisers of Funds

The Funds available through Horizon have various internal fees and expenses, which are paid by the Funds but are ultimately borne by the Program client as investor. The sponsors and/or general partners of certain Funds are affiliated with JPMS (potentially including those in which JPMS or its affiliates have a minority and/or non-controlling interest), and JPMS and its affiliates may provide investment management and other services to, and receive compensation from or in connection with, such Funds.

The selection of J.P. Morgan-affiliated Funds as the vehicle for the temporary investment (i.e., "sweeping") of available cash balances benefits those Funds and their J.P. Morgan-affiliated sponsors and/or general partners. In addition, several affiliates of JPMS manage J.P. Morgan-affiliated Funds and generally receive an investment management fee for doing so. Although the management fee is paid by the Fund itself, ultimately it is borne by investors in the fund. Therefore, to the extent a J.P. Morgan-affiliated Fund is selected as the "sweep" vehicle for the account, the JPMS affiliate receives, and the Program client ultimately bears the cost of, an investment management fee with respect to those assets. The affiliates of JPMS that provide such investment management services to Funds that may be included as Program Securities in Horizon include:

- JPMIM; and
- J.P. Morgan Private Investments Inc.

As a result, because JPMS and its affiliates will in the aggregate receive more compensation when Program assets are invested in J.P. Morgan-affiliated Funds than they would receive were the client instead invested in unaffiliated Funds, JPMS has a conflict of interest in:

- selecting J.P. Morgan-affiliated Funds for inclusion as Program Securities in Horizon;
- reviewing (or having an affiliate review) them for ongoing inclusion as Program Securities;
- identifying them to particular Horizon clients for the client's Target Allocation; and
- making only (or primarily) affiliated Funds available to Program clients for the "sweeping" of available cash balances.

JPMS believes that this conflict is addressed in the following ways:

- J.P. Morgan-affiliated Funds are subject to the same criteria as other Funds in JPMS's processes for the selection of Program Securities for inclusion in Horizon and the review of Program Securities for ongoing inclusion as Program Securities.
- Financial Advisors responsible for the identification of Program Securities to clients for the client's Target Allocation do not receive any direct financial benefit (such as additional compensation) from clients' ultimate selection and purchase of J.P. Morgan-affiliated Funds rather than unaffiliated Funds. Moreover, because Financial Advisors are typically compensated on the basis of the net market value of Program accounts, they are to that extent incentivized to identify Funds they believe will increase the value of the account, regardless of whether the Funds are affiliated or unaffiliated with JPMS.
- JPMS policy generally prohibits the identification by JPMS or the purchase by Horizon clients of J.P. Morgan-affiliated Funds for retirement plan accounts in the Program (including IRAs and accounts subject to ERISA) unless the client already held the Fund at issue in his or her Horizon account at the time of the acquisition of JPMS (then known as Bear, Stearns & Co. Inc.) by JPMorgan Chase & Co. in 2008, in which event the client typically may purchase additional shares of the Fund consistent with the account's Target Allocation. In addition, the only "sweep" vehicle other than the Deposit Account (discussed in Item 4.ii) that is available to retirement plan accounts in the Program is an unaffiliated money market mutual fund from which JPMS and its affiliates receive no additional compensation by virtue of its selection by retirement plan clients as the "sweep" vehicle for their accounts.

Clients should review the applicable prospectuses for funds in their Program accounts for additional information about the internal fees and expenses ultimately borne by investors in the Funds.

2. JPMorgan Chase Bank, N.A.

Please refer to Item 9.ii.c.4 in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

3. Revenue Sharing Arrangements with Affiliates

Please refer to Item 9.ii.c.5 in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

4. J.P. Morgan Acting in Multiple Capacities

Please refer to Item 9.ii.c.6 in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

d. Recommendation or Selection of Other Investment Advisers

JPMS does not recommend or select other investment advisers for its clients in Horizon. However, because most or all of the Program Securities are Funds whose performance is dependent on the performance of the Funds' own investments, and Funds typically engage investment advisers to act as their Portfolio Managers, the identity and performance of those Portfolio Managers is generally material to Horizon clients.

In addition to the fact that certain Funds in the Program and their sponsors and Portfolio Managers are affiliated with JPMS, certain other Funds in the Program and their sponsors and Portfolio Managers may have business relationships outside of the Program with JPMS and/or its affiliates, including relationships in which JPMS and/or its affiliates provide the sponsor or Portfolio Manager with trading, lending, prime brokerage and/or custody services for compensation. As a result of these relationships, JPMS has a conflict of interest in the selection and review (or the review by an affiliated Review Vendor) of Funds for inclusion in the Program, the identification of Funds to particular clients for their Target Allocations, and the designation of Funds as default replacement Program Securities for accounts invested in Program Securities removed from the Program (or, in the event JPMS does not designate a default replacement, selection of an ETF into which the client's Horizon Assets in the removed Program Security will automatically be re-invested if the client does not affirmatively select a replacement of the client's own choosing by the date specified by JPMS) because JPMS may have a financial incentive to favor those Funds (or those Funds sponsored or managed by parties) with which JPMS and/or its affiliates have other business relationships. JPMS believes

that this conflict is addressed by the fact that neither the persons responsible for the initial and periodic review of Funds for inclusion as Program Securities in the Program and for possible designation as default replacement Program Securities for Program Securities removed from the Program (or, if JPMS does not designate a default replacement, for selection of an ETF as described above) nor the Financial Advisors who identify Funds to particular clients (assuming they are aware of which Funds, sponsors and managers have other business relationships with JPMS and/or its affiliates) receive any direct financial benefit (such as additional compensation) from the investment of Horizon Assets with certain Funds instead of others. Moreover, because Financial Advisors are typically compensated in the Program through the receipt of a portion of the Fee, which is typically tied to the value of Program accounts, Financial Advisors are to that extent incentivized to identify Funds they believe will increase the value of the account, regardless of whether or not the Funds or their sponsors or Portfolio Managers have other business relationships with JPMS and/or its affiliates.

In addition, outside of and separate from the Program, JPMS acts as a solicitor (sometimes also called a “finder” or “referrer”) of prospective clients for certain other investment advisers, which may include one or more advisers acting as Portfolio Managers for Funds included as Program Securities in Horizon. Under its solicitation agreements with those advisers, JPMS is entitled to a specified portion of the advisory fees received by the advisers from the investors that were referred to them by JPMS. The investors referred to other advisers by JPMS may be existing investment advisory clients of JPMS, including clients in the Program. When JPMS makes a referral of one of its existing investment advisory clients to another adviser under a solicitation arrangement, the arrangement creates a material conflict of interest with the client because:

- JPMS has a financial incentive to make the referral because it will be entitled to compensation from the other adviser if the referred client becomes a client of the other adviser;
- JPMS does not base such referrals on any review or due diligence of the other advisers or their personnel or investment strategies;
- JPMS does not conduct an assessment of the suitability of the other advisers’ services for referred clients; and
- it may not be in the referred client’s best interest to become a client of the other adviser.

JPMS addresses this conflict in the following ways:

- The other advisers’ payments of solicitation fees to JPMS are typically subject to certain legal requirements and conditions, including the delivery by JPMS to the referred client, at the time of the referral, of a written document that discloses, among other things, the relationship between JPMS and the other adviser, the fact that JPMS will be compensated for the referral, the terms of the compensation arrangement, and the amount (if any) in addition to the advisory fee that the referred client will be charged by the other adviser for the cost of obtaining the client’s business.
- Clients referred to other advisers by JPMS have no obligation to become clients of those advisers, and their declining to do business with the adviser to which they were referred will not affect their relationship with JPMS.

iii. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

a. Code of Ethics

Please refer to Item 9.iii.a in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

b. Securities in Which JPMS or a Related Person Has a Material Financial Interest

In the Program, JPMS may identify to clients, for their Target Allocations, Program Securities in which JPMS or a related person has a material financial interest.

1. Affiliated Sponsors and Advisers of Funds

Horizon clients typically invest their Program accounts in Program Securities consisting of Funds that have various internal fees and expenses, which are paid by the Funds but are ultimately borne by the Program client as investor. The sponsors and/or general partners of certain such Funds are affiliated with JPMS (potentially including those in which JPMS or its affiliates have a minority and/or non-controlling interest), and JPMS and its affiliates may provide investment management and other services to, and receive compensation from or in connection with, such Funds.

The selection of J.P. Morgan-affiliated Funds as the vehicle for the temporary investment (i.e., “sweeping”) of available cash balances benefits those Funds and their J.P. Morgan-affiliated sponsors and/or general partners. In addition, several affiliates of JPMS

manage J.P. Morgan-affiliated Funds and generally receive an investment management fee for doing so. Although the management fee is paid by the Fund itself, ultimately it is borne by investors in the Fund. Therefore, to the extent a J.P. Morgan-affiliated Fund is selected as the “sweep” vehicle for the account, the JPMS affiliate receives, and the Program client ultimately bears the cost of, an investment management fee with respect to those assets.

The portion of the investment management fee received by JPMS’s affiliate that is borne by each Program client is not covered by, and is in addition to, the Fee paid to JPMS by the client. As a result, because JPMS and its affiliates will in the aggregate receive more compensation when Program assets are invested in J.P. Morgan-affiliated Funds than they would receive were the client instead invested in unaffiliated Funds, JPMS has a conflict of interest in:

- selecting J.P. Morgan-affiliated Funds for inclusion as Program Securities in Horizon;
- reviewing (or having an affiliate review) them for ongoing inclusion as Program Securities;
- identifying them to particular Horizon clients for the client’s Target Allocation; and
- making only (or primarily) affiliated Funds available to Program clients for the “sweeping” of available cash balances.

JPMS believes that this conflict is addressed in the following ways:

- J.P. Morgan-affiliated Funds are subject to the same criteria as other Funds in JPMS’s processes for the selection of Program Securities for inclusion in Horizon and the review of Program Securities for ongoing inclusion as Program Securities.
- Financial Advisors responsible for the identification of Program Securities to clients for the client’s Target Allocation do not receive any direct financial benefit (such as additional compensation) from clients’ ultimate selection and purchase of J.P. Morgan-affiliated Funds rather than unaffiliated Funds. Moreover, because Financial Advisors are typically compensated on the basis of the net market value of Program accounts, they are to that extent incentivized to identify Funds they believe will increase the value of the account, regardless of whether the Funds are affiliated or unaffiliated with JPMS.
- JPMS policy generally prohibits the identification by JPMS or the purchase by Horizon clients of J.P. Morgan-affiliated Funds for retirement plan accounts in the Program (including IRAs and accounts subject to ERISA) unless the client already held the Fund at issue in his or her Horizon account at the time of the acquisition of JPMS (then known as Bear, Stearns & Co. Inc.) by JPMorgan Chase & Co. in 2008, in which event the client typically may purchase additional shares of the Fund consistent with the account’s Target Allocation. In addition, the only “sweep” vehicle other than the Deposit Account (discussed in Item 4.ii) that is available to retirement plan accounts in the Program is an unaffiliated money market mutual fund from which JPMS and its affiliates receive no additional compensation by virtue of its selection by retirement plan clients as the “sweep” vehicle for their accounts.

Clients should review the applicable prospectuses for Funds in their Program accounts for additional information about the internal fees and expenses ultimately borne by investors in the Funds.

2. Other Compensation from Affiliated and Unaffiliated Funds

Mutual funds typically offer different ways to buy shares with different share classes that may assess different fees and expenses. JPMS strives to make available the most appropriate share class on the platform for each fund, with the goal of generally obtaining the lowest cost share class. However, for certain funds, the share classes with the lowest fee structures are not available in the Program (*e.g.*, (1) the fund family restricts access to these share classes or (2) JPMS does not have an agreement with the fund to distribute the share class in the Program). Clients should be aware that the share class of a fund available through the Program can differ from the share class available to similar accounts managed by or held at JPMS or its affiliates, and that certain lower cost fund share classes can be available outside of the Program. Clients should contact their Financial Advisor(s) for information about any limitations on share classes available through the Program. JPMS through its brokerage accounts have other arrangements with fund companies that are described in the relevant brokerage documents.

JPMS and its affiliates receive fees or other forms of compensation from the funds (including money market funds), or their affiliates. JPMS believes that this conflict is addressed in the following ways:

- **12b-1 Distribution Fees:** JPMS receives fees from certain funds pursuant to Rule 12b-1 under the Investment Company Act of 1940 (“12b-1 Distribution Fees”). Rule 12b-1 allows funds to use fund assets to pay the costs of marketing and distribution of the fund’s shares. If JPMS receives 12b-1 Distribution Fees, it will rebate these fees to the client.

- **Other Fees:** JPMS enters into agreements with the funds, their investment managers, distributors, principal underwriters, shareholder servicing agents and/or other affiliates of the funds (“Service Providers”). The funds or their Service Providers pay J.P. Morgan fees for providing certain administrative services, which include maintaining and updating separate records for each client, preparing and delivering client statements, tax reporting, proxy voting and solicitation, processing purchase and redemption orders, processing dividends, distributing prospectuses and other fund reports, and responding to client inquiries. These fees for these services are typically called “shareholder servicing fees,” when paid for by the fund; however these fees can be referred to as “revenue sharing” when they are paid by the fund Service Provider from its own resources (together referred to as “Servicing Fees”). As of December 31, 2019, the Servicing Fees that JPMS received were up to 25 basis points annually of the fund assets, or a rate of \$8 to \$20 per year per fund position; however, these amounts can change. The receipt by JPMS of these fees creates a conflict of interest in the selection of funds for accounts because the fees are different among funds. Similarly, JPMS has a conflict to recommend mutual funds that pay Servicing Fees instead of ETFs or other securities or products that do not pay any Servicing Fee. The Financial Advisors, who are responsible for managing or recommending investments for Program accounts do not receive any direct financial benefit from the Servicing Fees. To that extent, such Financial Advisors are incentivized to invest in or recommend securities they believe will increase the value of the account. JPMS does not retain any portion of those fees for retirement advisory accounts. When evaluating the fees for, and cost of, the Program, clients should consider the Servicing Fees that JPMS receives in addition to the investment advisory fees. Clients can also request a fund prospectus for additional information regarding fund fees.

Once a particular share class is made available for a particular fund in the Program, clients can only purchase that share class for such fund. JPMS periodically reviews the share classes offered by funds in the Program, but also relies on the fund families to inform JPMS when and if these share classes will be made available. If JPMS identifies and makes available a class of shares for a fund more appropriate than the class of shares previously made available for the fund, to the extent allowed, JPMS will convert client shares of the fund to that more appropriate share class of the same fund. Operational and other considerations can affect the timing of the conversion of shares, and can cause the timing or implementation of such conversions to differ between clients.

Some of the fund share classes available through the Program are not necessarily available to clients outside of the Program. To the extent an account is terminated, clients may not be eligible to continue to hold or purchase certain share classes offered in the Program outside of the Program, as well as outside the firm.

3. Principal and “Agency Cross” Transactions

In connection with effecting transactions for accounts in the Program, JPMS and its affiliates may, to the extent permitted by applicable law, act as principal (i.e., for its own account), agent for the client, or agent for both the client and the party on the other side of the transaction. For a discussion of the conflicts of interest that arise when JPMS or an affiliate acts either as principal or as agent for both the client and the party on the other side of the transaction (known as an “agency cross transaction”), and how JPMS addresses those conflicts of interest, please refer to Item 9.iii.b in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

In Horizon, however, because most or all of the Program Securities are Funds, which are generally not traded on a principal or agency cross basis, JPMS and its affiliates will rarely if ever effect transactions for Horizon clients on such a basis.

c. When JPMS or a Related Person Invests in the Same Securities That It Recommends to or Buys/Sells for Clients

JPMS and its affiliates and other related persons may invest in the same securities that JPMS includes as Program Securities in Horizon and identifies to Horizon clients for their Target Allocations. In such circumstances, the interests of JPMS and its related persons conflict with those of Program clients in several respects:

- JPMS or a related person may benefit from (1) clients buying securities that JPMS or the related person then sells or (2) clients selling securities that JPMS or the related person then buys, because client purchases may increase the market price of a security JPMS or the related person owns or borrows and then sells, and client sales may reduce the market price of a security JPMS or the related person then buys.
- JPMS or a related person may benefit from (1) buying securities that clients will later buy (because the subsequent client purchases may increase the market price of the security JPMS or the related person already bought and owns) or (2) selling securities that clients will later sell (because subsequent client sales may decrease the market price of the security JPMS or the related person already sold).
- JPMS or a related person may benefit from principal transactions in which it sells a security directly from its own account to a client account or buys a security into its own account directly from a client account. For example, when a client

instructs JPMS to buy a Program Security for the client's Program account, JPMS may have a financial incentive to execute the order through a principal (instead of agency) transaction if it owns the Program Security in its own account, the security is thinly traded or illiquid, and JPMS believes it will decline in value or wants to sell it for another reason.

JPMS believes that these conflicts are addressed by:

- the maintenance of policies (including in the Code of Ethics) prohibiting JPMS employees from engaging in conduct intended to manipulate the price of securities and procedures designed to prevent and/or detect such conduct;
- the maintenance of information barrier procedures designed to control the flow of information between JPMS's and its affiliates' proprietary trading operations and other business units, including J.P. Morgan Securities; and
- the restrictions on principal transactions with Program accounts described in Item 9.iii.b in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

d. When JPMS or a Related Person Buys/Sells Securities for Itself at or About the Same Time It Recommends or Buys/Sells the Same Securities to/for Clients

JPMS and its affiliates and other related persons may invest in securities at or about the same time that JPMS identifies the same securities (as Program Securities) to Horizon clients for their Target Allocations.

In such circumstances, the interests of JPMS and its related persons conflict with those of JPMS's Program clients in all of the respects described in the preceding section, each of which typically involves not only trading in the same securities that clients do, but also trading in them at or about the same time that clients do. Please refer to Item 9.iii.c above for a description of those conflicts and how they are addressed.

JPMS may, but is not required to, aggregate orders for the sale or purchase of a Program Security for the client's account with orders for the same security for other clients, including orders for JPMS's or its affiliates' employees and related persons. Aggregated orders will generally be filled at an average price, with a pro rata share of transaction costs (if applicable). A client order that is not aggregated with one or more other client orders may be executed at a less favorable price and incur greater transaction costs than an aggregated order.

JPMS may have a conflict of interest in connection with the aggregation of orders by multiple Program clients for the purchase or sale of the same security. On occasion, an aggregated order will not be fully executed, or "filled." A partial "fill" of an aggregated order must be allocated among the affected clients' accounts. When the affected accounts include a proprietary or personal account for JPMS or any of its affiliates or other related persons (including Financial Advisors), or an account that JPMS or its affiliates may have some other reason to favor (because it typically pays JPMS more compensation, for example), JPMS may have an interest in allocating more shares or units from the partial "fill" to such an account, leaving fewer shares or units for the accounts of other affected clients. JPMS addresses this conflict by processes designed to ensure that the allocation of a partially filled order is fair and equitable in accordance with applicable law. Factors that may affect allocations include, for example, available cash in each account, the size of each account and order, client-imposed or other restrictions on investments in each account, and the desirability of avoiding odd lots. Providing a comparatively favorable allocation to a proprietary or personal account of JPMS or its affiliates or other related persons, however, would not constitute a fair and equitable allocation.

JPMS may execute transactions in Program Securities for Program accounts later than the day on which the client instructs JPMS to effect the transaction, and may execute them at a price higher or lower than the price quoted to the client at the time of such instruction.

e. Conflicts of Interest related to Ownership Interest in J.P. Morgan Stock

Please refer to Item 9.iii.e in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

f. J.P. Morgan's Use of Index Products

JPMS or one of its affiliates develop or own and operate stock market and other indexes based on investment and trading strategies developed by JPMS or its affiliates or assist unaffiliated entities in creating indexes that are tracked by certain ETFs utilized by JPMS or an affiliate. Some of the ETFs for which an affiliate of JPMS acts as investment adviser (the "JPM ETFs") seek to track the performance of these indexes. JPMS and its affiliates, from time to time, manage client accounts that invest in these JPM ETFs. In addition, JPMS and its affiliates manage client accounts which track the same indexes used by the JPM ETFs or which are based on the same, or substantially similar, strategies that are used in the operation of the indexes and the JPM ETFs. The operation of the indexes, the JPM ETFs and client accounts in this manner give rise to potential conflicts of interest. For example, client accounts that track the same indexes used by the JPM ETFs may engage in

purchases and sales of securities relating to index changes prior to the implementation of index updates or the time as of which the JPM ETFs engage in similar transactions because the client accounts may be managed and rebalanced on an ongoing basis, whereas the JPM ETFs' portfolios are only rebalanced on a periodic basis corresponding with the rebalancing of an index. These differences can result in the client accounts having more favorable performance relative to that of the index and the JPM ETFs or other client accounts that track the index. Other conflicts include the potential for unauthorized access to index information, allowing index changes that benefit JPMS or other client accounts and not the investors in the JPM ETFs. JPMS and its affiliates have established certain information barriers and other policies to address the sharing of information between different businesses within JPMS and its affiliates, including with respect to personnel responsible for maintaining the indexes and those involved in decision-making for the JPM ETFs. In addition, as described above, JPMS has adopted a code of ethics.

g. Other Compensation from ETFs

Certain ETFs in which account assets are invested in for the Program execute transactions for their portfolios through JPMS or an affiliate as broker-dealer, and JPMS or an affiliate receives traditional brokerage compensation and fees from the ETFs in connection with these transactions. Such compensation presents a conflict of interest between JPMS and clients because JPMS has a financial incentive to invest Program account assets in such ETFs: (1) in the hope or expectation that increasing the amount of assets invested with the ETFs will increase the number and/or size of transactions placed by the ETFs for execution by JPMS or an affiliate or other related person, and thereby result in increased compensation to JPMS and its affiliates and other related persons in the aggregate; and (2) to benefit the ETFs and thereby preserve and foster valuable brokerage relationships with the ETFs.

iv. Review of Accounts

a. Nature and Frequency of Program Account Reviews

At account opening, the client's Financial Advisor determines that the account and the investment strategy are suitable investments for the client. Clients have ongoing reasonable access, during normal business hours, to a Financial Advisor who is available for consultation regarding the client's accounts. Financial Advisors are an essential component to the Program and provide clients with nondiscretionary advisory services and account maintenance support. JPMS contacts clients at least once annually to determine whether there has been any changes in the client's financial situation, investment objectives or investment restrictions that would require changes to the client's account. To ensure that the Program remains suitable for the client, clients are instructed to promptly notify their Financial Advisor or JPMS of any material changes to their investment objectives and/or financial situation.

JPMS Financial Advisors review client accounts in the Program on an ongoing and periodic basis utilizing proprietary tools that were created for this Program to determine whether the account is in line with the Program guidelines.

JPMS personnel who are knowledgeable about the management of client accounts are available for client consultation upon reasonable request.

The information in this Brochure does not include all of the specific review features associated with each Strategy or applicable to a particular client account. Clients are urged to ask questions regarding JPMS's review process applicable to a particular Strategy or investment product, to read all product specific disclosures and to determine whether a particular Strategy or investment product is suitable for their account in light of their circumstances, investment objectives and financial situation.

b. Reports to Program Clients

Please refer to Item 9.iv.b in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

v. Client Referrals and Other Compensation

Please refer to Item 9.v in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

vi. Financial Information

There is no financial condition that is reasonably likely to impair JPMS's ability to meet contractual commitments to its clients.

J.P. Morgan Securities Unified Managed Account Program (“UMA”)

Item 4 **Services, Fees and Compensation**

J.P. Morgan Securities LLC (“JPMS” or the “Firm”) is a wholly-owned subsidiary of JPMorgan Chase & Co. (“JPMC”), a publicly-held financial services holding company. JPMC and its affiliates (together, “J.P. Morgan”) are engaged in a large number of financial businesses worldwide, including banking, asset management, securities brokerage and investment advisory services. JPMS is registered as a broker-dealer and investment adviser with the U.S. Securities and Exchange Commission (the “SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”). JPMS’ investment advisory services include sponsoring a variety of wrap fee programs and providing certain consulting services to defined contribution plan sponsors. JPMS offers investment advisory services through three separate sales channels: J.P. Morgan Securities, Chase Wealth Management and You Invest. Similar wrap fee programs that offer the same and similar investment strategies may be offered in different sales channels and programs, and at different fee levels. The wrap fee clients pay will vary depending on the investment advisory program selected.

This Brochure provides information about JPMS and the J.P. Morgan Securities Unified Managed Account Program (“UMA” or the “Program”) that is offered by J.P. Morgan Securities, a brand name for a wealth management business of JPMS. Information about other wrap fee programs sponsored by JPMS are contained in separate Brochures, which can be obtained upon request from your J.P. Morgan Securities financial advisor (each, a “Financial Advisor”), or at the SEC’s website at www.adviserinfo.sec.gov.

Investing in securities involves risk of loss that clients should be prepared to bear. The investment performance and success of any particular investment cannot be predicted or guaranteed, and the value of a client’s investments will fluctuate due to market conditions and other factors. Investments are subject to various risks including, but not limited to, market, liquidity, currency, economic and political risks, and will not necessarily be profitable. Past performance of investments is not indicative of future performance.

i. Services

Through UMA, JPMS provides investment advisory services to clients and Envestnet Asset Management, Inc. (formerly known as Placemark Investments, Inc.), an unaffiliated portfolio manager (the “Overlay Manager”), manages client accounts on a discretionary basis using each client’s selection of model portfolios provided by other advisers and/or investment strategies co-managed by other portfolio managers in addition to the client’s own selection of specific securities made available through UMA, which are typically mutual funds and exchange-traded funds (“ETFs” and, collectively with mutual funds, “Funds”) but from time to time also may include other types of securities (all securities offered through UMA at a point in time being collectively referred to in the UMA section of this Brochure as “Program Securities”). The discretionary management of client assets by the Overlay Manager and any co-portfolio managers according to one or more model portfolios and/or co-managed investment strategies selected by the client and the investment of assets in specific Program Securities selected by the client take place in a single, unified J.P. Morgan Securities account. Clients pay an asset-based “wrap fee” that covers JPMS’s advisory services, the services of the Overlay Manager and the providers of the model portfolios and/or co-portfolio managers, and execution of transactions and custody through JPMS and its affiliates. Clients determine how to invest through UMA (the “UMA Assets”) after consulting with a J.P. Morgan Securities Financial Advisor. In connection with opening a UMA account, clients will answer a series of questions relating to the client’s investment objective(s), goals, time horizon and risk tolerance, which will identify the risk profile (the “Risk Profile”) for the account. Each listed Risk Profile has a recommended range for asset class weightings associated with it.

The Risk Profile will dictate a target asset allocation (the “Target Allocation”) for the account. JPMS will typically work with and assist the client in developing the Target Allocation. The client may deviate from the recommended asset class weightings for the selected Risk Profile, but can only deviate to the next, more conservative Risk Profile (e.g., the Target Allocation selected for an account with a Moderate Risk Profile can select the Target Allocation for the Moderately Conservative Risk Profile).

The client then selects investment strategies that correspond to the Target Allocation to create the “Target Portfolio.” The investment strategies available through UMA are implemented in three different ways: (1) the Overlay Manager’s discretionary management of UMA Assets according to specific model portfolios (“Models”) provided by third-party model portfolio providers (“MPPs”) and selected by the client; (2) discretionary management of UMA Assets by the Overlay Manager and third-party portfolio managers (“Joint Discretion Managers”), jointly, according to investment strategies (“Joint Discretion Strategies”) selected by the client; and/or (3) specific Program Securities selected by the client. Most or all of the Program Securities are Funds. The investment styles for the selected Models, Joint Discretion Strategies and/or Program Securities generally correspond to the Target Allocation.

In addition, JPMS will identify and present the client with specific Models, Joint Discretion Strategies and Program Securities to create the Target Portfolio. JPMS provides this assistance based on the information the client provides to JPMS, including the Risk Profile for the UMA account.

JPMS determines which Overlay Manager, Models, Joint Discretion Strategies and Program Securities are available through UMA, and reviews (or arranges for the review of) the Overlay Manager, Models, Joint Discretion Strategies and Program Securities on a periodic basis to determine whether they will continue to meet the investment needs of UMA clients. Accordingly, from time to time JPMS may change the Overlay Manager and/or add and remove specific Models, Joint Discretion Strategies and Program Securities to and from UMA, as further described below.

Even though JPMS will identify and recommend to the client suitable Models, Joint Discretion Strategies and/or Program Securities, the client is responsible for the ultimate selection of the Models, Joint Discretion Strategies and/or Program Securities for their account(s), as well as the Target Allocation and the Target Portfolio.

In the event it removes a Model, Joint Discretion Strategy or Program Security from the Program, JPMS may designate another Model, Joint Discretion Strategy or Program Security as the default replacement to for the UMA Assets invested in the removed Model, Joint Discretion Strategy or Program Security. If JPMS designates such a default replacement, each affected client will be notified in writing that, unless the client affirmatively selects a replacement Model, Joint Discretion Strategy or Program Security by the date specified by JPMS, the client's assets in the removed Model, Joint Discretion Strategy or Program Security will automatically be re-invested into the designated default replacement Model, Joint Discretion Strategy or Program Security, without further notice to or consent of the client. In designating a default replacement Model, Joint Discretion Strategy or Program Security (if any), JPMS will consider the appropriateness of the Models, Joint Discretion Strategies and Program Securities available in the Program as suitable replacements for the removed Model, Joint Discretion Strategy or Program Security. If a Model, Joint Discretion Strategy or Program Security is removed from the Program and JPMS does not designate a default replacement Model, Joint Discretion Strategy or Program Security, the client's UMA Assets invested according to the removed Model or Joint Discretion Strategy or in the removed Program Security will automatically be re-invested into an ETF available in the Program, selected by JPMS, that is in an asset class or employs an investment strategy similar (as determined by JPMS) to that of the removed Model, Joint Discretion Strategy or Program Security, unless the client affirmatively selects a replacement Model, Joint Discretion Strategy or Program Security of the client's own choosing by the date specified by JPMS. Regardless of whether JPMS designates a default replacement for a removed Model, Joint Discretion Strategy or Program Security, the sale of the client's assets in the removed Model, Joint Discretion Strategy or Program Security may have tax consequences for the client.

JPMS will notify the Overlay Manager of the client's Target Portfolio and will give the Overlay Manager information about the client, including any investment restrictions the client wishes to place on the investments in the account.

Clients who select one or more Models authorize the Overlay Manager to manage the UMA Assets allocated to those Models on a discretionary basis in accordance with each Model selected. Typically, the Overlay Manager will initially invest the UMA Assets the client has allocated to each Model in a manner consistent with that Model. As the MPP makes changes to the Model and communicates those changes to the Overlay Manager, the Overlay Manager generally will manage the account to reflect those changes. However, the Overlay Manager may deviate, at any time and in its sole discretion, from the Model. Thus, the performance between Models and the strategies as implemented in UMA accounts will vary.

The Overlay Manager has a direct investment advisory relationship with the client and is not an agent or sub-adviser of JPMS in the Program. Similarly, each Joint Discretion Manager has a direct investment advisory relationship with the clients that select any of its Joint Discretion Strategies, and is not an agent or sub-adviser of JPMS in the Program. However, UMA clients do **not** have investment advisory relationships with the MPPs (which provide their Models to the Overlay Manager for the Overlay Manager to use in its discretion) or with the issuers of Program Securities or such issuers' advisers.

The actual allocation of the account may change over time due to fluctuations in the market value of the UMA Assets and/or additions to or withdrawals from the account by the client. In addition, a change in the client information provided to JPMS or other circumstances may warrant a change to a client's Target Allocation or Target Portfolio. Each client is solely responsible for monitoring the account's Risk Profile, including whether the management of the UMA Assets conforms to the Risk Profile. Each client is further responsible for monitoring the actual allocation of the account on an ongoing basis and determining whether to instruct the Overlay Manager to rebalance and/or reallocate the UMA Assets. It may take up to ten business days to implement a request from a client to change a Model, Joint Discretion Strategy or Program Security.

If elected by the Client, the Overlay Manager will implement tax management services for securities held in accordance with Models and/or Joint Discretion Strategies in the account. In providing tax management services, the Overlay Manager will, subject to client-

imposed restrictions and investment guidelines accepted by the Overlay Manager, consider the tax consequences of transactions in the account and implement the selected Models and/or Joint Discretion Strategies in the context of such consequences ("Tax Management Services"). Investment restrictions and guidelines accepted by the Overlay Manager will take precedence over Tax Management Services and therefore may impact the ability of the Overlay Manager to improve after-tax returns. The Overlay Manager may, in light of other considerations in an account, effect transactions even though they may generate tax liabilities, including short-term taxable income, or exceed or violate any of the limits or mandates identified by the client. The Overlay Manager makes no guarantee that tax liability in the account will be reduced or that any indicated limits or mandates will be met. The Overlay Manager does not provide tax management with respect to Program Securities, although any additional Fee charged for Tax Management Services will be applied to all assets in the account, including Program Securities. Accordingly, Tax Management Services are more appropriate and likely to prove more effective for an account that is more heavily concentrated in Models and/or Joint Discretion Strategies than in Program Securities. Tax Management Services are available for U.S. taxable clients but not for tax-exempt clients.

If the client discontinues Tax Management Services, the Overlay Manager will begin managing the account as if it never were tax managed, which may result in the recognition of significant short-term taxable gains. The Overlay Manager will not be responsible for any such gains that may be realized in managing the client's account after the termination of Tax Management Services. The Overlay Manager will generally accept specific tax gain and loss requests for taxable accounts that are not enrolled in Tax Management Services, but the extent to which the Overlay Manager implements such a request may be affected by its qualitative assessment of market liquidity; typically, after December 15 of each calendar year, the Overlay Manager may experience reduced liquidity in the market and determine that executing a client's tax gain or loss request in such an environment would not be in the client's best interest. For this reason, the client should typically make tax-related trading requests before December 15 of each calendar year. In general, specific tax gain and loss requests are not appropriate for accounts enrolled in Tax Management Services, but may be implemented on an exception basis in the sole discretion of the Overlay Manager.

The client may elect to have the Overlay Manager and/or each Joint Discretion Manager implement certain customized impact restrictions (e.g., socially conscious restrictions) on the management of their account ("Impact Overlay Services"), subject to the acceptance of Overlay Manager and/or each Joint Discretion Manager selected by Client, as applicable. If a client elects to enroll in Impact Overlay Services, an additional Fee will be applied to all assets in the account, including Program Securities. If a client has already elected for Overlay Manager to implement Tax Management Services, an additional Fee for Impact Overlay Services will typically not be charged.

The client may elect to have the Overlay Manager rebalance the account at a time frequency of quarterly, semi-annually, annually or not at all. The client also may request an *ad hoc* rebalancing review to be implemented as soon as practicable upon receipt of such request by the Overlay Manager. The Overlay Manager will evaluate the account at the interval selected by the client to determine if the account should be considered for rebalancing. Accounts for which quarterly rebalancing is selected will be evaluated after being managed for one full calendar quarter; accounts for which semi-annual rebalancing is selected will be evaluated after being managed for two full calendar quarters; and accounts for which annual rebalancing is selected will be evaluated after being managed for four full calendar quarters. Rebalancing takes into consideration the weight of each Model, Joint Discretion Strategy and Program Security in the account at the time and represents a weighting of the account's Target Portfolio.

Upon evaluating the account for rebalancing, the Overlay Manager may decide not to rebalance the Account, in whole or in part, if in its discretion it would be in the account's best interest not to do so. In addition, if a rebalancing would entail the purchase of additional shares of a Program Security that has been scheduled for removal from the Program, the account may not be rebalanced. If the Overlay Manager determines that the account should be rebalanced, it will initiate transactions with a goal of restoring the account as closely as practicable to the Target Portfolio. Large cash contributions and/or withdrawals may cause the Overlay Manager to seek to invest such contributions or to raise proceeds to fund withdrawals, as the case may be, in a manner so as to bring the account in closer alignment with the Target Portfolio. For clients who elect to receive Tax Management Services, the Overlay Manager will evaluate the trade-off between rebalancing the account and the tax consequences in light of any constraints or tax mandates identified by the client; such considerations may cause the Overlay Manager not to rebalance the account. Further, accounts enrolled in Tax Management Services may not be restored as closely to their respective Target Portfolios as accounts without Tax Management Services if, in the Overlay Manager's opinion, doing so would generate excessive tax liabilities. For clients whose accounts are not tax-exempt, rebalancing may result in possibly substantial taxable gains or losses. JPMS will not be liable for any tax consequences of rebalancing or other transactions in UMA accounts. The Overlay Manager may disregard certain smaller positions in Program Securities when making rebalancing decisions; in addition, the rebalancing of the account is typically subject to any Program Security's availability and any minimum purchase requirement set forth in the Program Security's prospectus.

Clients are solely responsible for monitoring the Overlay Manager's adherence to or consistency with the client's Risk Profile, Target Allocation, Target Portfolio, any tax gain or loss requests and mandates, and any investment restrictions, guidelines, and/or policies that have been submitted by the client and accepted by the Overlay Manager. JPMS has no responsibility for monitoring particular UMA

accounts for any such adherence or consistency, even if JPMS assisted the client with determining the Target Allocation, identified Models, Joint Discretion Strategies and Program Securities for the client's Target Portfolio and/or assisted the client in developing restrictions, guidelines, and/or policies. In addition, unless specifically agreed to by JPMS, JPMS is not obligated to provide ongoing advice with respect to the client's selection of any Model, Joint Discretion Strategy or Program Security, and clients are solely responsible for determining whether a change in the client's circumstances may warrant a change to the client's Target Allocation or selection of Models, Joint Discretion Strategies and/or Program Securities. The Overlay Manager is solely responsible, and JPMS is not responsible, for the management of UMA accounts, including the conformity of the management of each account to any information provided by the client, except with respect to UMA Assets invested in Joint Discretion Strategies, as to which the Overlay Manager and the selected Joint Discretion Managers are jointly responsible.

Pursuant to the Client Agreement, clients authorize and instruct JPMS, upon the termination of the account or the removal of the client's account from the Program, to the extent that the mutual fund shares in the account are an institutional or other share class not eligible to be held by the client in a brokerage account or an account outside of the Program, to convert such shares to a retail or other share class. Certain mutual funds may charge a redemption fee in the event of such conversions, and conversions may have tax consequences for clients.

Typically, in the Client Agreement, the client authorizes the Overlay Manager and each Joint Discretion Manager to direct transactions in the client's account to JPMS for execution, subject to the Overlay Manager's and each Joint Discretion Manager's duty under applicable law to seek "best execution" and JPMS's capacity and willingness to execute the transaction. By recommending the Program to clients, therefore, JPMS also is recommending itself as broker-dealer. For more information about the factors that the Overlay Manager may consider in determining which broker or dealer to execute transactions through, please refer to the Overlay Manager's Form ADV Part 2A or other applicable disclosure document(s). When JPMS executes transactions for Program clients, the division of JPMS that handles the execution may receive compensation (or compensation credits) from one or more other affiliates or divisions of JPMS, including from J.P. Morgan Securities, through which UMA is offered. Program clients are not charged for any such intracompany or inter-affiliate compensation.

JPMS will ordinarily provide clearing, settlement and custodial services for UMA accounts. In certain circumstances and subject to certain requirements, a client may request to use a third-party custodian for the provision of such services.

In general, JPMS also provides clients with periodic performance reviews of their UMA accounts, which are also included in the Program fee paid by the client. Certain UMA accounts may not receive such reviews; in its discretion, JPMS may not provide a client with written performance reviews for an account if, for example, the account's assets are not custodied by JPMS or JPMS concludes that the nature of a Model or Joint Discretion Strategy implemented and/or Program Security held in the account makes valuation, performance measurement or performance benchmarking too difficult, infeasible or insufficiently valid or useful to the client.

Share Class Conversion of Existing Mutual Funds: If a client holds a mutual fund share class that was previously approved and JPMS now deems to be ineligible for the Program, JPMS can exchange them into the newly approved advisory share class of the same mutual fund, under the authority provided to JPMS under the Client Agreement, mutual fund prospectus rules and JPMS' own policies, as soon as practicable. The newly approved advisory share class will generally be subject to lower net expenses, though in certain circumstances, can be subject to higher net expenses as compared to the previously approved share class. This section is not applicable to money market funds.

Contribution of Ineligible Funds, ETFs or Share Class: If a client contributes funds, ETFs or certain share classes, the client authorizes the Joint Discretion Manager or Overlay Manager to sell the mutual fund or ETF from the account if the mutual fund, the mutual fund share class, or ETF is not approved for the Program or is not part of the client's asset allocation model or target allocation. If the mutual fund is approved for the platform, however the client's share class of the Fund is not the approved share class, then JPMS will not exchange the client's share class into the approved share class. However, JPMS may sell the client's share class and purchase the approved share class.

Exchange-Traded Funds and Index Mutual Funds. Shares of ETFs and index mutual funds are marketable securities that are interests in registered funds. Passive ETFs and index mutual funds are designed to track, before fees and expenses, the performance or returns of a relevant basket of assets, usually an underlying index. Unlike a mutual fund, an ETF trades like a common stock on a stock exchange. ETFs experience price changes throughout the day as they are bought and sold. ETFs typically have higher daily liquidity and lower fees than mutual fund shares.

Physical replication and synthetic replication are two of the most common structures used in the construction of passive ETFs and index mutual funds. Physically replicated passive ETFs and index mutual funds buy all or a representative portion of the underlying securities in the index that they track. In contrast, some passive ETFs and index mutual funds do not purchase the underlying assets but gain exposure to them by use of swaps or other derivative instruments.

In addition to the general risks of investing in Funds, there are specific risks to consider with respect to an investment in passive ETFs and index mutual funds. Passive ETF and index mutual fund performance may differ from the performance of the applicable index for a variety of reasons. For example, passive ETFs and index mutual funds incur operating expenses and portfolio transaction costs not incurred by the benchmark index, may not be fully invested in the securities of their indices at all times, or may hold securities not included in their indices. In addition, corporate actions with respect to the equity securities underlying passive ETFs and mutual funds (such as mergers and spin-offs) may impact the variance between the performances of the funds and applicable indices. Passive investing differs from active investing in that managers are not seeking to outperform their benchmark. As a result, managers may hold securities that are components of their underlying index, regardless of the current or projected performance of the specific security or market sector. Passive managers do not attempt to take defensive positions based upon market conditions, including declining markets. This approach could cause a passive vehicle's performance to be lower than if it employed an active strategy.

With respect to ETFs, shares are bought and sold in the secondary market at market prices. Although ETFs are required to calculate their net asset values ("NAV") on a daily basis, at times the market price of an ETF's shares may be more than the NAV (trading at a premium) or less than the NAV (trading at a discount). Given the differing nature of the relevant secondary markets for ETFs, certain ETFs may trade at a larger premium or discount to NAV than shares of other ETFs depending on the markets where such ETFs are traded. The risk of deviation from NAV for ETFs generally is heightened in times of market volatility or periods of steep market declines. For example, during periods of market volatility, securities underlying ETFs may be unavailable in the secondary market, market participants may be unable to calculate accurately the NAV per share of such ETFs and the liquidity of such ETFs may be adversely affected. This kind of market volatility may also disrupt the ability of market participants to create and redeem shares in ETFs. Further, market volatility may adversely affect, sometimes materially, the prices at which market participants are willing to buy and sell shares of ETFs. As a result, under these circumstances, the market value of shares of an ETF may vary substantially from the NAV per share of such ETF, and the Client may incur significant losses from the sale of ETF shares.

ii. **Fees and Compensation**

a. **Wrap Fee**

The Program is known as a "wrap fee" investment advisory program because, as noted above, clients in the Program pay JPMS an asset-based fee (the "Fee") that covers JPMS's advisory services, the Overlay Manager's investment management services, the MPPs' provision of Models to the Overlay Manager, the Joint Discretion Managers' co-management (with the Overlay Manager) of Joint Discretion Strategies, JPMS's trade execution, clearing, settlement and custody services and, as applicable, performance reporting services. Typically, each UMA account is charged the Fee each calendar quarter, in advance. The Fee is comprised of the following separate components, each of which must be expressed as a flat annual rate with no more than two decimal places:

- JPMS's component of the Fee, which is a rate typically applied to the net market value of the entire account (including all cash and cash alternatives such as money market mutual funds). The maximum annual rate for JPMS's component of the Fee is 2.00%;
- the Overlay Manager's component of the Fee as described in the Program communications clients receive from JPMS (for Models and Joint Discretion Strategies, Overlay Manager's fee is comprised of an investment management fee and an administration fee), which is maximum 0.15% annually of the market value of the account's Assets allocated in the Target Portfolio to Models, maximum 0.10% annually of the market value of the account's Assets allocated in the Target Portfolio to Joint Discretion Strategies, maximum 0.05% annually of the market value of the account's Assets allocated in the Target Portfolio to Program Securities and, if the client has elected to receive Tax Management Services and/or Impact Overlay Services, up to 0.10% annually of the net market value of the entire account;
- each MPP's component of the Fee, which is between 0.25% and 0.45% annually (depending upon the MPP) of the market value of the account's Assets allocated in the Target Portfolio to each Model; and
- each Joint Discretion Manager's component of the Fee, which is between 0.20% and 0.29% annually (depending upon the Joint Discretion Manager) of the market value of the account's Assets allocated in the Target Portfolio to each Joint Discretion Strategy.

As described above, the Overlay Manager's and each MPP's and Joint Discretion Manager's components of the Fee are based on the application of potentially varying fee rates to the market value at the end of each quarter of the account's *allocation in the Target Portfolio* to Models, Joint Discretion Strategies and Program Securities. As a result, the amount of the Fee could differ, perhaps significantly, from what it would be if it were instead based on application of the rates to the market value at the end of each quarter of the account's *actual allocation* to Models, Joint Discretion Strategies and Program Securities. For example, the quarterly Fee for an account with a quarter-end market value of \$100,000 and an allocation in the Target Portfolio of 25% to Models, 25% to Joint Discretion Strategies and 50% to Program Securities will be based on the application of the relevant rates to an allocation of \$25,000 to Models, \$25,000 to Joint Discretion Strategies,

and \$50,000 to Program Securities – even if (because of changes in the values of the securities in the account over time) the *actual* allocation of the account's market value at quarter-end was 35% (\$35,000) to Models, 20% (\$20,000) to Joint Discretion Strategies, and 45% (\$45,000) to Program Securities. The extent to which an account's Target Portfolio allocation to the various types of investment vehicles available in the Program will differ from its actual allocation to such vehicles may depend upon the frequency of account rebalancing requested by the client; in general, clients who choose more frequent rebalancing may be expected to experience less divergence over time between an account's Target Portfolio allocation and its actual allocation. The rate used each quarter for each component of the Fee will be approximately one-fourth of the annual rate based on the number of days in the quarter.

Any change to the Target Portfolio of an existing account will not result in an adjustment of the Fee for the quarter in which the change is made; any new or different fee rate(s) for the Overlay Manager's, MPP's or Joint Discretion Manager's component(s) of the Fee will take effect the following quarter.

The Client Agreement typically provides that (i) a prorated Fee will be charged on total same-day contributions to the Account (net of total same-day withdrawals from the Account) of \$25,000 or more to cover the period from the date of the net same-day contribution until the end of the quarterly billing period and (ii) a prorated Fee credit will be made for total same-day withdrawals from the Account (net of total same-day contributions to the Account) of \$25,000 or more to cover the period from the date of the net same-day withdrawal until the end of the quarterly billing period. Upon termination of the account, JPMS will refund to the client any prepaid amount of the Fee prorated for the number of days remaining in the billing period.

b. Negotiability of Fee

In its sole discretion, JPMS may negotiate the amount and calculation of its component of the Fee based on a number of factors, including the type and size of the account, anticipated level of trading activity, services provided to the account, historical factors, and/or the scope of the client's relationship with JPMS. In addition, JPMS's negotiation of its component of the Fee is generally subject to certain internal guidelines based on the total value of assets invested, or expected to be invested, by the client across JPMS's various investment advisory programs.

c. Portion of Wrap Fee Paid to Financial Advisors

JPMS typically pays a portion of JPMS's component of the Fee it receives from each client in the Program to the Financial Advisor for that client. *Because the amount received by an Financial Advisor as a result of a client's participation in UMA may be more than the Financial Advisor would receive if the client participated in another J.P. Morgan Securities investment advisory program or paid separately for investment advice, brokerage and other services covered by the Fee, the Financial Advisor may have a financial incentive to recommend UMA over other programs or services.*

d. Comparative Cost of the Program

Participation in UMA may cost the client more or less than purchasing the services provided in UMA separately. Many factors bear upon the relative cost of UMA to the client, including the cost of the services if provided and charged for separately, the client's overall effective Fee in UMA (which, in turn, will typically depend on the rates that make up the components of the Fee and the relative distribution of the client's Target Portfolio among Models, Joint Discretion Strategies and Program Securities), the amount of trading activity in the client's account, and the quality and value of the services provided. The Fee paid by a client (and each component of that Fee) may be higher or lower than the Fee (and each component of the Fee) that other clients pay (in UMA or other investment advisory programs), and/or the cost of similar services offered through other financial firms.

Client's acceptance of a Model, Joint Discretion Strategy or Program Security designated by JPMS as the default replacement for one removed from the Program (as described in Item 4.i above) may cause client to incur expenses or to pay an overall Fee greater than client was incurring or paying prior to the replacement or than client would have incurred or paid had JPMS selected a different default replacement. For example:

- If JPMS has designated a Fund as the default replacement, or has not designated any default replacement, the replacement Fund designated by JPMS or, in the absence of a designated default replacement, the ETF chosen by JPMS for the affected Assets, will incur expenses that are ultimately borne by investors in the Fund, and such expenses may be greater than those incurred by the removed Fund (if any), by other Funds that JPMS could have designated as the replacement and/or by other ETFs JPMS could have chosen in the absence of a designated replacement.
- If JPMS has designated a Model or Joint Discretion Strategy as the default replacement for a removed Fund, the MPP or Joint Discretion Manager of the replacement Model or Joint Discretion Strategy will charge a fee that will be added

- as a component of the overall Fee charged to Client, and the amount of the Overlay Manager's component of the Fee will increase, such that the resultant increase in Client's overall Fee is likely to be greater than any Fund expenses Client ultimately bore as an investor in the removed Fund or would bear as an investor in another Fund that JPMS could have designated as a replacement.
- If JPMS has designated a Model or Joint Discretion Strategy as the default replacement for a Model or Joint Discretion Strategy removed from the Program, the fee charged by the default replacement MPP or Joint Discretion Manager may be greater than that charged by the MPP or Joint Discretion Manager of the removed Model or Joint Discretion Strategy or than the fee that would have been charged by the MPP or Joint Discretion Manager of a different Model or Joint Discretion Strategy that JPMS could have designated as the default replacement.
 - If JPMS has designated a Model as the default replacement for a removed Joint Discretion Strategy, the amount of the Overlay Manager's component of the Fee will increase.

e. Fees in Addition to the Wrap Fee

The Fee does not cover commissions, commission equivalents (mark-ups/mark-downs), or other charges resulting from transactions not effected through JPMS or its affiliates ("trading away"). The Overlay Manager and/or Joint Discretion Managers in UMA have the authority to effect transactions through brokers or dealers other than JPMS and its affiliates when they determine, in their sole discretion, that such other broker or dealer may provide better execution than would be the case if JPMS (or its affiliates) executed the transaction. In general, the Overlay Manager and/or Joint Discretion Managers in UMA are more likely to all place purchase and sale orders for fixed income or debt securities with broker-dealers other than JPMS and its affiliates for execution. With respect to such trades, the client will incur a commission, commission equivalent (mark-up/mark-down), or other charge by the other broker-dealer that is not covered by the Fee. The Overlay Manager and/or Joint Discretion Managers also *may* choose to place orders in equities and other types of securities with broker-dealers other than JPMS, in which event the client will also incur the aforementioned types of charges that are not covered by the Fee. When the Overlay Manager and/or Joint Discretion Managers place orders with broker-dealers other than JPMS (or its affiliates), the trade confirmation issued by JPMS with the details of the trade will typically show a price for the traded security that is inclusive (i.e., net) of the commission, commission equivalent (mark-up/mark-down) or other charge paid by the client to the other broker-dealer, rather than separately broken out. However, if Overlay Manager and/or Joint Discretion Managers have provided JPMS with the appropriate information, the amount of any such additional costs may be broken out and shown separately from the price of the traded security on the trade confirmations JPMS provides. Clients can view more specific information about the "trading away" practices of the Overlay Manager and Joint Discretion Managers in UMA – which can result in additional costs for clients that are not covered by the Fee – at <https://www.jpmorgansecurities.com/pages/am/securities/legal/investment-managers-trading-away-practices>.

In addition, the Fee does not cover mark-ups, mark-downs and dealer spreads charged by dealers unaffiliated with JPMS when JPMS, acting as agent for the client in the Program, effects a transaction with an unaffiliated dealer acting as principal (i.e., for the dealer's own account), typically in connection with certain fixed income and over-the-counter securities that are traded primarily in "dealer" markets. Such mark-ups on securities bought by the client, mark-downs on securities sold by the client and dealer spreads (the difference between the bid price and offer price) are generally incorporated into the net price that the client pays or receives in the transaction.

The Fee does not cover clearing, settlement and custody charges that may be charged by custodians other than JPMS. The Fee also does not cover certain costs or charges that may be imposed by JPMS or third parties, including margin interest, costs associated with exchanging foreign currencies, borrowing fees on short sales, odd-lot differentials, activity assessment fees, transfer taxes, exchange fees, wire transfer fees, postage fees, auction fees, foreign clearing, settlement and custodial fees, and other fees or taxes required by law. The Fee does not cover dealer spreads that JPMS, its affiliates or other broker-dealers may receive when acting as principal in certain transactions.

Whether selected by the client from among the Program Securities available in the Program or purchased by the Overlay Manager and/or (if the account includes one or more Joint Discretion Strategies) a Joint Discretion Manager on behalf of the client, Funds have various internal fees and expenses, which are paid by the Funds but are ultimately borne by clients as Fund shareholders; such fees and expenses are in addition to the Fee and generally will not be deducted from the Fee. Assets of Program clients may be invested in a share class of a mutual fund with internal fees and expenses that are higher than one or more other share classes of the fund. JPMS and its affiliates also receive compensation in addition to the Fee in connection with the operation and/or sale of Funds to clients in UMA. See "Other Compensation from Affiliated and Unaffiliated Funds" in Item 9.iii for more information Clients should review the applicable prospectuses for Funds in their Program accounts for additional information about the internal fees and expenses ultimately borne by investors in the Funds. Certain Funds may not permit shares to be transferred outside of UMA and in certain circumstances may in their sole discretion redeem shares held by clients, which may have tax consequences for clients.

The Overlay Manager and (if the account includes one or more Joint Discretion Strategies) each Joint Discretion Manager may purchase for certain accounts: (i) American Depository Receipts ("ADRs"); (ii) Global Depository Receipts ("GDRs"); (iii) exchange-traded

notes ("ETNs"); and/or (iv) Real Estate Investment Trusts ("REITs"). Clients will bear, in addition to the Fee, a proportionate share of any fees and expenses associated with ADRs, GDRs, ETNs, REITs, and/or other securities with similar characteristics, as applicable. Clients may also bear any fees and expenses associated with converting non-U.S. securities into ADRs or GDRs. When they assist in such conversions, JPMS and its affiliates receive some or all of such fees and expenses borne by the client. For trades in non-U.S. equity securities, the final average price includes a commission to a third-party broker-dealer for execution of the trade, applicable taxes and charges associated with transacting in a non-U.S. security and, if the trade is settled in U.S. Dollars, a service charge for the currency conversion.

The Program Securities may be available to investors directly from the issuers of the Program Securities or a broker-dealer, as applicable, pursuant to the terms of their prospectuses and without paying the Fee. Further, to the extent that cash used for investment in UMA comes from redemptions of investments outside of UMA, there may be tax consequences or additional cost from sales charges previously paid and/or redemption fees incurred. Any such sales charges and applicable redemption fees incurred by clients in connection with the liquidation of mutual funds or other securities for investment of the proceeds in UMA are in addition to the Fee.

Except as otherwise agreed to in writing by JPMS, accounts are charged the Fee with respect to all assets in the account regardless of whether the client has previously paid or incurred commissions, sales charges or "loads," mark-ups, mark-downs, dealer spreads, or other costs, charges, fees or expenses in connection with the client's previous purchase of some or all of the assets in a brokerage account or otherwise outside of the Program.

f. General Fee and Compensation Issues

Please refer to Item 4.ii.f in the section of this Brochure on the J.P. Morgan Securities STRATIS Program for a discussion of general fee and compensation issues applicable to all Programs in this Brochure.

Item 5
Account Requirements and Types of Clients

JPMS requires that all clients who wish to open and maintain an account in the Program enter into the Client Agreement, which sets forth the services that JPMS and the Overlay Manager will provide to the client, information regarding the Fee, and the specific terms and conditions that will govern the handling of the client's Program account and the investment advisory relationship between the client, on one hand, and JPMS and the Overlay Manager (and, if applicable, the Joint Discretion Manager(s)), on the other hand.

The minimum amount of total assets required to open an account in UMA varies depending on the MPPs and/or Joint Discretion Managers selected by the client, but typically ranges from \$35,000 to \$250,000, although JPMS and each MPP and Joint Discretion Manager may, in its discretion, waive or reduce the minimum account opening size for certain clients or accounts. (However, JPMS may impose a higher minimum account opening size if the client wishes to use a custodian other than JPMS and JPMS, in its discretion, is willing to maintain the account on such a basis.)

UMA is not typically intended for investors who seek to maintain control over trading in their accounts, who have a short-term investment horizon (or expect ongoing significant withdrawals), or who expect to maintain consistently high levels of cash or money market funds. UMA is intended for investment purposes and is not intended to be used for market timing or excessive trading of Program Securities. The types of clients participating in UMA generally include individuals, trusts, retirement plans (including IRAs), estates, corporations and other business entities, foundations and endowments.

The accounts of employee benefit plans (as defined in ERISA) and retirement plans (as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended), which includes IRAs, may be subject to certain JPMS policies, restrictions and other terms and conditions that are different from those applicable to other accounts in the Program. Such policies, restrictions and other terms and conditions may affect, for example, the securities that may be available for investment in such accounts, the manner in which transactions may be effected in such accounts, the ability of such accounts to trade on margin, and the fees and expenses that may be charged to such accounts. .

JPMS and the Overlay Manager (and, if applicable, each Joint Discretion Manager selected by the client) may each decline to accept a particular client or account in the Program at any time and for any reason.

Item 6
Portfolio Manager Selection and Evaluation

i. Selection of the Overlay Manager, Models, Joint Discretion Strategies and Program Securities

JPMS selects the Overlay Manager and the Models, Joint Discretion Strategies and Program Securities made available in the Program.

Envestnet Asset Management, Inc. (formerly known as Placemark Investments, Inc.) ("Envestnet") has been the Overlay Manager since the inception of the Program in 2008. JPMS selected Envestnet after considering a number of investment advisers qualified to act as the overlay manager in a unified managed account program; its selection of Envestnet was based on the totality of the results of the review process. Because there is only one Overlay Manager in UMA, JPMS's recommendation of the Program is a recommendation of Envestnet as Overlay Manager for the client and assets at issue. JPMS's recommendation of the Program as suitable for a particular client is typically based on the client's financial circumstances, investment objective for the UMA Assets he or she wishes to invest and other information provided by the client.

JPMS reviews (or arranges for the review of) Models, Joint Discretion Strategies and Program Securities to determine whether they should be included in UMA. The review of Models and Joint Discretion Strategies generally includes reviewing the MPP's or Joint Discretion Manager's organization and the investment process and performance of the MPP and Model or Joint Discretion Manager and Joint Discretion Strategy. The review of Program Securities generally includes both quantitative and qualitative reviews, which typically include a review of the organization, investment process, service and performance of the Program Security and/or its investment adviser, if any (e.g., in the case of a Fund, the Fund's portfolio manager). JPMS may consider and/or select for inclusion as Models, Joint Discretion Strategies and Program Securities in UMA only certain of the Models or investment strategies available from a particular MPP or Joint Discretion Manager and only certain of the Program Securities issued by a particular issuer or sponsored or managed by a particular Fund sponsor or manager. JPMS may engage one or more third parties (including affiliates of JPMS) to perform initial and periodic reviews of Models, Joint Discretion Strategies and Program Securities (each, a "Review Vendor") and/or perform such periodic reviews itself. A Review Vendor may also make recommendations to JPMS about which Models, Joint Discretion Strategies and Program Securities to include in UMA.

JPMS's decision to include a particular Model, Joint Discretion Strategy or Program Security in UMA is based upon the totality of the results of the review process and does not necessarily reflect a rigid application of any or all of the guidelines described.

JPMS identifies to UMA clients only Models, Joint Discretion Strategies and Program Securities that JPMS has made available in the Program. JPMS identifies suitable Models, Joint Discretion Strategies and Program Securities for a client based on the investment objective(s), financial information, risk tolerance and other information the client has provided to JPMS for the UMA Assets. Other factors that may affect the identification of Models, Joint Discretion Strategies and/or Program Securities for a particular client include asset size, any investment restrictions or guidelines the client may wish to impose, or other factors that may make a particular Model, Joint Discretion Strategy or Program Security more desirable to the client. Clients are solely responsible for the selection of Models, Joint Discretion Strategies and/or Program Securities from among those identified by JPMS.

ii. Review of the Overlay Manager, Models, Joint Discretion Strategies and Program Securities

JPMS or a Review Vendor reviews the Overlay Manager and the Models, Joint Discretion Strategies and Program Securities available through UMA on a periodic basis. Currently, the Overlay Manager is reviewed as part of JPMS's vendor management process, and all Models, Joint Discretion Strategies and Program Securities available through UMA are reviewed by the Manager Solutions due diligence group ("Manager Solutions") in the J.P. Morgan Wealth Management division which is comprised of employees of JPMorgan Chase Bank, N.A. and other affiliates. Changes in each MPP's, Joint Discretion Manager's and Program Security's (in the case of a Fund, typically its portfolio manager's) organization, investment process, service, and performance are monitored by Manager Solutions via periodic meetings with its staff and written quarterly communication.

Manager Solutions provides research on funds and investment strategies (collectively referred to herein as "Researched Products"). For certain investment advisory programs, Manager Solutions utilizes a qualitative analysis of the Researched Products by reviewing the portfolio manager's organization, investment process, investment philosophy and performance of the Researched Products on an ongoing basis (the "Qualitative Research Process").

Additionally, Manager Solutions uses an internally developed quantitative screening process to evaluate the Researched Products that do not go through the Qualitative Research Process by reviewing the portfolio manager's organization, investment process, service and performance on an ongoing basis (the "Systematic Research Process"); a subset of Researched Products are subject to the Qualitative Research Process. Researched Products may be removed from an investment advisory program if it is determined that they do not meet the criteria set forth in the Systematic Research Process. However, in the event a Researched Product does not pass the Systematic Research Process, Manager Solutions can review the Researched Product and apply the Qualitative Process to determine if the Researched Product is eligible. The UMA Program utilizes the Systematic Research Process.

JPMS could determine as a result of its vendor management reviews and/or other information or events that Envestnet should be replaced as the Overlay Manager in the Program or that the Program should be modified or terminated. JPMS will notify clients in UMA in the event JPMS's agreement with Envestnet is terminated.

JPMS also could determine as a result of Manager Solutions; reviews and/or other information or events that particular Models, Joint Discretion Strategies and/or Program Securities should be removed from UMA. If a Model, Joint Discretion Strategy or Program Security is no longer available through UMA, JPMS will notify affected clients and may designate another Model, Joint Discretion Strategy or Program Security as the default replacement for the UMA Assets invested in the removed Model, Joint Discretion Strategy or Program Security. JPMS may remove a particular Model, Joint Discretion Strategy or Program Security from UMA at any time for any reason and will notify clients that have selected that Model, Joint Discretion Strategy or Program Security of the removal. JPMS generally will not recommend the replacement of Envestnet or a Model, Joint Discretion Strategy or Program Security for a particular client unless JPMS were to replace Envestnet as the Overlay Manager in the Program, terminate the Program, or remove a Model, Joint Discretion Strategy or Program Security from the Program. If JPMS designates such a default replacement, each affected client will be notified in writing that, unless the client affirmatively selects a replacement Model, Joint Discretion Strategy or Program Security by the date specified by JPMS, the client's assets in the removed Model, Joint Discretion Strategy or Program Security will automatically be re-invested into the designated replacement Model, Joint Discretion Strategy or Program Security, without further notice to or consent of the client. In designating a default replacement Model, Joint Discretion Strategy or Program Security (if any), JPMS will consider the appropriateness of the Models, Joint Discretion Strategies and Program Securities available in the Program as suitable replacements for the removed Model, Joint Discretion Strategy or Program Security. JPMS also may assist the client in identifying a suitable replacement Model, Joint Discretion Strategy or Program Security in cases where JPMS does not designate a default replacement Model, Joint Discretion Strategy or Program Security or where the client wishes to consider alternatives to the default replacement Model, Joint Discretion Strategy or Program Security designated by JPMS; such assistance is typically based on the same types of factors used by JPMS to identify Models, Joint Discretion Strategies and Program Securities for UMA clients in the first instance. If a Model, Joint Discretion Strategy or Program Security is removed from the Program and JPMS does not designate a default replacement Model, Joint Discretion Strategy or Program Security, the client's UMA Assets invested according to the removed Model or Joint Discretion Strategy or in the removed Program Security will automatically be re-invested into an ETF available in the Program, selected by JPMS, that is in an asset class or employs an investment strategy similar (as determined by JPMS) to that of the removed Model, Joint Discretion Strategy or Program Security, unless the client affirmatively selects a replacement Model, Joint Discretion Strategy or Program Security of the client's own choosing prior to the date specified by JPMS in the removal notice. Regardless of whether JPMS designates a default replacement for a removed Model, Joint Discretion Strategy or Program Security, the sale of the client's assets in the removed Model, Joint Discretion Strategy or Program Security may have tax consequences for the client.

Financial Advisors who learn of JPMS's decision to replace the Overlay Manager or to remove a Model, Joint Discretion Strategy or Program Security from the Program may take or recommend action on the basis of such knowledge (i) with respect to certain clients and accounts (inside or outside of the Program) before others or (ii) before JPMS's written notice of the decision has been sent to all affected Program clients.

Manager Solutions' review of a Model, Joint Discretion Strategy or Program Security and/or other information and events also may result in a Model, Joint Discretion Strategy or Program Security being closed to new investors pending further review. Generally, during such time, clients may not select the Model, Joint Discretion Strategy or Program Security for the first time, but clients with UMA Assets already being managed according to the Model or Joint Discretion Strategy or invested in the Program Security when it was closed to new investors are permitted to contribute additional assets to the Model or Joint Discretion Strategy or to purchase more of the Program Security, by systematic rebalancing or otherwise. Clients invested according to the Model or Joint Discretion Strategy or in the Program Security will generally be notified in writing that it has been closed to new investors. Further review of the Model, Joint Discretion Strategy or Program Security by Manager Solutions may result in a re-opening to new investors. JPMS may provide clients with important information about the Overlay Manager, MPPs, Models, Joint Discretion Managers, Joint Discretion Strategies and Program Securities. The information may be prepared by JPMS or by a third party and is based on and/or incorporates information provided by the Overlay Manager, MPPs, Joint Discretion Managers and issuers of or advisers to Program Securities or information from prospectuses, annual reports and other third-party sources. JPMS believes such information to be accurate; however, JPMS does not independently verify or guarantee the accuracy or completeness of the information. JPMS shall have no liability with respect to information provided by the Overlay Manager, MPPs, Joint

Discretion Managers, issuers of or advisers to Program Securities, or third parties. Performance information may be included in the information provided by JPMS. *This performance is calculated by the Overlay Manager, MPPs, Joint Discretion Managers, Funds or other issuers of or advisers to Program Securities or by third parties and neither JPMS nor a third party engaged by it reviews the performance information to determine or verify its accuracy or its compliance with presentation standards. The performance information may not be calculated on a uniform and consistent basis.*

In addition to Overlay Manager, MPP, Model, Joint Discretion Manager, Joint Discretion Strategy and Program Security performance information clients may receive, each Program client typically receives a periodic performance review prepared by JPMS summarizing the investment performance of the client's UMA account. (As explained in Item 4 above, certain clients may not receive such a performance review.) In preparing such reviews for Program clients, JPMS uses various industry and non-industry standards to measure account performance. In addition to account performance, the written performance reviews for UMA clients also may include performance data for the specific Program Securities held in the account during the covered time period. The performance data for specific Funds included by JPMS in the periodic performance reviews is typically calculated by JPMS using information obtained from third parties. *Neither JPMS nor any third party engaged by it reviews the account or specific Program Security performance information to determine or verify its accuracy or compliance with presentation standards, and the information may not be calculated on a uniform and consistent basis. Clients receiving periodic performance reviews from JPMS should review carefully the disclosures, definitions and other information contained in the reviews.*

Performance reviews are not a substitute for regular monthly or quarterly account statements or Form 1099, and should not be used to calculate the Fee or to complete income tax returns. JPMS and its affiliates are entitled to rely on the financial and other information that clients or any third party provides to JPMS. The client is solely responsible for any information that the client provides to JPMS, and JPMS shall not be liable in connection with its use of any information provided by the client or a third party in the periodic review. JPMS does not provide tax advice, and nothing in the performance review should be construed as advice concerning any tax matter.

Subject to JPMS's policies and procedures and applicable law, the periodic performance review typically provided to Program clients may include information about assets in other accounts maintained by the client with J.P. Morgan Securities (including other investment advisory accounts and brokerage accounts) as well as other assets identified to JPMS by the client. By including such assets in the written performance review, JPMS is not undertaking to provide or be responsible for providing any services with respect to those assets.

In preparing account statements and performance reviews, JPMS may use multiple valuation sources that provide different values for a single asset. As a result, the determination of an account's asset values may differ for different purposes and different statements, reviews and reports. Detailed calculations of a client's account asset values are available from JPMS upon request.

Clients will receive the Overlay Manager's and (if the client has selected one or more Joint Discretion Strategies and/or Models) each such Joint Discretion Manager's and/or MPP's Form ADV Part 2A or other applicable disclosure document(s). Clients should review each such document carefully for important information about the Overlay Manager and/or each Joint Discretion Manager and/or MPP, as applicable. The Overlay Manager, each Joint Discretion Manager and each MPP is solely responsible for the truthfulness, completeness, and accuracy of its own Form ADV or other applicable disclosure document(s).

Before investing in a Program Security through UMA, clients should review the Program Security's prospectus (if any) carefully and consider all of the information in it. For example, a Fund's prospectus contains important information about the Fund, including the Fund's investment objectives, risks, charges and expenses. Each Fund and other issuers of Program Security are solely responsible for the truthfulness, completeness, and accuracy of their own prospectuses.

JPMS is not responsible for the performance of the Overlay Manager or any Model, Joint Discretion Strategy or Program Security or the compliance of the Overlay Manager, any MPP, Joint Discretion Manager or any Program Security or its issuer or adviser with its Form ADV or other applicable disclosure document(s) or prospectus (as the case may be), applicable laws and regulations or other matters within the control of the Overlay Manager, MPP, Joint Discretion Manager, or Program Security or its issuer or adviser. Each Program Security's adviser is solely responsible for the management of the Program Security as described in the Program Security's prospectus, if any. Without limiting the generality of the foregoing, JPMS shall not be responsible for any act or omission of the Overlay Manager, any MPP, Joint Discretion Manager or any Program Security or party acting on behalf of the Program Security, or any misstatement or omission contained in any document prepared by or with the approval of any them, or any loss, liability, claim, damage, or expense, whatsoever, as incurred, arising out of or attributable to such misstatement or omission.

Portfolio Managers are responsible for obtaining best execution. Please see the Overlay Manager's and each Joint Discretion Manager's Form ADV Part 2A or other applicable disclosure document(s) for more information on each of its trading and execution practices.

iii. **Related Person Program Securities**

Certain Program Securities and their issuers and/or advisers are affiliated with JPMS. More specifically, some of the Funds available to clients in UMA are sponsored by affiliates of JPMS and/or have engaged investment advisers affiliated with JPMS, including J.P. Morgan Investment Management Inc. (a/k/a J.P. Morgan Asset Management) (“JPMIM”), to manage their investment portfolios.

JPMS has a conflict of interest in including such Funds in UMA, in conducting (or having an affiliated Review Vendor conduct) periodic reviews of such Funds for inclusion in UMA, in identifying such Funds to clients in UMA, and in designating such Funds as default replacement Program Securities for UMA Assets invested in Models, Joint Discretion Strategies and Program Securities that are removed from the Program because (1) if a client selects (or is automatically re-invested into) a Fund sponsored by an affiliate of JPMS, the Fund will benefit from the client’s investment and (2) if a client selects (or is automatically re-invested into) a Fund managed by JPMIM or another affiliate of JPMS, the affiliated manager will receive more in investment management fees from the Fund (which fees are ultimately borne by the client as a shareholder of the Fund and are in addition to the UMA Fee). Accordingly, JPMS and its affiliates receive greater aggregate compensation when a client in UMA selects (or is automatically re-invested into) a J.P. Morgan-affiliated Fund than when the client invests the same assets in an unaffiliated Fund.

JPMS believes that this conflict is addressed by the fact that neither the persons responsible for the initial and periodic review of Funds for inclusion in UMA and for possible designation as default replacement Program Securities, nor the Financial Advisors who identify specific Funds to clients receive any direct financial benefit (such as additional compensation) from the investment of UMA Assets in J.P. Morgan-affiliated Funds rather than in unaffiliated Funds. Moreover, because Financial Advisors are typically compensated in the Program through the receipt of a portion of JPMS’s component of the Fee, which is typically tied to the value of Program accounts, Financial Advisors are to that extent incentivized to identify Funds they believe will increase the value of the account, regardless of whether or not the Fund is affiliated with JPMS. In addition, as a matter of policy, JPMS will not designate a J.P. Morgan-affiliated Fund as the default replacement Program Security for retirement plan accounts (including IRAs and accounts subject to ERISA) invested in a Model, Joint Discretion Strategy, or Program Security that has been removed from the Program; if such a Fund has been designated as the default replacement Program Security for non-retirement plan accounts, JPMS will designate a different, unaffiliated default replacement, or will not designate any default replacement, for retirement plan accounts.

Funds in the Program that are affiliated with JPMS are subject to the same selection and review processes as the other Program Securities in the Program.

Neither JPMS nor any of its supervised or related persons acts as Overlay Manager, MPP or Joint Discretion Manager in the Program.

iv. **Risk of Loss**

Please refer to Item 6.iv in the section of this Brochure on the J.P. Morgan Securities STRATIS Program for a discussion of certain relevant risk factors.

Item 7
Client Information Provided to Portfolio Managers

JPMS will collect information about the client’s investment time horizon, financial circumstances (including net worth and annual income), investment objective and risk tolerance for the UMA account, and any reasonable restrictions the client wishes to impose on the management of the account; this information will dictate the account’s Risk Profile. Certain information, including the Risk Profile, about the client may be set forth in a client profile. JPMS will generally provide the Overlay Manager with the information contained in any client profile and any other relevant client information and any changes to the information that the client provides to JPMS. In turn, the Overlay Manager will generally provide such information to any Joint Discretion Managers selected by the client. JPMS, the Overlay Manager and (if applicable) the Joint Discretion Managers will rely on the information provided by the client. JPMS will have no liability for a client’s failure to provide JPMS with accurate or complete information or to inform JPMS promptly of any change in the information previously provided.

The Risk Profile for an account in the Program will apply to the account as long as the account is in the Program (unless the client notifies JPMS of changes to their circumstances or any information previously provided to JPMS, which may result in a change to the Risk Profile), notwithstanding any different investment objective (or equivalent) previously identified by the client for the account when it was a brokerage account or an account in one of the other investment advisory programs offered by J.P. Morgan Securities. If the account is

terminated and becomes a brokerage account outside the Program, the investment objective (or equivalent) previously identified by the client for the account as a brokerage account will again apply to the account.

Clients are responsible for notifying promptly their Financial Advisor(s) of any changes to the information the client previously provided to JPMS (including financial information and the investment objective for the account), and for providing JPMS with additional information as it may request from time to time to assist it in providing services under the Program. At least once annually, JPMS contacts each client in the Program to determine whether there have been any changes in the client's financial situation, investment objectives or investment restrictions which may result in a change to a client's Risk Profile or to the account(s).

Clients may seek to impose restrictions on the investments in their accounts, including designating particular securities or types of securities that should not be purchased for an account. JPMS will communicate any requested restrictions to the Overlay Manager, which in turn will communicate them to any Joint Discretion Managers selected by the client. The Overlay Manager or (if applicable) the Joint Discretion Manager may reject the restriction or the account if it deems the restriction to be unreasonable.

Any client-imposed investment restrictions may cause the Overlay Manager and any applicable Joint Discretion Manager(s) to deviate from the investment decisions they would otherwise make in managing the account in the Program, and as a result may negatively affect the performance of the account.

JPMS and the Overlay Manager do not provide the MPPs or the Program Securities or their issuers and investment managers with information about clients in UMA.

Item 8 **Client Contact with Portfolio Managers**

JPMS places no restrictions on clients' ability to contact and consult with the Overlay Manager, MPPs, Joint Discretion Managers or issuers and investment managers of the Funds and other Program Securities. Clients should review the Overlay Manager's and each Joint Discretion Manager's and/or MPP's Form ADV Part 2A or other applicable disclosure document(s) for any restrictions placed by the Overlay Manager or by any Joint Discretion Manager or MPP. Further, unlike the Overlay Manager and Joint Discretion Managers selected by the client, the MPPs and the issuers and investment managers of the Funds and other Program Securities do not have investment advisory relationships directly with clients in UMA, and may themselves restrict such contact and consultation.

Item 9 **Additional Information**

i. Disciplinary Information

Please refer to Item 9.i in the first section of this Brochure on the J.P. Morgan Securities STRATIS Program.

ii. Other Financial Industry Activities and Affiliations

a. Broker-Dealer Registrations

JPMS is registered with the SEC as a broker-dealer and investment adviser. Some of JPMS's management personnel and all of the Financial Advisors in the Program and their supervisors are registered with the Financial Industry Regulatory Authority ("FINRA") as registered representatives of JPMS in its capacity as a broker-dealer.

b. Futures/Commodities-Related Registrations

In addition, JPMS is registered with the CFTC as a futures commission merchant and also acts as a commodity pool operator exempt from registration as such with the CFTC. Some of JPMS's management personnel, and a small number of the Financial Advisors in the Program and/or their supervisors, are registered with the CFTC as associated persons of JPMS in its capacity as a futures commission merchant.

c. **Material Relationships with Related Persons**

JPMS has several relationships or arrangements with related persons that are material to its advisory business or to its advisory clients in the Program.

1. **Affiliated Sponsors and Advisers of Funds**

Most or all of the Program Securities JPMS may identify to clients for selection in UMA consist of Funds that have various internal fees and expenses, which are paid by the Funds but are ultimately borne by the Program client as investor. The sponsors and/or general partners of certain such Funds are affiliated with JPMS (potentially including those in which JPMS or its affiliates have a minority and/or non-controlling interest), and JPMS and its affiliates may provide investment management and other services to, and receive compensation from or in connection with, such Funds. In addition, the Overlay Manager (and, if applicable, Joint Discretion Manager(s)), may invest UMA Assets in such J.P. Morgan-affiliated Funds in the course of its discretionary management of UMA Assets according to one or more Models and/or Joint Discretion Strategies that JPMS may identify to clients and clients may select from, and JPMS may designate such J.P. Morgan-affiliated Funds as default replacements for Models, Joint Discretion Strategies or Program Securities removed from the Program.

The selection of J.P. Morgan-affiliated Funds as the vehicle for the temporary investment (i.e., “sweeping”) of available cash balances benefits those Funds and their J.P. Morgan-affiliated sponsors and/or general partners. In addition, several affiliates of JPMS are either the investment adviser, the sub-adviser, or the manager for various J.P. Morgan-affiliated Funds, including Funds organized under the laws of other countries and jurisdictions, and generally receive an investment management fee for doing so. Although the management fee is paid by the Fund itself, ultimately it is borne by investors in the fund. Therefore, to the extent a J.P. Morgan-affiliated Fund is selected as the “sweep” vehicle for the account, the JPMS affiliate receives, and the Program client ultimately bears the cost of, investment management, distribution, placement, administration, custody, or other applicable fees with respect to those assets. The affiliates of JPMS that provide such investment management services to Funds that may be included as Program Securities in UMA include:

- JPMIM; and
- J.P. Morgan Private Investments Inc.

The portion of the investment management fee received by JPMS’s affiliate that is borne by each Program client is not covered by, and is in addition to, the Fee paid by the client. As a result, because JPMS and its affiliates will in the aggregate receive more compensation when Program assets are invested in J.P. Morgan-affiliated Funds than they would receive were the assets instead invested in unaffiliated Funds, JPMS has a conflict of interest when the Overlay Manager (and any Joint Discretion Manager selected by the client) invests UMA Assets in J.P. Morgan-affiliated Funds in its implementation of Models and/or Joint Discretion Strategies on discretion, and has a further conflict of interest in:

- selecting J.P. Morgan-affiliated Funds for inclusion as Program Securities in UMA;
- reviewing (or having an affiliate review) them for ongoing inclusion as Program Securities;
- identifying them to particular UMA clients for the client’s Target Portfolio;
- designating them as default replacements for Models, Joint Discretion Strategies and Program Securities that are removed from the Program; and
- making only (or primarily) affiliated Funds available to Program clients for the “sweeping” of available cash balances.

JPMS believes that the conflict with respect to the Overlay Manager’s (and any Joint Discretion Manager’s) discretionary investment of UMA Assets in J.P. Morgan-affiliated Funds is addressed by the following:

- Neither JPMS nor any of its affiliates controls or recommends specific securities transactions for UMA Assets managed on discretion by the Overlay Manager and any Joint Discretion Manager(s).
- Because the Overlay Manager and any Joint Discretion Manager(s) are compensated on the basis of the market value of the UMA Assets they manage, they are to that extent incentivized to exercise their discretion to select Funds they believe will increase the value of those Assets, regardless of whether the Funds are affiliated or unaffiliated with JPMS.

JPMS believes that the conflict with respect to J.P. Morgan-affiliated Funds as Program Securities, default replacements for Models, Joint Discretion Strategies and Program Securities that are removed from the Program, and “sweep” vehicles for UMA accounts is addressed by the following:

- J.P. Morgan-affiliated Funds are subject to the same criteria as other Funds in JPMS’s processes for the selection of Program Securities for inclusion in UMA and the review of Program Securities for ongoing inclusion as Program Securities.
- Financial Advisors responsible for the identification of Program Securities to clients for the client’s Target Portfolio do not receive any direct financial benefit (such as additional compensation) from clients’ ultimate selection and purchase of J.P. Morgan-affiliated Funds rather than unaffiliated Funds. Moreover, because Financial Advisors are typically compensated on the basis of the net market value of Program accounts, they are to that extent incentivized to identify Funds they believe will increase the value of the account, regardless of whether the Funds are affiliated or unaffiliated with JPMS.
- As a matter of policy, JPMS will not designate a J.P. Morgan-affiliated Fund as the default replacement for retirement plan accounts (including IRAs and accounts subject to ERISA) invested in or according to a Model, Joint Discretion Strategy or Program Security that has been removed from the Program; if such a Fund has been designated as the default replacement for non-retirement plan accounts, JPMS will designate a different, unaffiliated default replacement, or will not designate any default replacement, for retirement plan accounts.
- JPMS policy generally prohibits the identification by JPMS or the purchase by UMA clients of J.P. Morgan-affiliated Funds for retirement plan accounts in the Program (including IRAs and accounts subject to ERISA) unless the client already held the Fund at issue in his or her UMA account at the time of the acquisition of JPMS (then known as Bear, Stearns & Co. Inc.) by JPMorgan Chase & Co. in 2008, in which event the client typically may purchase additional shares of the Fund consistent with the account’s Target Portfolio. In addition, the only “sweep” vehicle other than the Deposit Account (discussed in Item 4.ii) that is available to retirement plan accounts in the Program is an unaffiliated money market mutual fund from which JPMS and its affiliates receive no additional compensation.

Clients should review the applicable prospectuses for funds in their Program accounts for additional information about the internal fees and expenses ultimately borne by investors in the Funds.

2. JPMorgan Chase & Co. and Other Affiliated Issuers of Securities

In addition to the mutual funds and other pooled investment vehicles sponsored and managed by affiliates of JPMS, JPMS’s ultimate parent company, JPMorgan Chase & Co., is a publicly traded corporation, the common stock of which is listed and trades on the NYSE. Other affiliates of JPMS also may issue securities through public or private distributions.

JPMS and its affiliates and other related persons could have an interest in JPMS’s investment advisory clients (including clients in the Program) buying (or not selling) securities that JPMorgan Chase & Co. and other affiliates of JPMS (including entities in which JPMS or its affiliates have a minority and/or non-controlling interest) have issued. For example, JPMS and its affiliates and other related persons (including Financial Advisors who personally own or may own shares of JPMorgan Chase & Co. common stock, through the issuance of shares and/or stock options to them as part of their employment compensation or otherwise) could benefit in certain respects from an increase in the securities’ market price resulting from increased demand for the securities. These financial interests conflict with the interest of Program clients in buying and holding securities issued by affiliates of JPMS based solely on the furtherance of the clients’ investment objectives in the Program. JPMS addresses this conflict in the following ways:

- Most or all of the Program Securities that JPMS identifies to UMA clients are Funds. To the extent JPMS identifies one or more J.P. Morgan-affiliated Funds to a client or designates such a Fund as the default replacement for a Model, Joint Discretion Strategy or Program Security removed from the Program, the conflict of interest is addressed in the ways described in Item 9.ii.c.1 above.
- To the extent the Overlay Manager and any Joint Discretion Manager(s) selected by the client may invest UMA Assets in securities issued by JPMS or its affiliates in its implementation of Models on discretion, neither JPMS nor any of its affiliates controls or recommends the specific securities transactions that are effected for Program accounts on discretion by the Overlay Manager and any Joint Discretion Manager(s).
- Because the Overlay Manager and any Joint Discretion Manager(s) selected by the client are compensated on the basis of the market value of the UMA Assets they manage, they are to that extent incentivized to exercise their discretion to select investments they believe will increase the value of the Assets, regardless of whether the issuer is affiliated with JPMS.

3. JPMorgan Chase Bank, N.A.

Please refer to Item 9.ii.c.4 in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

4. Revenue Sharing Arrangements with Affiliates

Please refer to Item 9.ii.c.5 in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

5. J.P. Morgan Acting in Multiple Capacities

Please refer to Item 9.ii.c.6 in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

d. Recommendation or Selection of Other Investment Advisers

Envestnet and certain MPPs, Joint Discretion Managers and/or Program Securities (or their sponsors or portfolio managers) in the Program have (or may in the future have) business relationships outside of the Program with JPMS and/or its affiliates, including relationships in which JPMS and/or its affiliates provide one or more of them with trading, lending, prime brokerage and/or custody services for compensation. As a result of these relationships, JPMS has a conflict of interest in selecting and conducting (or having an affiliated Review Vendor conduct) reviews of Envestnet, the Models provided by MPPs, the Joint Discretion Strategies of Joint Discretion Managers, and Program Securities for inclusion in the Program, in identifying Models, Joint Discretion Strategies and Program Securities to Program clients, and in designating Models, Joint Discretion Strategies and Program Securities as default replacements for accounts invested in Models, Joint Discretion Strategies and Program Securities removed from the Program (or, in the event JPMS does not designate a default replacement, selection of an ETF into which the client's UMA Assets in the removed Model, Joint Discretion Strategy or Program Security will automatically be re-invested if the client does not affirmatively select a replacement of the client's own choosing by the date specified by JPMS) because JPMS may have a financial incentive to favor Envestnet and those MPPs, Joint Discretion Managers and Program Securities (or their sponsors or portfolio managers) with which JPMS and/or its affiliates have other business relationships.

JPMS believes that this conflict is addressed by the fact that neither the persons responsible for the initial and periodic review of Envestnet, the Models provided by MPPs, the Joint Discretion Strategies of Joint Discretion Managers, and Program Securities for inclusion in the Program and for possible designation as default replacements for Models, Joint Discretion Strategies and Program Securities removed from the Program (or, if JPMS does not designate a default replacement, for selection of an ETF as described in the preceding paragraph), nor the Financial Advisors who identify Models, Joint Discretion Strategies and Program Securities to particular clients (assuming they are aware of which MPPs and Program Securities, sponsors and managers have other business relationships with JPMS and/or its affiliates), receive any direct financial benefit (such as additional compensation) from the inclusion of Envestnet as Overlay Manager or the investment of UMA Assets in certain Models, Joint Discretion Strategies or Program Securities instead of others in the same asset class (i.e., equity or fixed income). Moreover, because Financial Advisors are typically compensated in the Program through the receipt of a portion of JPMS's component of the Fee, which is typically tied to the value of Program accounts, Financial Advisors are to that extent incentivized to identify Models, Joint Discretion Strategies and Program Securities they believe will increase the value of the account, regardless of whether or not the MPPs, Joint Discretion Managers and Program Securities (or their sponsors or portfolio managers) have other business relationships with JPMS and/or its affiliates.

In addition, outside of and separate from the Program, JPMS acts as a solicitor (sometimes also called a "finder" or "referrer") of prospective clients for certain other investment advisers, which may include one or more advisers acting as portfolio managers in the Program. Under its solicitation agreements with those advisers, JPMS is entitled to a specified portion of the advisory fees received by the advisers from the investors that were referred to them by JPMS. The investors referred to other advisers by JPMS may be existing investment advisory clients of JPMS, including clients in the Program. When JPMS makes a referral of one of its existing investment advisory clients to another adviser under a solicitation arrangement, the arrangement creates a material conflict of interest with the client because:

- JPMS has a financial incentive to make the referral because it will be entitled to compensation from the other adviser if the referred client becomes a client of the other adviser;
- JPMS does not base such referrals on any review or due diligence of the other advisers or their personnel or investment strategies;
- JPMS does not conduct an assessment of the suitability of the other advisers' services for referred clients; and
- it may not be in the referred client's best interest to become a client of the other adviser.

JPMS addresses this conflict in the following ways:

- The other advisers' payments of solicitation fees to JPMS are typically subject to certain legal requirements and conditions, including the delivery by JPMS to the referred client, at the time of the referral, of a written document that discloses, among other things, the relationship between JPMS and the other adviser, the fact that JPMS will be compensated for the referral, the terms of the compensation arrangement, and the amount (if any) in addition to the advisory fee that the referred client will be charged by the other adviser for the cost of obtaining the client's business.
- Clients referred to other advisers by JPMS have no obligation to become clients of those advisers, and their declining to do business with the adviser to which they were referred will not affect their relationship with JPMS.

iii. **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

a. **Code of Ethics**

Please refer to Item 9.iii.a of the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

b. **Securities in Which JPMS or a Related Person Has a Material Financial Interest**

1. **Affiliated Sponsors and Advisers of Funds**

Most or all of the Program Securities JPMS may identify to clients and clients may select from in UMA consist of Funds that have various internal fees and expenses, which are paid by the Funds but are ultimately borne by the Program client as investor. The sponsors and/or general partners of certain such Funds are affiliated with JPMS (potentially including those in which JPMS or its affiliates have a minority and/or non-controlling interest), and JPMS and its affiliates may provide investment management and other services to, and receive compensation from or in connection with, such Funds. In addition, the Overlay Manager (and, if applicable, Joint Discretion Manager(s)) may invest UMA Assets in such J.P. Morgan-affiliated Funds in the course of its discretionary management of UMA Assets according to one or more Models and/or Joint Discretion Strategies JPMS may identify to clients and clients may select from, and JPMS may designate such J.P. Morgan-affiliated Funds as default replacements for Models, Joint Discretion Strategies or Program Securities removed from the Program.

The selection of J.P. Morgan-affiliated Funds as the vehicle for the temporary investment (i.e., "sweeping") of available cash balances benefits those Funds and their J.P. Morgan-affiliated sponsors and/or general partners. In addition, several affiliates of JPMS manage J.P. Morgan-affiliated Funds and generally receive an investment management fee for doing so. Although the management fee is paid by the Fund itself, ultimately it is borne by investors in the Fund. Therefore, to the extent a J.P. Morgan-affiliated Fund is selected as the "sweep" vehicle for the account, the JPMS affiliate receives, and the Program client ultimately bears the cost of, an investment management fee with respect to those assets.

The portion of the investment management fee received by JPMS's affiliate that is borne by each Program client is not covered by, and is in addition to, the Fee paid by the client. As a result, because JPMS and its affiliates will in the aggregate receive more compensation when Program assets are invested in J.P. Morgan-affiliated Funds than they would receive were the assets instead invested in unaffiliated Funds, JPMS has a conflict of interest when the Overlay Manager (and any Joint Discretion Manager selected by the client) invests UMA Assets in J.P. Morgan-affiliated Funds in its implementation of Models and/or Joint Discretion Strategies on discretion and has a further conflict of interest in:

- selecting J.P. Morgan-affiliated Funds for inclusion as Program Securities in UMA;
- reviewing (or having an affiliate review) them for ongoing inclusion as Program Securities;
- identifying them to particular UMA clients for the client's Target Portfolio;
- designating them as default replacements for Models, Joint Discretion Strategies and Program Securities that are removed from the Program; and
- making only (or primarily) affiliated Funds available to Program clients for the "sweeping" of available cash balances.

JPMS believes that the conflict with respect to the Overlay Manager's (and any Joint Discretion Manager's) discretionary investment of UMA Assets in J.P. Morgan-affiliated Funds is addressed by the following:

- Neither JPMS nor any of its affiliates controls or recommends specific securities transactions for UMA Assets managed on discretion by the Overlay Manager and any Joint Discretion Manager(s).

- Because the Overlay Manager and any Joint Discretion Manager(s) are compensated on the basis of the market value of the UMA Assets they manage, they are to that extent incentivized to exercise their discretion to select Funds they believe will increase the value of the Assets, regardless of whether the Funds are affiliated or unaffiliated with JPMS.

JPMS believes that the conflict with respect to J.P. Morgan-affiliated Funds as Program Securities, default replacements for Models, Joint Discretion Strategies and Program Securities that are removed from the Program, and “sweep” vehicles for UMA accounts is addressed by the following:

- J.P. Morgan-affiliated Funds are subject to the same criteria as other Funds in JPMS’s processes for the selection of Program Securities for inclusion in UMA and the review of Program Securities for ongoing inclusion as Program Securities.
- Financial Advisors responsible for the identification of Program Securities to clients for the client’s Target Portfolio do not receive any direct financial benefit (such as additional compensation) from clients’ ultimate selection and purchase of J.P. Morgan-affiliated Funds rather than unaffiliated Funds. Moreover, because Financial Advisors are typically compensated on the basis of the net market value of Program accounts, they are to that extent incentivized to identify Funds they believe will increase the value of the account, regardless of whether the Funds are affiliated or unaffiliated with JPMS.
- As a matter of policy, JPMS will not designate a J.P. Morgan-affiliated Fund as the default replacement for retirement plan accounts (including IRAs and accounts subject to ERISA) invested in or according to a Model, Joint Discretion Strategy or Program Security that has been removed from the Program; if such a Fund has been designated as the default replacement for non-retirement plan accounts, JPMS will designate a different, unaffiliated default replacement, or will not designate any default replacement, for retirement plan accounts.
- JPMS policy generally prohibits the identification by JPMS or the purchase by UMA clients of J.P. Morgan-affiliated Funds for retirement plan accounts in the Program (including IRAs and accounts subject to ERISA) unless the client already held the Fund at issue in his or her UMA account at the time of the acquisition of JPMS (then known as Bear, Stearns & Co. Inc.) by JPMorgan Chase & Co. in 2008, in which event the client typically may purchase additional shares of the Fund consistent with the account’s Target Portfolio. In addition, the only “sweep” vehicle other than the Deposit Account (discussed in Item 4.ii in the section of this Brochure on the J.P. Morgan Securities STRATIS Program) that is available to retirement plan accounts in the Program is an unaffiliated money market mutual fund from which JPMS and its affiliates receive no additional compensation.

Clients should review the applicable prospectuses for funds in their Program accounts for additional information about the internal fees and expenses ultimately borne by investors in the Funds.

2. Other Compensation from Affiliated and Unaffiliated Funds

Mutual funds typically offer different ways to buy shares with different share classes that may assess different fees and expenses. JPMS strives to make available the most appropriate share class on the platform for each fund, with the goal of generally obtaining the lowest cost share class. However, for certain funds, the share classes with the lowest fee structures are not available in the Program (*e.g.*, (1) the fund family restricts access to these share classes or (2) JPMS does not have an agreement with the fund to distribute the share class in the Program). Clients should be aware that the share class of a fund available through the Program can differ from the share class available to similar accounts managed by or held at JPMS or its affiliates, and that certain lower cost fund share classes can be available outside of the Program. Clients should contact their Financial Advisor(s) for information about any limitations on share classes available through the Program. JPMS through its brokerage accounts have other arrangements with fund companies that are described in the relevant brokerage documents.

JPMS and its affiliates receive fees or other forms of compensation from the funds (including money market funds), or their affiliates. JPMS believes that this conflict is addressed in the following ways:

- **12b-1 Distribution Fees:** JPMS receives fees from certain funds pursuant to Rule 12b-1 under the Investment Company Act of 1940 (“12b-1 Distribution Fees”). Rule 12b-1 allows funds to use fund assets to pay the costs of marketing and distribution of the fund’s shares. If JPMS receives 12b-1 Distribution Fees, it will rebate these fees to the client.
- **Other Fees:** JPMS enters into agreements with the funds, their investment managers, distributors, principal underwriters, shareholder servicing agents and/or other affiliates of the funds (“Service Providers”). The funds or their Service Providers pay J.P. Morgan fees for providing certain administrative services, which include maintaining and updating separate records for each client, preparing and delivering client statements, tax reporting, proxy voting and solicitation,

processing purchase and redemption orders, processing dividends, distributing prospectuses and other fund reports, and responding to client inquiries. These fees for these services are typically called “shareholder servicing fees,” when paid for by the fund; however these fees can be referred to as “revenue sharing” when they are paid by the fund Service Provider from its own resources (together referred to as “Servicing Fees”). As of December 31, 2019, the Servicing Fees that JPMS received were up to 25 basis points annually of the fund assets, or a rate of \$8 to \$20 per year per fund position; however, these amounts can change. The receipt by JPMS of these fees creates a conflict of interest in the selection of funds for accounts because the fees are different among funds. Similarly, JPMS has a conflict to recommend mutual funds that pay Servicing Fees instead of ETFs or other securities or products that do not pay any Servicing Fee. The Overlay Manager and/or Joint Discretion Manager(s), who are responsible for managing or recommending investments for Program accounts do not receive any direct financial benefit from the Servicing Fees. To that extent, such Overlay Manager and/or Joint Discretion Manager(s) are incentivized to invest in or recommend securities they believe will increase the value of the account. JPMS does not retain any portion of those fees for retirement advisory accounts. When evaluating the fees for, and cost of, the Program, clients should consider the Servicing Fees that JPMS receives in addition to the investment advisory fees. Clients can also request a fund prospectus for additional information regarding fund fees.

Once a particular share class is made available for a particular fund in the Program, clients can only purchase that share class for such fund. JPMS periodically reviews the share classes offered by funds in the Program, but also relies on the fund families to inform JPMS when and if these share classes will be made available. If JPMS identifies and makes available a class of shares for a fund more appropriate than the class of shares previously made available for the fund, to the extent allowed, JPMS will convert client shares of the fund to that more appropriate share class of the same fund. Operational and other considerations can affect the timing of the conversion of shares, and can cause the timing or implementation of such conversions to differ between clients.

Some of the fund share classes available through the Program are not necessarily available to clients outside of the Program. To the extent an account is terminated, clients may not be eligible to continue to hold or purchase certain share classes offered in the Program outside of the Program, as well as outside the firm.

3. Principal and “Agency Cross” Transactions

In connection with effecting transactions for accounts in the Program, JPMS and its affiliates may, to the extent permitted by applicable law, act as principal (i.e., for its own account), agent for the client, or agent for both the client and the party on the other side of the transaction. For a discussion of the conflicts of interest that arise when JPMS or an affiliate acts either as principal or as agent for both the client and the party on the other side of the transaction (known as an “agency cross transaction”), and how JPMS addresses those conflicts of interest, please refer to Item 9.iii.b.1 in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

4. Other Securities Issued by JPMS and Its Affiliates

Please refer to Item 9.iii.B.4 of the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

c. When JPMS or a Related Person Invests in the Same Securities That It Recommends to or Buys/Sells for Clients

JPMS and its affiliates and other related persons may invest in the same securities that JPMS includes as Program Securities in UMA, identifies to UMA clients for their Target Portfolios, or designates as default replacements for Models, Joint Discretion Strategies and Program Securities removed from the Program. In addition, while JPMS does not recommend specific securities or securities transactions for UMA Assets managed by the Overlay Manager (and, if applicable, Joint Discretion Manager(s)) on discretion according to Models and Joint Discretion Strategies, JPMS or a related person, acting as broker-dealer, may effect transactions for Program accounts in the same securities that it or a related person invests in.

In such circumstances, the interests of JPMS and its related persons conflict with those of Program clients in several respects:

- JPMS or a related person may benefit from (1) clients buying securities that JPMS or the related person then sells or (2) clients selling securities that JPMS or the related person then buys, because client purchases may increase the market price of a security JPMS or the related person owns or borrows and then sells, and client sales may reduce the market price of a security JPMS or the related person then buys.
- JPMS or a related person may benefit from (1) buying securities that clients will later buy (because the subsequent client purchases may increase the market price of the security JPMS or the related person already bought and owns) or (2) selling securities that clients will later sell (because subsequent client sales may decrease the market price of the security JPMS or the related person already sold).

- JPMS or a related person may benefit from principal transactions in which it sells a security directly from its own account to a client account or buys a security into its own account directly from a client account. For example, when a client instructs JPMS to buy a Program Security for the client's Program account, JPMS may have a financial incentive to execute the order through a principal (instead of agency) transaction if it owns the Program Security in its own account, the security is thinly traded or illiquid, and JPMS believes it will decline in value or wants to sell it for another reason.

JPMS believes that these conflicts are addressed by:

- the fact that neither JPMS nor any of its related persons controls or recommends specific securities transactions for UMA Assets managed on discretion by the Overlay Manager and, if applicable, Joint Discretion Manager(s).
- the maintenance of policies (including in the Code of Ethics) prohibiting JPMS employees from engaging in conduct intended to manipulate the price of securities and procedures designed to prevent and/or detect such conduct;
- the maintenance of information barrier procedures designed to control the flow of information between JPMS's and its affiliates' proprietary trading operations and other business units, including J.P. Morgan Securities; and
- the restrictions on principal transactions with Program accounts described in Item 9.iii.b.1 in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

d. When JPMS or a Related Person Buys/Sells Securities for Itself at or About the Same Time It Recommends or Buys/Sells the Same Securities to/for Clients

JPMS and its affiliates and other related persons may invest in securities at or about the same time that JPMS identifies the same securities (as Program Securities) to UMA clients for their Target Portfolios or designates them as default replacements for Models, Joint Discretion Strategies and Program Securities removed from the Program. In addition, while JPMS does not recommend specific securities or securities transactions for UMA Assets managed by the Overlay Manager (and, if applicable, Joint Discretion Manager(s)) on discretion according to Models and Joint Discretion Strategies, JPMS or a related person, acting as broker-dealer, may effect transactions for Program accounts at or about the same time that JPMS or a related person buys or sells the same securities for its or a related person's own account.

In such circumstances, the interests of JPMS and its related persons conflict with those of JPMS's Program clients in all of the respects described in the preceding section, each of which typically involves not only trading in the same securities that clients do, but also trading in them at or about the same time that clients do. Please refer to Item 9.iii.c above for a description of those conflicts and how they are addressed.

JPMS may, but is not required to, aggregate orders for the sale or purchase of securities for the client's account with orders for the same security for other clients, including orders for JPMS's or its affiliates' employees and related persons. Aggregated orders will generally be filled at an average price, with a pro rata share of transaction costs (if applicable). A client order that is not aggregated with one or more other client orders may be executed at a less favorable price and incur greater transaction costs than an aggregated order.

JPMS may have a conflict of interest in connection with the aggregation of orders by multiple Program clients for the purchase or sale of the same security. On occasion, an aggregated order will not be fully executed, or "filled." A partial "fill" of an aggregated order must be allocated among the affected clients' accounts. When the affected accounts include a proprietary or personal account for JPMS or any of its affiliates or other related persons (including Financial Advisors), or an account that JPMS or its affiliates may have some other reason to favor (because it typically pays JPMS more compensation, for example), JPMS may have an interest in allocating more shares or units from the partial "fill" to such an account, leaving fewer shares or units for the accounts of other affected clients. JPMS addresses this conflict by processes designed to ensure that the allocation of a partially filled order is fair and equitable in accordance with applicable law. Factors that may affect allocations include, for example, available cash in each account, the size of each account and order, client-imposed or other restrictions on investments in each account, and the desirability of avoiding odd lots. Providing a comparatively favorable allocation to a proprietary or personal account of JPMS or its affiliates or other related persons, however, would not constitute a fair and equitable allocation. For more information about the Overlay Manager's and any Joint Discretion Manager's aggregation and allocation policies, please refer to its Form ADV Part 2A or other applicable disclosure document(s). In addition, a Joint Discretion Manager whose Strategy is available to clients in both UMA and another investment advisory program sponsored by JPMS – such as the STRATIS and ICS Programs – may not aggregate orders for the sale or purchase of a security for clients in both programs; therefore, UMA clients with assets invested according to such a strategy may receive execution of the order before or after, and therefore receive a different price than, JPMS clients invested according to the same strategy in the other program.

JPMS may execute transactions in Program Securities for Program accounts later than the day on which the client instructs JPMS to effect the transaction, and may execute them at a price higher or lower than the price quoted to the client at the time of such instruction.

e. **Conflicts of Interest related to Ownership Interest in J.P. Morgan Stock**

Please refer to Item 9.iii.e in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

f. **J.P. Morgan's Use of Index Products**

JPMS or one of its affiliates develop or own and operate stock market and other indexes based on investment and trading strategies developed by JPMS or its affiliates or assist unaffiliated entities in creating indexes that are tracked by certain ETFs utilized by JPMS or an affiliate. Some of the ETFs for which an affiliate of JPMS acts as investment adviser (the “JPM ETFs”) seek to track the performance of these indexes. JPMS and its affiliates, from time to time, manage client accounts that invest in these JPM ETFs. In addition, JPMS and its affiliates manage client accounts which track the same indexes used by the JPM ETFs or which are based on the same, or substantially similar, strategies that are used in the operation of the indexes and the JPM ETFs. The operation of the indexes, the JPM ETFs and client accounts in this manner give rise to potential conflicts of interest. For example, client accounts that track the same indexes used by the JPM ETFs may engage in purchases and sales of securities relating to index changes prior to the implementation of index updates or the time as of which the JPM ETFs engage in similar transactions because the client accounts may be managed and rebalanced on an ongoing basis, whereas the JPM ETFs’ portfolios are only rebalanced on a periodic basis corresponding with the rebalancing of an index. These differences can result in the client accounts having more favorable performance relative to that of the index and the JPM ETFs or other client accounts that track the index. Other conflicts include the potential for unauthorized access to index information, allowing index changes that benefit JPMS or other client accounts and not the investors in the JPM ETFs. JPMS and its affiliates have established certain information barriers and other policies to address the sharing of information between different businesses within JPMS and its affiliates, including with respect to personnel responsible for maintaining the indexes and those involved in decision-making for the JPM ETFs. In addition, as described above, JPMS has adopted a code of ethics.

g. **Other Compensation from ETFs**

Certain ETFs in which account assets are invested in for the Program execute transactions for their portfolios through JPMS or an affiliate as broker-dealer, and JPMS or an affiliate receives traditional brokerage compensation and fees from the ETFs in connection with these transactions. Such compensation presents a conflict of interest between JPMS and clients because JPMS has a financial incentive to invest Program account assets in such ETFs: (1) in the hope or expectation that increasing the amount of assets invested with the ETFs will increase the number and/or size of transactions placed by the ETFs for execution by JPMS or an affiliate or other related person, and thereby result in increased compensation to JPMS and its affiliates and other related persons in the aggregate; and (2) to benefit the ETFs and thereby preserve and foster valuable brokerage relationships with the ETFs.

iv. **Review of Accounts**

Please refer to Item 9.iv in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

v. **Client Referrals and Other Compensation**

a. **Compensation from Non-Clients to JPMS for JPMS's Provision of Advisory Services**

To the best of its knowledge, JPMS does not receive economic benefits from non-clients for providing investment advice or other advisory services to its clients.

JPMS and its affiliates do receive economic benefits from certain Funds when JPMS's clients' assets in investment advisory accounts are invested in them. Although these benefits are attributable to sales of the Funds to JPMS's investment advisory clients and the investment of investment advisory assets in the Funds, they are not benefits the Funds provide to JPMS or its affiliates in exchange for JPMS's provision of investment advisory services to the clients. For a discussion of the benefits and the conflicts of interest they raise, please refer to Items 4, 9.ii and 9.iii above.

As discussed in Item 4.ii in the section of this Brochure on the J.P. Morgan Securities STRATIS Program, JPMCB also receives economic benefits when JPMS's investment advisory clients select the Deposit Account as the vehicle for the “sweeping” of available cash balances in their accounts. Again, while these benefits are attributable to the investment of the assets of JPMS's investment advisory clients in the Deposit Account, they are not benefits JPMCB receives in exchange for JPMS's provision of investment advisory services to the clients.

In addition, JPMS and its affiliates may from time to time enter into joint marketing activities with investment managers and/or sponsors of mutual funds offered in JPMS's investment advisory programs, including Funds included as Program Securities in the Program, MPPs whose Models are included in the Program and Joint Discretion Managers that co-manage Joint Discretion Strategies included in the Program. These managers, sponsors, MPPs and/or Joint Discretion Managers may pay some or all of the cost of the marketing activities, which payment may take the form of reimbursement of JPMS. Because of the willingness of these managers, sponsors, MPPs and/or Joint Discretion Managers to provide financial support for such activities, JPMS has an incentive to allow them (as opposed to others that are unwilling to provide such financial support) to participate in such joint marketing activities. However, the payments by the fund managers, sponsors, MPPs and/or Joint Discretion Managers are not made in exchange for JPMS's provision of investment advisory services to its clients.

Please refer to Item 9.ii.c.5 of the section of this Brochure on the STRATIS Program for a discussion of (1) revenue sharing arrangements between JPMS and certain of its affiliates pursuant to which JPMS may receive compensation from the affiliates in connection with referrals or introductions of clients by JPMS to the affiliates for the provision by the affiliates of products and services to the clients and (2) solicitation arrangements in which JPMS acts as solicitor for other investment advisers and receives compensation from the other advisers for the referral of clients to them. In such cases, the compensation is in exchange for JPMS's referral of clients to other investment advisers – not for JPMS's own provision of investment advisory services to its clients.

b. Compensation from JPMS to Unsupervised Persons for Client Referrals

In addition to compensating certain *supervised* persons (including Financial Advisors) for their provision of investment advisory services to clients on behalf of JPMS and/or for their referral or introduction of investors who become investment advisory clients of JPMS, JPMS compensates certain persons *not* supervised by it for their referral of investors to JPMS who become clients in JPMS's investment advisory programs, including the Program.

JPMS has engaged certain unaffiliated parties to act as solicitors (sometimes also called "finders" or "referrers") of prospective clients for JPMS's investment advisory programs. The solicitors engaged by JPMS are typically themselves registered investment advisers. JPMS does not supervise either the solicitors' activities generally or their solicitation activities. Under these solicitation arrangements, JPMS agrees to pay each solicitor a specified portion of the advisory fees received by JPMS from each client referred to it by the solicitor.

The clients referred to JPMS do not incur any additional fee or charge by JPMS as a result of JPMS's arrangements with the solicitors or its payment of the solicitation fees to the solicitors. Therefore, because JPMS's sharing of certain advisory fees with solicitors reduces the net advisory fee retained by JPMS, Program accounts for clients referred to JPMS by a solicitor may be less profitable for JPMS than other Program accounts, other things being equal. This creates a conflict of interest between JPMS and the referred clients because, as a result, JPMS and the Financial Advisors (whose own compensation is typically tied to the amount of advisory fees received by JPMS from clients) could have a financial incentive to disfavor Program clients referred by solicitors in, for example, the allocation of trades among accounts and in the receipt of the Financial Advisor's time, attention and best investment ideas. JPMS believes that this conflict is addressed in the following ways:

- With respect to UMA Assets invested through the Overlay Manager's and any Joint Discretion Manager's implementation of Models and Joint Discretion Strategies on discretion, the Overlay Manager and Joint Discretion Manager – and not JPMS or the Financial Advisors – are responsible for making investment decisions.
- JPMS uses processes designed to ensure that the allocation of partially filled orders is fair and equitable in accordance with applicable law.
- Because the Fee paid by clients in the Program may, in JPMS's discretion, be negotiated and can vary among clients, and the absolute amount of such Fee is typically dependent on the size of the client's account, it is not necessarily the case that the account of a client referred to JPMS by a compensated solicitor will be less profitable for JPMS or the Financial Advisor than other Program accounts.

vi. Financial Information

There is no financial condition that is reasonably likely to impair JPMS's ability to meet contractual commitments to its clients.

J.P. Morgan Core Advisory Portfolio Program (“JPMCAP”)

Item 4 Services, Fees and Compensation

J.P. Morgan Securities LLC (“JPMS” or the “Firm”) is a wholly-owned subsidiary of JPMorgan Chase & Co. (“JPMC”), a publicly-held financial services holding company. JPMC and its affiliates (together, “J.P. Morgan”) are engaged in a large number of financial businesses worldwide, including banking, asset management, securities brokerage and investment advisory services. JPMS is registered as a broker-dealer and investment adviser with the U.S. Securities and Exchange Commission (the “SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”). JPMS’ investment advisory services include sponsoring a variety of wrap fee programs and providing certain consulting services to defined contribution plan sponsors. JPMS offers investment advisory services through three separate sales channels: J.P. Morgan Securities, Chase Wealth Management and You Invest. Similar wrap fee programs that offer the same and similar investment strategies may be offered in different sales channels and programs, and at different fee levels. The wrap fee clients pay will vary depending on the investment advisory program selected.

This Brochure provides information about JPMS and the J.P. Morgan Core Advisory Portfolio program (“JPMCAP” or the “Program”) that is offered by J.P. Morgan Securities, a brand name for a wealth management business of JPMS. This Program is also offered in the Chase Wealth Management sales channel at a lower maximum fee than offered by JPMS. Please see below for more information regarding the fee. Information about other wrap fee programs sponsored by JPMS is contained in separate brochures, which can be obtained upon request from your J.P. Morgan Securities financial advisor (each, a “Financial Advisor”), or at the SEC’s website at www.adviserinfo.sec.gov. The Form ADV Part 2A for J.P. Morgan Private Investments Inc. (“JPMPI”), the Program’s sub-adviser can also be obtained upon request from a Financial Advisor or by visiting www.jpmorgansecurities.com/ADV.

Investing in securities involves risk of loss that clients should be prepared to bear. The investment performance and success of any particular investment cannot be predicted or guaranteed, and the value of a client’s investments will fluctuate due to market conditions and other factors. Investments are subject to various risks including, but not limited to, market, liquidity, currency, economic and political risks, and will not necessarily be profitable. Past performance of investments is not indicative of future performance.

i. Services

JPMCAP is a discretionary unified managed account program managed and offered by JPMS. In JPMCAP, client assets are invested in a manner consistent with one of the single-asset class (Managed Fixed Income and Managed Equities) or multi-asset class (Conservative, Balanced, Growth and Aggressive Growth) investment strategies made available by JPMS to clients. Assets within an investment strategy are generally invested in each asset class through one or more open-end mutual funds, exchange-traded notes and exchange traded funds (“ETFs” and, collectively with mutual funds, “Funds”). Clients have the option to make certain elections including municipal fixed income options (for taxable accounts) and U.S. focused options, as well as the option to use index oriented vehicles or non-J.P. Morgan Funds, as described further below.

Clients with at least \$250,000 in their Program accounts can elect to include mutual funds that hold more non-traditional investments and employ more complex strategies than traditional mutual funds (“Liquid Alternative Funds”); see “Liquid Alternative Funds” below for more information a detailed description.

JPMPI, as sub-adviser of JPMCAP, is responsible for securities selection (including selecting Funds for investment) and determining portfolio construction. Funds available through JPMCAP include both Funds sponsored or managed by affiliates of JPMS (“J.P. Morgan Funds” or “J.P. Morgan-affiliated funds”) or by Funds managed by third party asset managers (“non-J.P. Morgan Funds” or “unaffiliated funds”). A portion of the assets in certain JPMCAP models are expected to be invested in J.P. Morgan Funds. See “Use of J.P. Morgan Funds and Potential Conflicts of Interest” below for more information on the use of J.P. Morgan Funds.

In managing JPMCAP, JPMPI will not consider any assets owned by the client outside of the relevant JPMCAP account, including any assets held in other JPMCAP accounts.

The investment strategy for a particular client is based on the client’s discussion with JPMS and the client’s risk tolerance. The investment strategies available in JPMCAP are Conservative, Balanced, Growth, Aggressive Growth, Managed Fixed Income and Managed Equities. The Conservative, Balanced and Growth investment strategies are generally available for clients regardless of whether they are eligible to include or have elected to include Liquid Alternative Funds in their accounts. The Aggressive Growth investment strategies are only available to those clients who are eligible for and have elected to include Liquid Alternative Funds in their account. Liquid Alternative Funds are not available in Managed Equities or Managed Fixed Income strategies. For more information on these investment strategies and

related risks, clients should review the Form ADV Part 2A for JPMPI, which can be obtained upon request from a Financial Advisor or at the SEC's website at www.adviserinfo.sec.gov.

The investment strategies and types of investment options that are available based on the level of client assets in JPMCAP are summarized in the table below:

Client Program Assets	Available Investment Strategies					
	Conservative	Balanced	Growth	Aggressive Growth	Managed Fixed Income	Managed Equities
\$10,000 and over	Yes	Yes	Yes	No	Yes	Yes
\$250,000 and over	Yes	Yes	Yes	Yes (if include Liquid Alternative Funds)	Yes	Yes

Client Program Assets	Available Investments				
	Mutual Funds	ETFs	Liquid Alternative Funds	Other Securities through Model Managers	
\$10,000 and over	Yes	Yes	No	No	
\$250,000 and over	Yes	Yes	Yes, on client election (except for Managed Fixed Income and Managed Equities)	No ¹	

¹Model managers are not offered for this Program in the J.P. Morgan Securities sales channel at the present time, though they are available upon client election in other sales channels within J.P. Morgan.

JPMS has delegated certain of its responsibilities and authority to JPMPI as the Program's sub-adviser. JPMPI is an affiliate of JPMS. JPMPI, as the sub-adviser, constructs and evaluates the investment strategies and selects the Funds available through the Program using due diligence produced by JPMPI. JPMS oversees the selections using an investment policy statement it established and remains responsible for overseeing JPMPI's role as sub-advisor.

The investment policy statement specifies investment guidelines established by JPMS and includes certain operational considerations. These operational considerations, such as Fund concentration, and capacity issues, can affect the timing of certain tactical trades and can result in the timing or implementation of trades for a client's account differing from that of another client or group of clients of JPMS or its affiliates. It is JPMS' policy, to the extent practicable, to allocate, within its reasonable discretion, investment opportunities among clients over a period of time on a fair and equitable basis.

JPMPI, as sub-adviser, has full discretionary investment advisory authority, to be exercised in its exclusive judgment and consistent with the investment strategy selected by the client, to determine asset allocation, the allocation of assets among Funds and, at appropriate asset levels, Liquid Alternative Funds; to select, add, remove and/or replace Funds; and to purchase and sell Funds and other securities for Program accounts.

JPMS has also retained JPMPI as the Program's overlay manager for Program accounts. JPMPI, as the Program overlay manager for JPMCAP, provides portfolio implementation and coordination services to JPMCAP accounts. Overlay manager services include: (1) managing the accounts on a discretionary basis by implementing instructions to purchase, hold, or sell securities with broker-dealers or shares of Funds; (2) continuously monitoring the account holdings and coordinating the trading activity; and (3) implementing specific reasonable restrictions requested by the client that are placed on the accounts. In providing services to JPMS, JPMPI relies on affiliated and unaffiliated third parties to fulfill its services as overlay manager.

Pursuant to the investment advisory agreement between the client and JPMS (the "Client Agreement"), clients authorize and instruct JPMS, upon the termination of the account or the removal of the client's account from the Program, to the extent that the mutual fund shares in the account are an institutional or other share class not eligible to be held by the client in a brokerage account or an account outside of the Program, to convert such shares to a retail or other share class. Certain mutual funds may charge a redemption fee in the event of such conversions, and conversions may have tax consequences for clients.

Typically, in the Client Agreement, the client authorizes JPMPI to direct transactions in the client's account to JPMS for execution, subject to JPMPI's duty to seek "best execution" and JPMS's capacity and willingness to execute the transaction. By recommending the Program to clients, therefore, JPMS also is recommending itself as broker-dealer. For more information about the factors that JPMPI may consider in determining which broker or dealer to execute transactions through, please refer to JPMPI's Form ADV Part 2A or other applicable disclosure document(s). When JPMS executes transactions for Program clients, the division of JPMS that handles the execution may receive compensation (or compensation credits) from one or more other affiliates or divisions of JPMS, including from J.P. Morgan Securities, through which JPMCAP is offered. Program clients are not charged for any such intracompany or inter-affiliate compensation. JPMS will ordinarily provide clearing, settlement and custodial services for accounts.

Share Class Conversion of Existing Mutual Funds. If a client holds a mutual fund share class that was previously approved and JPMS now deems to be ineligible for the Program, JPMS can exchange them into the newly approved advisory share class of the same mutual fund, under the authority provided to JPMS under the Client Agreement, mutual fund prospectus rules and its own policies, as soon as practicable. The newly approved advisory share class will generally be subject to lower net expenses, though in certain circumstances, can be subject to higher net expenses as compared to the previously approved share class. This section is not applicable to money market funds.

Contribution of Ineligible Funds, ETFs or Share Class. If a client contributes funds, ETFs or certain share classes, such client authorizes JPMPI to sell the mutual fund or ETF from the account if the mutual fund, the mutual fund share class, or ETF is not approved for the Program or is not part of the client's asset allocation model or target allocation. If the mutual fund is approved for the platform, however the client's share class of the Fund is not the approved share class, then JPMS will not exchange the client's share class into the approved share class. However, JPMPI may sell the client's share class and purchase the approved share class.

Funding. Cash or securities can be used to fund Program accounts. Investment management will begin after JPMS has accepted the account into the Program. Account acceptance may be delayed or rejected if the account is overfunded or underfunded. Cash to fund an account will be placed in the sweep option selected by the client. Clients funding Program accounts with securities direct JPMS or JPMPI, as applicable, to liquidate the securities on behalf of the client and allocate the proceeds in accordance with the applicable investment strategy. JPMPI, on a best efforts basis, will sell a portion or all of any securities that are not consistent with the applicable investment strategy. Neither JPMS nor JPMPI, will advise client regarding the liquidation of these securities. Liquidation will be done free of commission charges or spread on fixed income trades unless the trade is placed away from JPMS. Depending on the type of security involved, liquidation may result in redemption charges and taxable gains or losses. Clients should review the potential tax consequences of these liquidations with their tax advisor before funding their Program account with securities. JPMS does not provide tax advice. If non-U.S. denominated securities are sold, the client will incur currency conversion charges. When liquidating these securities for purposes of establishing your account, JPMS will be acting as a broker, not an investment adviser. Liquidations will be effected promptly after acceptance of the client account at the then prevailing market prices. If a particular security cannot be liquidated or is not eligible for the Program, it will not be used to fund an account and will be transferred to a brokerage account.

Rebalancing. Since rebalancing has tax implications for most clients, unless the account is in IRA, or another qualified retirement plan not subject to ERISA, Program accounts will be rebalanced only if the percentage variance at the asset class level exceeds a threshold amount that has been established as effective for rebalancing to the investment strategy. To rebalance the account, shares of Funds in the client's account that are underweight or overweight compared to their asset class percentage in the model are bought or sold, as applicable, until the account holdings are consistent with the client's selected model. Over time, the Funds will appreciate (or depreciate) in value at different rates. Without rebalancing, the change in the percentages of each asset class held will change the level of risk from the risk level that is associated with the original model. Client asset allocations will be reviewed relative to the selected investment strategy and JPMPI will generally rebalance the Program account to the allocation in the chosen investment strategy when the asset allocation percentages deviate from parameters established by JPMS. To rebalance the account, shares of Funds that are underweight or overweight compared to their asset class percentages in the investment strategy will be bought or sold, as applicable, until the account holdings are consistent with the investment strategy. Over time, the Funds and/or individual securities in the account will appreciate (or depreciate) in value at different rates. Without rebalancing, the change in the percentages of each asset class held will change the level of risk from the risk level that is associated with the allocations in the selected investment strategy.

Performance Reporting. In general, JPMS also provides clients with periodic performance reviews of their JPMCAP accounts. Certain JPMCAP accounts may not receive such reviews; in its discretion, JPMS may not provide a client with performance reviews for an account if, for example, the account's assets are not custodied by JPMS or JPMS concludes that the nature of the investment strategy used or securities held in the account makes valuation, performance measurement or performance benchmarking too difficult, infeasible or insufficiently valid or useful to the client.

Option to Elect U.S. Focused Models. Clients have the option to elect a U.S. Focused model within an investment strategy. U.S. Focused models seek to primarily invest in the United States.

Option to Use Index Oriented Vehicles. JPMPI prefers to follow an investment process that maintains the option of using a range of active and passive vehicles, some of which are Index Oriented Vehicles and some of which are not. However, clients can elect to have their

accounts (other than cash and liquidity Funds) implemented using Index Oriented Vehicles. JPMCAP offers clients the option to implement certain account investment strategies using an Index Oriented Vehicle election, as described below.

For purposes of the JPMCAP Index Oriented Vehicle election: “Passively Managed Vehicles” include ETFs and index mutual funds; “Actively Managed Vehicles” include mutual funds. In determining whether a particular Actively Managed Vehicle or Passively Managed Vehicle can be considered an “Index Oriented Vehicle,” JPMPI will, using research and vehicle evaluation from its affiliates, consider, among other things, how closely the vehicle’s historical returns track the index JPMPI is targeting for the relevant asset class as well as the cost, liquidity, complexity and potential tax efficiency of the vehicle’s strategy. The determination of whether a vehicle is an Index Oriented Vehicle is in JPMPI’s sole discretion, is subject to change and does not guarantee that an Index Oriented Vehicle will perform in line with, or in excess of, the underlying index. The election does not apply to cash and liquidity Funds.

Clients who have selected the Conservative, Balanced, Growth or Managed Equities investment strategies, and who have not elected to include Liquid Alternative Funds, can elect to use Index Oriented Vehicles to implement their accounts for asset classes other than cash and liquidity Funds. The election to have an account implemented using Index Oriented Vehicles is not available for accounts invested in Aggressive Growth or Managed Fixed Income investment strategies. This election directs JPMPI to use Passively Managed Vehicles except when, in JPMPI’s judgment, active management is expected to closely reflect an underlying index and either (i) to better reflect the overall characteristics of the underlying asset class or market segment, or (ii) is necessary to implement the client’s instructions.

Clients who elect to have their accounts implemented using Index Oriented Vehicles must also elect to have their accounts implemented using non-J.P. Morgan Funds, as defined and further described below.

When a client elects to implement his or her JPMCAP account using Index Oriented Vehicles, it can affect the ability to make investments, access asset classes, or take advantage of opportunities that are available to clients who do not make that election. As a result, performance of an account with an election can differ from the performance of other accounts without an election. Actively managed vehicles typically charge higher management fees than passively managed vehicles. JPMPI’s preference to follow an investment process that maintains the option of using a range of active and passive vehicles presents a conflict of interest because JPMPI has the option to include more actively managed vehicles in the portfolio, which could include J.P. Morgan Funds, in which case J.P. Morgan would receive more overall fees (except with respect to the Six Circles Funds and any retirement accounts investing in J.P. Morgan Funds). See “Use of J.P. Morgan Funds and Potential Conflicts of Interest” below.

Option to Use non-J.P. Morgan Funds. As described below in “Use of J.P. Morgan Funds and Potential Conflicts of Interest”, JPMPI prefers J.P. Morgan Funds. However, clients can elect to exclude from their JPMCAP accounts J.P. Morgan managed strategies (except for J.P. Morgan managed cash and liquidity products), including strategies managed by J.P. Morgan where a party other than J.P. Morgan is appointed investment adviser. This “Non-Proprietary Strategy Election” excludes from JPMCAP accounts J.P. Morgan Funds (except money market mutual funds).

Currently, the Non-Proprietary Strategy Election is available for all JPMCAP investment strategies, including where clients are eligible for and have elected to include Liquid Alternative Funds in their accounts. It is possible that the availability of this election will change in the future.

When a client elects to exclude J.P. Morgan managed strategies, it can affect the ability to make investments, access asset classes, or take advantage of opportunities that are available to clients who do not make the Non-Proprietary Strategy Election. As a result, performance of an account with an election can differ from the performance of other accounts without an election.

To the extent a client holds J.P. Morgan managed investments in an existing JPMCAP account at the time of making the Non-Proprietary Strategy Election, there can be tax consequences as a result of the Non-Proprietary Strategy Election. Clients should consult their own tax advisors before making the Non-Proprietary Strategy Election. In addition, sales of Funds can be subject to redemption fees. There can be a period of time after making the Non-Proprietary Strategy Election during which J.P. Morgan managed investments remain in a client’s account.

Liquid Alternative Funds. The Program makes Liquid Alternative Funds available, subject to asset threshold requirements. Liquid Alternative Funds typically invest in assets such as global real estate, commodities, derivatives, leveraged loans, start-up companies and unlisted securities that offer exposure beyond traditional stocks, bonds and cash. These funds may provide a source of returns with a low correlation with the performance of traditional asset classes, such as equities and bonds.

Liquid Alternative Funds utilize strategies similar to hedge funds, but are subject to regulatory limits on illiquid investments, leveraging and amounts invested in any one issuer. (Hedge funds often engage in leveraging, short selling, derivatives and other speculative investment practices that increase the risk of a complete loss of a client’s investment, and often charge performance fees in addition to management fees.) Liquid Alternative Funds may trade more frequently than traditional mutual funds and generally will hold more non-traditional investments and will employ more complex trading strategies than traditional mutual funds. Liquid Alternative Funds generally will have higher total expense ratios compared to traditional mutual funds plus higher annual operating expenses. Higher fees will negatively impact performance compared to traditional mutual funds. Unlike hedge funds, Liquid Alternative Funds generally cannot charge performance

fees in addition to management fees. Liquid Alternative Funds also offer daily liquidity. Although Liquid Alternative Funds can offer diversification within a relatively liquid and accessible structure, they may not have the same type of returns as other alternative investments. The risk characteristics of Liquid Alternative Funds can be similar to those generally associated with other alternative investments and are further described in the prospectus. In addition to the usual market and investment-specific risks of traditional mutual funds, Liquid Alternative Funds carry additional risks based on the strategies they use and the underlying investments made by the Liquid Alternative Funds. These strategies target specific returns or benchmarks, and seek to mitigate or provide exposure to alternative asset classes.

In general, Liquid Alternative Funds are speculative investments that have the potential for significant loss of principal. Investments in Liquid Alternative Funds are only available to certain clients who meet applicable eligibility and suitability requirements, and, in circumstances, approved by JPMS. Because Liquid Alternative Funds involve speculative strategies, clients should fully understand the terms, investment strategy and risk associated with such Funds. For example, the use of aggressive investment techniques, such as futures, forward contracts, swap agreements, derivatives and options, can increase a Liquid Alternative Funds' volatility and carries a high risk of substantial loss.

Exchange-Traded Funds and Index Mutual Funds. Shares of ETFs and index mutual funds are marketable securities that are interests in registered funds. Passive ETFs and index mutual funds are designed to track, before fees and expenses, the performance or returns of a relevant basket of assets, usually an underlying index. Unlike a mutual fund, an ETF trades like a common stock on a stock exchange. ETFs experience price changes throughout the day as they are bought and sold. ETFs typically have higher daily liquidity and lower fees than mutual fund shares.

Physical replication and synthetic replication are two of the most common structures used in the construction of passive ETFs and index mutual funds. Physically replicated passive ETFs and index mutual funds buy all or a representative portion of the underlying securities in the index that they track. In contrast, some passive ETFs and index mutual funds do not purchase the underlying assets but gain exposure to them by use of swaps or other derivative instruments.

In addition to the general risks of investing in Funds, there are specific risks to consider with respect to an investment in passive ETFs and index mutual funds. Passive ETF and index mutual fund performance may differ from the performance of the applicable index for a variety of reasons. For example, passive ETFs and index mutual funds incur operating expenses and portfolio transaction costs not incurred by the benchmark index, may not be fully invested in the securities of their indices at all times, or may hold securities not included in their indices. In addition, corporate actions with respect to the equity securities underlying passive ETFs and mutual funds (such as mergers and spin-offs) may impact the variance between the performances of the funds and applicable indices. Passive investing differs from active investing in that managers are not seeking to outperform their benchmark. As a result, managers may hold securities that are components of their underlying index, regardless of the current or projected performance of the specific security or market sector. Passive managers do not attempt to take defensive positions based upon market conditions, including declining markets. This approach could cause a passive vehicle's performance to be lower than if it employed an active strategy.

With respect to ETFs, shares are bought and sold in the secondary market at market prices. Although ETFs are required to calculate their net asset values ("NAV") on a daily basis, at times the market price of an ETF's shares may be more than the NAV (trading at a premium) or less than the NAV (trading at a discount). Given the differing nature of the relevant secondary markets for ETFs, certain ETFs may trade at a larger premium or discount to NAV than shares of other ETFs depending on the markets where such ETFs are traded. The risk of deviation from NAV for ETFs generally is heightened in times of market volatility or periods of steep market declines. For example, during periods of market volatility, securities underlying ETFs may be unavailable in the secondary market, market participants may be unable to calculate accurately the NAV per share of such ETFs and the liquidity of such ETFs may be adversely affected. This kind of market volatility may also disrupt the ability of market participants to create and redeem shares in ETFs. Further, market volatility may adversely affect, sometimes materially, the prices at which market participants are willing to buy and sell shares of ETFs. As a result, under these circumstances, the market value of shares of an ETF may vary substantially from the NAV per share of such ETF, and the client may incur significant losses from the sale of ETF shares.

Retirement Accounts. Retirement accounts are currently restricted from investing in JPMCAP models utilizing J.P. Morgan Funds. As a result, performance of retirement accounts would differ from non-retirement accounts invested in the same strategy.

ii. **Fees and Compensation**

a. **Wrap Fee**

The Program is known as a "wrap fee" investment advisory program because clients in the Program pay JPMS an asset-based fee (the "Fee") that covers JPMS's advisory services and JPMPI's investment management services, as well as JPMS's trade execution, clearing, settlement and custody services and, as applicable, performance reporting services.

Typically, JPMS will charge each JPMCAP account a Fee each calendar quarter, in advance. The Fee is comprised of the following separate components, each of which must be expressed as a flat annual rate with no more than two decimal places.

- JPMS' component of the Fee, which is a rate typically applied to the net market value of the entire account (including all cash and cash alternatives such as money market funds). The maximum annual rate for JPMS' component of the Fee is 2.00%.
- JPMPI's component of the Fee, which is paid over by JPMS to JPMPI and generally ranges from a minimum of 0.02% to a maximum of 0.06% annually of the combined net market value of all client accounts managed by JPMPI. In its sole discretion, JPMPI may waive or reduce a portion of the Fee.

Important Information Regarding the Maximum for JPMS' component of the Fee. Although this Program is offered for a maximum annual rate of 2.00%, the same program is also available through Chase Wealth Management where the maximum annual rate is 1.45%.

The Client Agreement typically provides that (i) a prorated Fee will be charged on total same-day contributions to the account (net of total same-day withdrawals from the account) of \$25,000 or more to cover the period from the date of the net same-day contribution until the end of the quarterly billing period and (ii) a prorated Fee credit will be made for total same-day withdrawals from the account (net of total same-day contributions to the account) of \$25,000 or more to cover the period from the date of the net same-day withdrawal until the end of the quarterly billing period. Upon termination of the account from the Program, JPMS will refund to the client any prepaid amount of the Fee prorated for the number of days remaining in the billing period.

b. Negotiability of Fee

In its discretion, JPMS may negotiate the amount and calculation of the Fee based on a number of factors, including the type and size of an account and/or the scope of the client's relationship with JPMS. In addition, JPMS's negotiation of its component of the Fee is generally subject to certain internal guidelines based on the total value of assets invested, or expected to be invested, by the client across JPMS's various investment advisory programs.

c. Portion of Wrap Fee Paid to Financial Advisors

JPMS typically pays a portion of the Fee it receives from each client in the Program to the Financial Advisor(s) for that client. *Because the amount received by an Financial Advisor as a result of a client's participation in JPMCAP may be more than the Financial Advisor would receive if the client participated in another J.P. Morgan Securities investment advisory program or paid separately for investment advice, brokerage and other services covered by the Fee, the Financial Advisor may have a financial incentive to recommend JPMCAP over other programs or services.*

d. Comparative Cost of the Program

Participation in JPMCAP may cost the client more or less than purchasing the services provided in JPMCAP separately. Many factors bear upon the relative cost of JPMCAP to the client, including the cost of the services if provided and charged for separately, the amount of the client's Fee in the JPMCAP model, the amount of trading activity in the client's account, and the quality and value of the services provided. The Fee (or component of the Fee) paid by a client may be higher or lower than the fees that other clients pay (in JPMCAP or other investment advisory programs), and/or the cost of similar services offered through other financial firms.

e. Fees in Addition to the Wrap Fee

The Fee does not cover commissions, commission equivalents (mark-ups/mark-downs), or other charges resulting from transactions not effected through JPMS or its affiliates ("trading away"). JPMPI has the authority to effect transactions through brokers or dealers other than JPMS and its affiliates when it determines, in its sole discretion, that such other broker or dealer may provide better execution than would be the case if JPMS (or its affiliates) executed the transaction. In general, JPMPI is more likely to place purchase and sale orders for fixed income or debt securities with broker-dealers other than JPMS and its affiliates for execution. With respect to such trades, the client will incur a commission, commission equivalent (mark-up/mark-down), or other charge by the other broker-dealer that is not covered by the Fee. JPMPI also *may* choose to place orders in equities and other types of securities with broker-dealers other than JPMS, in which event the client will also incur the aforementioned types of charges that are not covered by the Fee. When JPMPI places orders with broker-dealers other than JPMS (or its affiliates), the trade confirmation issued by JPMS with the details of the trade will typically show a price for the traded security that is inclusive (i.e., net) of the commission, commission equivalent (mark-up/mark-down) or other charge paid by the client to the other broker-dealer, rather than separately broken out. However, if JPMPI has provided JPMS with the appropriate information, the amount of any such additional costs may be broken out and shown separately from the price of the traded security on the trade confirmations JPMS provides.

Clients can view more specific information about the “trading away” practices of JPMPI – which can result in additional costs for clients that are not covered by the Fee – at <https://www.jpmorgansecurities.com/pages/am/securities/legal/investment-managers-trading-away-practices>.

In addition, the Fee does not cover mark-ups, mark-downs and dealer spreads charged by dealers unaffiliated with JPMS when JPMS, acting as agent for the client in the Program, effects a transaction with an unaffiliated dealer acting as principal (i.e., for the dealer’s own account), typically in connection with certain fixed income and over-the-counter securities that are traded primarily in “dealer” markets. Such mark-ups on securities bought by the client, mark-downs on securities sold by the client and dealer spreads (the difference between the bid price and offer price) are generally incorporated into the net price that the client pays or receives in the transaction.

The Fee does not cover clearing, settlement and custody charges that may be charged by custodians other than JPMS. The Fee also does not cover certain costs or charges that may be imposed by JPMS or third parties, including margin interest, costs associated with exchanging foreign currencies, borrowing fees on short sales, odd-lot differentials, activity assessment fees, transfer taxes, exchange fees, wire transfer fees, postage fees, auction fees, foreign clearing, settlement and custodial fees, and other fees or taxes required by law. The Fee does not cover dealer spreads that JPMS, its affiliates or other broker-dealers may receive when acting as principal in certain transactions.

JPMPI may invest in the JPMCAP assets in Funds that have various internal fees and expenses, which are paid by the Funds but are ultimately borne by clients as Fund shareholders; such fees and expenses are in addition to the Fee and generally will not be deducted from the Fee. Assets of Program clients may be invested in a share class of a mutual fund with internal fees and expenses that are higher than one or more other share classes of the fund. JPMS and its affiliates also receive compensation in addition to the Fee in connection with the operation and/or sale of shares of affiliated or unaffiliated funds to clients in JPMCAP. See “Other Compensation from Affiliated and Unaffiliated Funds” in Item 9.iii for more information. Certain investment companies may not permit shares to be transferred outside of JPMCAP and in certain circumstances may in their sole discretion redeem fund shares held by clients; the liquidation of these fund shares may have tax consequences for clients.

JPMPI may purchase for certain accounts: (i) American Depository Receipts (“ADRs”); (ii) Global Depository Receipts (“GDRs”); (iii) exchange-traded notes (“ETNs”); and/or (iv) Real Estate Investment Trusts (“REITs”). Clients will bear, in addition to the Fee, a proportionate share of any fees and expenses associated with ADRs, GDRs, ETNs, REITs, and/or other securities with similar characteristics, as applicable. Clients may also bear any fees and expenses associated with converting non-U.S. securities into ADRs or GDRs. When they assist in such conversions, JPMS and its affiliates receive some or all of such fees and expenses borne by the client. For trades in non-U.S. equity securities, the final average price includes a commission to a third-party broker-dealer for execution of the trade, applicable taxes and charges associated with transacting in a non-U.S. security and, if the trade is settled in U.S. Dollars, a service charge for the currency conversion.

Except as otherwise agreed to in writing by JPMS, accounts are charged the Fee with respect to all assets in the account regardless of whether the client has previously paid or incurred commissions, sales charges or “loads,” mark-ups, mark-downs, dealer spreads, or other costs, charges, fees or expenses in connection with the client’s previous purchase of some or all of the assets in a brokerage account or otherwise outside of the Program.

f. General Fee and Compensation Issues

Please refer to Item 4.ii.f in the section of this Brochure on the J.P. Morgan Securities STRATIS Program for a discussion of general fee and compensation issues applicable to all Programs in this Brochure.

Item 5
Account Requirements and Types of Clients

JPMS requires that all clients who wish to open and maintain an account in the Program enter into the Client Agreement, which sets forth the services that JPMS and JPMPI will provide to the client, information regarding the Fee, and the specific terms and conditions that will govern the handling of the client’s Program account and the investment advisory relationship between the client, on one hand, and JPMS and JPMPI, on the other hand.

Participation in the Program generally requires a minimum \$10,000 investment. Program account minimums are subject to waiver in JPMS’ discretion and are waived for client accounts from time to time. If a Program account falls below the Program minimum, JPMS can terminate the Program account at its discretion. The investment, sale or withdrawal of funds or securities from Program accounts will be effected as soon as practicable subject to market conditions and other factors.

Minimum account values for eligibility to invest in Liquid Alternative Funds are determined by JPMS from time to time. Currently, JPMS requires a minimum account value of \$250,000 to invest in Liquid Alternative Funds. JPMS, at its sole discretion, can waive or alter

the minimum account values to be eligible to invest in Liquid Alternative Funds. JPMCAP is not typically intended for investors who seek to maintain control over trading in their accounts, who have a short-term investment horizon (or expect ongoing significant withdrawals), or who expect to maintain consistently high levels of cash or money market funds. The types of clients participating in JPMCAP generally include individuals, trusts, retirement plans (including IRAs), estates, corporations and other business entities, foundations and endowments.

Clients should understand that accounts of employee benefit plans (as defined in ERISA) and retirement plans (as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended), which includes IRAs, may be subject to certain JPMS policies, restrictions and other terms and conditions that are different from those applicable to other accounts in the Program. Such policies, restrictions and other terms and conditions may affect, for example, the securities that may be available for investment in such accounts, the manner in which transactions may be effected in such accounts, the ability of such accounts to trade on margin, and the fees and expenses that may be charged to such accounts. As a result, application of the policies, restrictions and other terms and conditions may result in the performance of employee benefit plan and retirement plan accounts being worse than it would have been absent such policies, restrictions and terms and conditions.

A portion of Program accounts will be held in cash, cash equivalents or money market funds as part of the overall investment strategy for the account. **Cash and cash equivalents, including money market funds, are subject to the Fee.**

JPMS and JPMPI may each decline to accept a particular client or account in the Program at any time and for any reason.

Item 6 **Portfolio Manager Selection and Evaluation**

i. Selection and Review of JPMPI

JPMPI is an affiliate of JPMS that acts as the portfolio manager in JPMCAP. JPMS's recommendation of the Program as suitable for a particular client is typically based on the client's financial circumstances, investment objective for the assets he or she wishes to invest and other information provided by the client.

JPMS has a conflict of interest in conducting (or having an affiliated third party conduct) periodic reviews of JPMPI and its strategies in JPMCAP and identifying it and its strategies in JPMCAP to specific clients, because if a client enrolls in JPMCAP, JPMS and its affiliates will receive greater aggregate compensation than if the client selected an unaffiliated portfolio manager. JPMS believes that this conflict is addressed by the fact that neither the persons responsible for the initial and periodic review of JPMPI and their strategies for inclusion in JPMCAP, nor the Financial Advisors who recommend JPMCAP to clients, receive any direct financial benefit from the investment of JPMCAP assets with JPMPI. Moreover, because Financial Advisors are typically compensated in the Program through the receipt of a portion of JPMS' component of the Fee, which is typically tied to the value of Program accounts, Financial Advisors are to that extent incentivized to identify portfolio managers and strategies they believe will increase the value of the account, regardless of whether or not the portfolio manager is affiliated with JPMS.

Neither JPMS nor any of its supervised persons acts as a portfolio manager in JPMCAP.

Each Program client typically receives a periodic performance review prepared by JPMS summarizing the investment performance of the client's JPMCAP account(s). (As explained in Item 4 above, certain clients may not receive such a performance review.) In preparing such reviews for Program clients, JPMS uses various industry and non-industry standards to measure account performance. ***Neither JPMS nor any third party reviews the account or specific performance information to determine or verify its accuracy or compliance with presentation standards, and the information may not be calculated on a uniform and consistent basis. Clients receiving periodic performance reviews from JPMS should review carefully the disclosures, definitions and other information contained in the reviews.***

Performance reviews are not a substitute for regular monthly or quarterly account statements or Form 1099, and should not be used to calculate the Fee or to complete income tax returns. JPMS and its affiliates are entitled to rely on the financial and other information that clients or any third party provides to JPMS. The client is solely responsible for any information that the client provides to JPMS, and JPMS shall not be liable in connection with its use of any information provided by the client or a third party in the periodic review. JPMS does not provide tax advice, and nothing in the performance review should be construed as advice concerning any tax matter.

Subject to JPMS's policies and procedures and applicable law, the periodic performance review typically provided to Program clients may include information about assets in other accounts maintained by the client with J.P. Morgan Securities (including other investment advisory accounts and brokerage accounts) as well as other assets identified to JPMS by the client. By including such assets in the performance review, JPMS is not undertaking to provide or be responsible for providing any services with respect to those assets.

In preparing account statements and performance reviews, JPMS may use multiple valuation sources that provide different values for a single asset. As a result, the determination of an account's asset values may differ for different purposes and different statements, reviews and reports. Detailed calculations of a client's account asset values are available from JPMS upon request.

Clients will receive JPMPI's Form ADV Part 2A or other applicable disclosure document(s). Clients should review JPMPI's disclosure document(s) carefully for important information about JPMPI. JPMPI is solely responsible for the truthfulness, completeness, and accuracy of its own Form ADV or other applicable disclosure document(s).

ii. **JPMPI's Method of Analysis in JPMCAP**

Set forth below is a general description of the primary methods of analysis that JPMPI utilizes for the Program. This description is not intended to serve as Fund or account guidelines. In connection with investments in a Fund, the description is qualified in its entirety by the information included in the applicable Fund's prospectus or other relevant offering documentation and/or the applicable investment adviser's Form ADV disclosure brochures. JPMS, JPMPI, and the JPMPI's manager solutions team are not responsible for the performance of any Fund (including any J.P. Morgan Fund), or its compliance with its prospectus, disclosures, laws or regulations, or other matters within the Fund's control. Each Fund's adviser is solely responsible for the management of the Fund. JPMS, JPMPI and the Manager Solution Team cannot ensure that a given model's or investment strategy's investment objective will be attained.

JPMPI Discretionary Investment Process. JPMPI is responsible for establishing and updating the overall strategic and tactical asset allocations for the investment strategies. This process includes several internal forums. These asset allocations generally are the overall basis for the process described below. The JPMPI personnel who perform these functions are shared with JPMCB, an affiliate of JPMS and JPMPI, and perform substantially similar services for other clients. JPMPI periodically reviews the asset allocation and performance of the investment strategies with JPMS. A wealth management internal governance forum periodically reviews JPMPI's investment activities.

Asset Allocation Process. JPMPI is responsible for establishing and updating the overall strategic and tactical asset allocations for the models and investment strategies. Asset allocations are based on the firm's long-term capital market assumptions, as well as correlation between asset classes. Each investment strategy's asset allocation mix is selected to have the appropriate level of risk and return for such investment strategy. This process includes several internal forums. These asset allocations generally are the overall basis for the process described below. The JPMPI personnel who perform these functions are shared with JPMCB, an affiliate of JPMS and JPMPI, and perform substantially similar services for other clients. JPMPI periodically reviews the Program composition and asset allocation and performance of the investment strategies with JPMS. A wealth management internal governance committee periodically reviews JPMPI's investment activities in the Program. After the effective date of any changes to the target asset allocation or approved asset allocation ranges for a model, JPMS notifies affected clients of the changes.

Research Process. JPMPI's manager solutions team conducts due diligence of the Funds that are available for use. The manager solutions team is responsible for researching and selecting Funds, and for subjecting them to a review process. The manager solutions team will begin the search process by defining an applicable universe of investment strategies, which typically will include J.P. Morgan investment strategies when there is one in the desired asset class. The manager solutions team utilizes both quantitative and qualitative factors during its initial review process.

The manager solutions team then makes a formal presentation recommending particular Funds to an internal governance forum, which is responsible for approving or rejecting them (see "Initial Strategy Review and Approval" below). The manager solutions team is also responsible for monitoring and re-evaluating approved Funds as part of its ongoing review process (see "Ongoing Review of Approved Strategies" below).

Centralized Due Diligence. JPMPI's manager solutions team provides research on Funds. The "Qualitative Research Process", is used by the Program. In the Qualitative Research **Process**, the manager solutions team conducts a qualitative analysis of Funds on an ongoing basis. The team reviews the portfolio manager's organization, investment process, investment philosophy and performance.

Funds may be removed from (or no longer be eligible for purchase in) the applicable J.P. Morgan advisory programs if they do not continue to meet these criteria.

Initial Strategy Review and Approval. The internal governance forum considers the formal presentation from the manager solutions team and approves or rejects new Funds to be made available for JPMPI's use in the Program. The internal governance forum is expected to consider the same factors in its review and approval process for J.P. Morgan and non-J.P. Morgan investment strategies, as further described above under "Research Process."

Ongoing Review of Approved Funds and Investment Strategies. Another internal governance forum is responsible for making decisions to maintain Funds as approved and available for the Program. This forum considers analysis and recommendations from the manager solutions team. From time to time, this internal governance forum may place them on probation, or terminate them as part of its ongoing monitoring and oversight responsibilities. The factors considered by the forum are expected to be the same for J.P. Morgan and non-J.P.

Morgan investment strategies, as further described above under “Research Process.” In addition, JPMPI may be limited from making additional purchases of a Fund due to capacity considerations.

If a Fund that is in the Program is placed on probation, during the probation period, the manager solutions team will continue to review the Fund.

Portfolio Construction. From the pool of approved strategies, JPMPI selects the combination of Funds that, in its view, fit each investment strategy’s asset allocation goals and investment objectives. In making portfolio construction decisions, JPMPI will consider and is permitted to prefer J.P. Morgan Funds, including the Six Circles Funds, as described below.

JPMPI also may, for portfolio construction reasons, remove a Fund from the Program.

If a Fund that is in the Program is placed on probation, it will generally continue to be held in clients’ accounts, but generally JPMPI may not direct new or additional purchases of such Fund for client accounts until the Fund is removed from probation. Generally, a Fund that is terminated will be sold in a client’s account and JPMPI will not direct new purchases.

If JPMPI removes a Fund, the assets held in client accounts will be sold and replaced, when appropriate, with another Fund that is available for use in the Program.

Portfolio Implementation. JPMPI (as overlay manager) provides portfolio implementation for each individual client’s Program account.

iii. Use of J.P. Morgan Funds and Potential Conflicts of Interest

Conflicts of interest will arise whenever J.P. Morgan has an actual or perceived economic or other incentive in its management of clients’ portfolios to act in a way that benefits J.P. Morgan. Conflicts will result, for example (to the extent the following activities are permitted in the account): (1) when J.P. Morgan invests in an investment product, such as a mutual fund, structured product, separately managed account or hedge fund issued or managed by JPMCB or an affiliate, such as J.P. Morgan Investment Management Inc.; (2) when a J.P. Morgan entity obtains services, including trade execution and trade clearing, from an affiliate; (3) when J.P. Morgan receives payment as a result of purchasing an investment product for a client’s account; or (4) when J.P. Morgan receives payment for providing services (including shareholder servicing, recordkeeping or custody) with respect to investment products purchased for a client’s portfolio. Other conflicts will result because of relationships that J.P. Morgan has with other clients or when J.P. Morgan acts for its own account.

Investment strategies are selected from both J.P. Morgan and third-party asset managers and are subject to a review process by manager solutions teams. From this pool of strategies, J.P. Morgan portfolio construction teams select those strategies J.P. Morgan’s believes fits its asset allocation goals and forward looking views in order to meet the portfolio’s investment objective.

As a general matter, J.P. Morgan prefers J.P. Morgan managed strategies. JPMPI expects the proportion of J.P. Morgan managed strategies will be high (in fact, up to 100 percent) in strategies such as, for example, cash and high-quality fixed income, subject to applicable law and any account-specific considerations. JPMPI may allocate a significant portion of the assets in a JPMCAP to J.P. Morgan Funds. That portion varies depending on market or other conditions.

While J.P. Morgan’s internally managed strategies generally align well with J.P. Morgan’s forward looking views, and J.P. Morgan is familiar with the investment processes as well as the risk and compliance philosophy of J.P. Morgan, it is important to note that J.P. Morgan receives more overall fees when internally managed strategies are included. In certain programs, J.P. Morgan offers the option of choosing to exclude J.P. Morgan managed strategies (other than cash and liquidity products) in certain portfolios.

The Six Circles Funds are mutual funds advised by JPMPI and sub-advised by third-parties. Although considered internally managed strategies, neither JPMPI nor its affiliates retain a fee for fund management or other fund services.

Separately Managed Accounts. Portfolios invested in individual equity or fixed income securities may be managed by JPMPI, JPMCB, or by a third-party manager, including an affiliate. When JPMPI, JPMCB or an affiliate manages these investments, there is a benefit to J.P. Morgan since it increases the overall revenue of J.P. Morgan. Additionally, a manager of a separately managed account may invest in products that may result in additional revenue to J.P. Morgan.

IMPORTANT INFORMATION ABOUT MUTUAL FUNDS AND EXCHANGE-TRADED FUNDS REGISTERED UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED

J.P. Morgan Funds - Management Fees. J.P. Morgan or its affiliates may be sponsors or managers of Funds, some of which may be eligible for purchase for non-retirement accounts. In such case, J.P. Morgan or its affiliates receive a fee for managing such Funds. As such,

J.P. Morgan and its affiliates will receive more total revenue when the client's portfolio is invested in such Funds than when it is invested in third-party funds.

J.P. Morgan Funds and Third-Party Funds - Other Fees and Expenses. All Funds have various internal fees and other expenses, that are paid by managers or issuers of the Funds or by the Fund itself, but that ultimately are borne by the investor. J.P. Morgan may receive administrative and servicing and other fees for providing services to both J.P. Morgan Funds and third-party funds that are held in the client's portfolio. These payments may be made by sponsors of the Funds (including affiliates of JPMS) or by the Funds themselves and may be based on the value of the Funds in the client's portfolio. Funds or their sponsors may have other business relationships with J.P. Morgan outside of its portfolio management role or with the broker-dealer affiliates of J.P. Morgan, which may provide brokerage or other services that pay commissions, fees and other compensation.

J.P. Morgan Six Circles Funds. JPMPI and its affiliates have developed the Six Circles Funds exclusively for use in investment advisory accounts. The Six Circles Funds are available through investment advisory accounts managed by JPMPI, including JPMCAP.

The Six Circles Funds are Funds specifically designed by JPMPI and its affiliates for use in discretionary accounts as completion funds to align with J.P. Morgan's core portfolio views. JPMPI acts as investment adviser to the Six Circles Funds and engages third-party investment managers as sub-advisers to the Six Circles Funds' investment portfolios. J.P. Morgan will experience certain benefits and efficiencies from investing account assets in the Six Circles Funds instead of unaffiliated investment vehicles; however, JPMPI does not retain investment advisory fees for managing the Six Circles Funds through an agreement to waive any investment advisory fees that exceed the fees owed to the Six Circles Funds' third-party sub-advisers. The Six Circles Funds do not pay fees to JPMPI or its affiliates for any other services to the Six Circles Funds. Services are provided by third-party service providers and are generally paid by the Six Circles Funds or J.P. Morgan. (The market value of assets invested in the Six Circles Funds will be included in calculating the advisory fees paid on the overall Program investment advisory account.)

Allocation of Affiliated Funds in JPMCAP. JPMPI can allocate a portion of the assets in JPMCAP to J.P. Morgan Funds. That portion varies depending on market or other conditions. There are multiple models in each of the investment strategies available in JPMCAP. Certain models invest only in mutual funds and ETFs, while other models can also invest in Liquid Alternative Funds and municipal securities. The prior composition of investment strategies in JPMCAP is not intended to predict the future composition of investment strategies or use of J.P. Morgan Funds in JPMCAP. The use of J.P. Morgan Funds, non-J.P. Morgan Funds and J.P. Morgan cash in a client's account will depend on the client's asset level, the model selected, reasonable restrictions placed by the client on the management of an account, and other factors. Each client should review account opening documentation, confirmations and quarterly and annual statements for more information about the actual allocation in his or her account.

The following chart for JPMCAP show the allocation of J.P. Morgan Funds (excluding Six Circles Funds), non-J.P. Morgan Funds, Six Circles Funds, and J.P. Morgan cash for JPMCAP taxable models. The chart does not reflect models that elect not to use J.P. Morgan Funds, models that elect only Index Oriented Vehicles, models that utilize Liquid Alternative Funds (other than the Aggressive Growth investment strategy because all Aggressive Growth investment strategies include Liquid Alternative Funds) or municipal fixed income options or models that are U.S. focused.

Year End 2019 - Taxable Models*				
JPMCAP Investment Strategy	J.P. Morgan Funds	Non-J.P. Morgan Funds	Six Circles Funds	J.P. Morgan Cash
Conservative	7.00%	81.00%	11.00%	1.00%
Balanced	12.00%	73.00%	14.00%	1.00%
Growth	9.75%	73.25%	16.00%	1.00%
Aggressive Growth	12.00%	66.00%	21.00%	1.00%
Managed Fixed Income	12.00%	87.00%	0.00%	1.00%
Managed Equities	10.00%	55.00%	34.00%	1.00%

*Retirement accounts are currently restricted from investing in JPMCAP models utilizing J.P. Morgan Funds. However, the vehicle for the temporary investment (i.e., "sweeping") of available cash balances for retirement accounts will be a J.P. Morgan option unless a client elects to select a non-J.P. Morgan cash option.

Allocations shown here are illustrative only, do not necessarily represent actual use of J.P. Morgan Funds and third-party issuers and managers represented in any particular client's account, and can change without notice. In JPMCAP, JPMPI has full discretionary authority to select securities and investment vehicles, and is not required to adhere to the illustrative allocations pictured here.

Allocations of Client Assets to J.P. Morgan Funds (Including New Funds). J.P. Morgan has an incentive to allocate assets to new J.P. Morgan Funds to help it develop new investment strategies and products. J.P. Morgan has an incentive to allocate assets of the portfolios

to a J.P. Morgan Fund that is small, or to which J.P. Morgan has provided seed capital. In addition, J.P. Morgan benefits when JPMPI does not sell or withdraw assets from a J.P. Morgan Fund in order to avoid or delay the sale or withdrawal's adverse impact on the fund. Accounts managed by J.P. Morgan have significant ownership in certain J.P. Morgan Funds. J.P. Morgan faces conflicts of interest when considering the effect of sales or redemptions on such funds and on other fund shareholders in deciding whether and when to redeem its shares. A large sale or redemption of shares by J.P. Morgan acting on behalf of its clients could result in the underlying J.P. Morgan Fund selling securities when it otherwise would not have done so, potentially increasing transaction costs and adversely affecting fund performance. A large sale or redemption could also significantly reduce the assets of the fund, causing decreased liquidity and, depending on any applicable expense caps, a higher expense ratio, or liquidation of the fund. J.P. Morgan has policies and controls in place to govern and monitor its activities and processes for identifying and managing conflicts of interest.

Prospectus Delivery for Discretionary Accounts. A discretionary investment adviser can receive prospectuses and other issuer-related materials on behalf of a client for any mutual funds and ETFs in a client's account with client authorization. JPMS or JPMPI, as a client's agent, will have access to the prospectuses and issuer-related materials and can rely upon them to make mutual fund and ETF investments on the client's behalf; however clients will no longer receive such prospectuses or issuer-related materials directly but can access them via the issuer's website or request copies from the adviser at any time. Prospectuses and issuer-related materials contain important information and detailed descriptions of additional fees and expenses, investment minimums, risk factors and conflicts of interest disclosures, as well as client's rights, responsibilities and liabilities with respect to such investments. Additionally, this Brochure contains other general information regarding fees and expenses, investment minimums, risk factors and conflicts of interest disclosure.

Proxy Voting, Corporate Actions and Other Legal Matters. JPMS and JPMPI will not vote proxies (or give advice about how to vote proxies) relating to securities and other property currently or formerly held in a client's account. JPMS and its affiliates will not be responsible or liable for: (1) failing to notify a client of proxies, or (2) failing to send to the Proxy Service (defined below) or a client, as applicable, proxy materials or annual reports where JPMS or its affiliates have not received proxies or related shareholder communications on a timely basis or at all.

Each client has the right to vote, and is responsible for voting, proxies for any securities and other property in the client's account. In JPMCAP, clients can appoint an independent services provider designated by JPMS for purposes of voting proxies ("Proxy Service") as the client's agent and attorney-in-fact, and authorize the Proxy Service, in its discretion, to vote proxies for any securities and other property in the client's account in accordance with the Proxy Service's proxy voting guidelines in effect from time to time, copies of which are available on request. The Proxy Service is currently Institutional Shareholder Services Inc. ("ISS"). Information relating to ISS services is available on the ISS website at www.issgovernance.com. The ISS Form ADV Part 2A is available at the SEC's website at www.adviserinfo.sec.gov. The Proxy Service role as the agent of clients applies only to proxies that the Proxy Service generally votes and does not apply to proxies with respect to which the Proxy Service declines to vote. A client who appoints the Proxy Service will not receive proxy materials or annual reports relating to securities and other property for which the Proxy Service has accepted responsibility for voting related proxies. In limited circumstances the Proxy Service will not vote proxies. A client can revoke its appointment of the Proxy Service upon written notice to JPMS at J.P. Morgan Securities LLC, Mail Code: IL1-0291, PO Box 1762, Chicago, IL 60690-1762 Attn: Proxy Voting Opt Out.. If a client revokes his or her appointment of the Proxy Service, the client will receive all proxy materials and annual reports related to securities and other property in the client's account, and will be responsible for voting such proxies directly or instructing any custodian that holds such securities and other property. JPMS can, in its discretion, change the Proxy Service. JPMS will not be deemed to have or exercise proxy voting responsibility or authority by virtue of any authority to hire or change the Proxy Service.

In JPMCAP, JPMPI will receive and respond to corporate actions with respect to securities in a client's account, such as: any conversion option; execution of waivers; consents and other instruments; and consents to any plan of reorganization, merger, combination, consolidation, liquidation, or similar plan. Each client has the right and responsibility to take any actions with respect to any legal proceedings, including without limitation, bankruptcies and shareholder litigation, and the right to initiate or pursue any legal proceedings, including without limitation, shareholder litigation, including with respect to transactions, securities or other investments held in the client's account or the issuers thereof. Neither JPMS nor JPMPI is obligated to render any advice or take any action on a client's behalf with respect to securities or other property held in the client's account, or the issuers thereof, which become the subject of any legal proceedings, including without limitation, bankruptcies and shareholder litigation, to which any securities or other investments held or previously held in the account, or the issuers thereof, become subject. In addition, neither JPMS nor JPMPI is obligated to initiate or pursue any legal proceedings, including without limitation, shareholder litigation, on behalf of a client's account, including with respect to transactions, securities, or other investments held or previously held, in the client's account or the issuers thereof.

iv. **Risk of Loss**

Please refer to Item 6.iv in the section of this Brochure on the J.P. Morgan Securities STRATIS Program for a discussion of certain relevant risk factors.

Item 7
Client Information Provided to Portfolio Managers

JPMS will collect information about the client's investment time horizon, financial circumstances (including net worth and annual income), investment objective and risk tolerance for the JPMCAP account, and any reasonable restrictions the client wishes to impose on the management of the account; this information will dictate the account's investment strategy. Certain information about the client may be set forth in a client profile. JPMS will generally provide JPMPI with the information contained in any client profile and any other relevant client information and any changes to the information that the client provides to JPMS. JPMS and JPMPI will rely on the information provided by the client. JPMS will have no liability for a client's failure to provide JPMS with accurate or complete information or to inform JPMS promptly of any change in the information previously provided.

The investment strategy for an account in the Program will apply to the account as long as the account is in the Program (unless the client notifies JPMS of changes to their circumstances or any information previously provided to JPMS, which may result in a change to the investment strategy), notwithstanding any different investment objective (or equivalent) previously identified by the client for the account when it was a brokerage account or an account in one of the other investment advisory programs offered by J.P. Morgan Securities. If the account is terminated and becomes a brokerage account outside the Program, the investment objective (or equivalent) previously identified by the client for the account as a brokerage account will again apply to the account.

Clients are responsible for notifying JPMS promptly of any changes to the information the client previously provided to JPMS (including financial information and the investment objective for each account), and for providing JPMS with additional information as it may request from time to time to assist it in providing services under the Program. Each client in the Program will be contacted, at least annually, and notified, at least quarterly, by JPMS to determine whether there have been any changes in the client's financial situation, investment objectives or investment restrictions which may result in a change to a client's investment strategy or to the account(s).

Clients may seek to impose restrictions on the investments in their accounts, including designating particular securities or types of securities that should not be purchased for an account. JPMS will communicate any requested restrictions to JPMPI. JPMPI may reject the restriction or the account if it deems the restriction to be unreasonable.

Any client-imposed investment restrictions may cause JPMPI to deviate from the investment decisions it would otherwise make in managing the account in the Program, and as a result may negatively affect the performance of the account.

Item 8
Client Contact with Portfolio Managers

JPMS and JPMPI personnel knowledgeable about the management of JPMCAP accounts are available for client consultation on reasonable request. Financial Advisors can assist clients in contacting such personnel. Clients should review JPMPI's Form ADV Part 2A or other applicable disclosure document(s).

Item 9
Additional Information

i. **Disciplinary Information**

Please refer to Item 9.i in the first section of this Brochure on the J.P. Morgan Securities STRATIS Program.

ii. **Other Financial Industry Activities and Affiliations**

Please refer to Item 9.ii in the first section of this Brochure on the J.P. Morgan Securities STRATIS Program. However, please note that:

- Unlike in STRATIS, JPMS' affiliate JPMPI is the *only* Portfolio Manager available for JPMCAP and therefore, conflicts of interest resulting from any other Portfolio Managers are not applicable to JPMCAP.
- The references in the STRATIS section of this Brochure to JPMS' incentives relating to the designation of default replacement strategies are not applicable in JPMCAP.

iii. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Please refer to Item 9.iii in the first section of this Brochure on the J.P. Morgan Securities STRATIS Program. However, please note that:

- Unlike in STRATIS, JPMS' affiliate JPMPI is the *only* Portfolio Manager available for JPMCAP and therefore, conflicts of interest resulting from any other Portfolio Managers are not applicable to JPMCAP. In addition, JPMPI is not available in the ICS and UMA Programs.

J.P. Morgan's Use of Index Products. JPMS or one of its affiliates develop or own and operate stock market and other indexes based on investment and trading strategies developed by JPMS or its affiliates or assist unaffiliated entities in creating indexes that are tracked by certain ETFs utilized by JPMS or an affiliate. Some of the ETFs for which an affiliate of JPMS acts as investment adviser (the "JPM ETFs") seek to track the performance of these indexes. JPMS and its affiliates, from time to time, manage client accounts that invest in these JPM ETFs. In addition, JPMS and its affiliates manage client accounts which track the same indexes used by the JPM ETFs or which are based on the same, or substantially similar, strategies that are used in the operation of the indexes and the JPM ETFs. The operation of the indexes, the JPM ETFs and client accounts in this manner give rise to potential conflicts of interest. For example, client accounts that track the same indexes used by the JPM ETFs may engage in purchases and sales of securities relating to index changes prior to the implementation of index updates or the time as of which the JPM ETFs engage in similar transactions because the client accounts may be managed and rebalanced on an ongoing basis, whereas the JPM ETFs' portfolios are only rebalanced on a periodic basis corresponding with the rebalancing of an index. These differences can result in the client accounts having more favorable performance relative to that of the index and the JPM ETFs or other client accounts that track the index. Other conflicts include the potential for unauthorized access to index information, allowing index changes that benefit JPMS or other client accounts and not the investors in the JPM ETFs. JPMS and its affiliates have established certain information barriers and other policies to address the sharing of information between different businesses within JPMS and its affiliates, including with respect to personnel responsible for maintaining the indexes and those involved in decision-making for the JPM ETFs. In addition, as described above, JPMS has adopted a code of ethics.

Other Compensation from ETFs. Certain ETFs in which account assets are invested in for the Program execute transactions for their portfolios through JPMS or an affiliate as broker-dealer, and JPMS or an affiliate receives traditional brokerage compensation and fees from the ETFs in connection with these transactions. Such compensation presents a conflict of interest between JPMS and clients because JPMS has a financial incentive to invest Program account assets in such ETFs: (1) in the hope or expectation that increasing the amount of assets invested with the ETFs will increase the number and/or size of transactions placed by the ETFs for execution by JPMS or an affiliate or other related person, and thereby result in increased compensation to JPMS and its affiliates and other related persons in the aggregate; and (2) to benefit the ETFs and thereby preserve and foster valuable brokerage relationships with the ETFs.

iv. Review of Accounts

Please refer to Item 9.iv in the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

v. Client Referrals and Other Compensation

Please refer to Item 9.v of the section of this Brochure on the J.P. Morgan Securities STRATIS Program.

vi. Financial Information

There is no financial condition that is reasonably likely to impair JPMS's ability to meet contractual commitments to its clients.