FORM ADV PART 2A APPENDIX 1 WRAP FEE PROGRAM BROCHURE

TAX SMART LONG SHORT STRATEGIES

J.P. Morgan Securities LLC

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This wrap fee disclosure brochure (**Brochure**) provides information about the qualifications and business practices of J.P. Morgan Securities LLC (**JPMS**), a subsidiary of JPMorgan Chase & Co (**J.P. Morgan** and, together with its affiliates, **we** or **us**), relating to certain managed strategies for J.P. Morgan Private Bank (the **Private Bank**) clients for which JPMS maintains custody and requires you to open a companion JPMS brokerage account. Currently, the only strategies described herein are Tax Smart Long Short Strategies (each, a **Strategy** and together, the **Strategies**). If you have any questions about the contents of this Brochure, please contact us at (800) 392-5749 or contact your J.P. Morgan team. 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 JPMS is also available on the SEC's website at adviserinfo.sec.gov. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

This Brochure applies only to the Strategies. Annually we will provide you with a copy of our updated wrap fee program ADV disclosure brochure or a summary of material changes from the brochure previously provided to you.

Retain this document for future reference as it contains important information if you decide to open new wrap fee program accounts with your J.P. Morgan team. You can obtain a copy of the current Brochure at any time by contacting your J.P. Morgan team.

ITEM 2 – MATERIAL CHANGES

Not applicable.

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ITEM 4 – SERVICES, FEES AND COMPENSATION

A. Description of Firm and Advisory Services

JPMS 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 SEC and is a member of the Financial Industry Regulatory Authority (**FINRA**). JPMS's investment advisory services include sponsoring a variety of wrap fee programs and providing certain consulting services to defined contribution plan sponsors. You can obtain brochures for the other programs by contacting us at (800) 392-5749 or by contacting your J.P. Morgan team.

JPMS offers investment advisory services through several separate channels. Similar wrap-fee programs that offer the same and similar investment strategies are offered in the different sales channels and at different fee levels with different features and with different execution experiences. 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 team or at the SEC's website at adviserinfo.sec.gov. JPMS also maintains a separate website, available at https://privatebank.jpmorgan.com/nam/en/disclosures/private-bank-disclosures, that contains the wrap fee program brochure for the Strategies and other important disclosures as well as the advisory brochures for J.P. Morgan Investment Management Inc. (**JPMIM**).

This Brochure provides information about JPMS and the Strategies that is available to Private Bank clients. Each Strategy is an investment strategy offered through a separately managed account (**SMA**) in which JPMS acts as discretionary investment adviser but has delegated its discretionary investment advisory functions to JPMIM as discretionary sub-adviser and portfolio manager of the Strategy (JPMIM is also referred to herein as the **Portfolio Manager**). In addition to JPMIM, JPMS has retained certain of its affiliates, including JPMorgan Chase Bank, N.A. (**JPMCB**), to provide services on a delegated basis in connection with the Strategy, as described below.

Many of the tools and analytics that are used to support services provided through JPMS advisory programs are also available through JPMS without enrolling in an advisory program and paying a fee. Further, you could purchase these services separately from JPMS. However, while you can obtain similar products and services from JPMS without enrolling in an advisory program, you would not receive the same discretionary or non-discretionary account services offered through the advisory programs, and you would generally not be able to obtain the same combination of financial planning and investment advisory services. The overall cost of purchasing the products and services separately will likely differ from each advisory program's advisory fees. Clients should consider the value of these advisory services when making such comparisons.

B. Strategy Description and Services

Clients have the option to choose Strategies offering different leverage levels (for example, 145/45 or 200/100) based on their investment objectives. Each Strategy seeks to provide long-term capital appreciation with built-in tax optimization strategies. The Strategy utilizes an investment process that incorporates fundamental and data-driven insights and portfolio margin leverage to hold long positions in U.S. listed stocks that the Portfolio Manager expects to outperform and to hold short positions in U.S. listed stocks that the Portfolio Manager expects to underperform. In addition, the strategy seeks to provide active tax management. For more information on margin and portfolio margining, please refer to the "Margin and Margin Calls" and "Portfolio Margining" sections below. JPMS has engaged JPMIM as discretionary sub-adviser and portfolio manager to each Strategy. Subject to any reasonable investment restrictions you request, JPMIM shall have full discretionary authority, to be exercised in its exclusive judgment and consistent with your current investment strategy, to invest and reinvest the assets in the Account, including, but not limited to, the purchase, sale, sell short, and otherwise trade of securities for the Account, based upon its evaluation.

You can enroll in the Strategy by selecting the Strategy in consultation with your J.P. Morgan team and establishing an account for this Strategy with JPMS (each, an **Account**). Working with your J.P. Morgan team, you will determine whether the Strategy is appropriate to your objectives, risk tolerance, liquidity needs and investment time horizon, and whether you can satisfy the applicable account minimum for the Strategy.

JPMS Services

Your J.P. Morgan team will assist clients in opening an Account with JPMS, determining the suitability of the Strategy, defining the client's investment objectives, and selecting a suitable amount for investment in the Strategy. JPMS is appointed as discretionary investment adviser with respect to the Account, but has delegated its discretionary investment management functions to JPMIM as discretionary sub-adviser and portfolio manager of the Strategy. Once a client has enrolled in the Strategy and opened an Account with JPMS, JPMIM will implement the Strategy, taking into account any reasonable investment restrictions that have been accepted by JPMS and JPMIM. In the ordinary course, JPMS will not make any investment decisions about the purchase and sale of specific securities in the Strategy.

JPMS will initiate the steps necessary, including receipt of assets to open a client's Account, and will be available to receive contribution and withdrawal instructions. JPMS will communicate to JPMIM changes in a client's financial situation and/or investment objectives.

JPMIM Services

JPMIM, an affiliate of JPMS, serves as discretionary sub-adviser and portfolio manager of the Strategy. In this capacity, JPMIM determines strategic and tactical asset allocations, is responsible for security selection, and determines portfolio construction.

Tax Management and Tax Transition Services

The Strategies described herein are "Tax Smart" strategies managed by JPMIM. JPMIM performs services such as tax transition, active tax management, and ongoing trading and rebalancing services for the Strategy. Clients have the ability to select tax management at different levels of gross exposure. For tax management services, along with JPMS, JPMIM determines the investment guidelines and the appropriate risk (including tracking error) and tax management trading thresholds. JPMIM seeks investment results that exceed, before fees and expenses, the performance of an index (subject to the impact of any client requested restrictions/customizations).

To the extent Clients wish to fund a Strategy with securities, tax transition services utilize tax loss harvesting to realize losses in order to offset gains realized in transitioning clients from legacy portfolio holdings to their target investment allocation strategy. This process seeks to make moving to different investment strategies more tax efficient. Tax transition services seek to capture investment losses in a portfolio, which are then used to offset near-term tax liabilities, help increase after-tax returns, and minimize the tax liability associated with moving to a different portfolio. For tax transition services, JPMIM will determine the allowable securities and transition plan. In some cases, the transition plan will incorporate upfront liquidation of securities at gains or losses to facilitate the transition plan. For the Strategies, JPMIM does not typically offer different tax transition scenarios. Actual results achieved by an Account will likely differ from the estimates due to a number of factors, including market movement at the time of execution, strategy requirements/constraints, or other reasons.

For both tax management services and tax transition services, the strategy will incorporate fundamental and quantitative research, as well as risk management and tax management considerations when trading. As a result, clients should expect that their Account will realize tracking error relative to the index. In connection with tax loss harvesting, assets will generally be invested in a separate underlying security(ies) of the Strategy during the "wash sale" period. Securities sold for tax loss harvesting purposes will not automatically be repurchased after the "wash sale" (i.e., 30-day) period concludes. Instead, the securities will be repurchased when the portfolio meets certain established parameters. JPMIM may change these parameters, including the manner and frequency of tax loss harvesting, at any time without notice. The Strategy aims to prevent trades that lead to wash sale transactions as well as simultaneous long and short positions of the same issuer within the portfolio. It does not account for client holdings and transactions in other accounts that might cause wash sale transactions or simultaneous long and short positions of the same issuer.

Clients can request reasonable restrictions/customizations on the management of their Accounts, subject to JPMS's and JPMIM's acceptance and/or the Strategy's parameters. Restrictions can include certain industries, sectors or specific securities. Customizations can include different target leverage points. The Strategy will be subject to short selling and leverage risks, including margin requirements, that may require the liquidation of securities at a gain or loss, or calling of additional capital from the client. Client restrictions/customizations may result in larger deviations in performance or tax management benefits relative to an equivalent account with no restriction. Moreover, client customizations related to higher gross exposure targets will likely result in higher expected tracking error and volatility than those with lower gross exposure targets.

There are risks and limitations associated with all tax management strategies, and these limitations may result in tax-inefficient trades and wash sales. Tax management is not tax advice and may not achieve the intended results. Although a tax-managed strategy may reduce your taxable income, it will not eliminate it. A tax-managed strategy may require trade-offs that reduce pre-tax income. Managing a strategy to maximize after-tax returns may also potentially have a negative effect on a strategy's performance. As a result of tax considerations, the Portfolio Manager may dispose of certain securities or fail to acquire certain securities, which could adversely impact pre-tax returns. In addition, the deductibility of losses recognized within the Account may be subject to certain limitations depending on your particular circumstances, such as investments you make outside the Account and the aggregate net capital losses you recognize during the year. Additionally, tax-managed strategies are not customized to a Client's specific tax circumstances; incorrect assumptions about your tax attributes and transactions outside of the strategy may lead to inefficient tax management. To the extent tax consequences are considered in managing a strategy, the strategy's or fund's pre-tax performance may be lower than that of a similar strategy that is not tax managed.

It is the responsibility of the client and their independent tax advisor to identify tax considerations with respect to a client's portfolio, and to request from JPMS reasonable restrictions or customizations on the management of an Account to mitigate inadvertent constructive sale and other tax risks within the Account, subject to JPMS's and JPMIM's acceptance and/or the Strategy's parameters.

Clients should review JPMIM's Form ADV Part 2A Brochure for details about tax management services provided by JPMIM with respect to the Strategy.

Trade Execution

Clients direct brokerage to JPMS, although JPMIM can designate another broker or dealer if it believes the other broker or dealer will provide better execution than JPMS or its clearing broker. Although JPMIM has discretion to select brokers or dealers other than JPMS or its affiliates, JPMIM generally places such trades through JPMS or its affiliates because the Advisory Fee (defined below), paid by each client Account, only covers execution costs on trades executed through JPMS or its affiliates. Execution costs include fees paid to exchanges and/or regulatory agencies on certain transactions. Certain securities included in portfolios can be less liquid or are traded infrequently. To fulfill its duty to seek best execution of transactions for client Accounts, JPMIM can select broker-dealers other than JPMS or its affiliates to effect a trade for a client Account, and any execution costs charged by non-JPMS broker-dealers will be paid by the client Account. Refer to "Trading Away and Associated Costs" for more detail.

JPMIM's primary objective in broker-dealer selection is to comply with its duty to seek best execution of orders for clients. Best execution does not necessarily mean the lowest commission or price, but instead involves consideration of a number of factors. In evaluating whether another broker or dealer will provide better execution, JPMIM will take various criteria into consideration in assessing the provider including, but not limited to, its market making ability, net cost or net realization from trade, price per unit of security, reliability and financial stability.

In order to comply with principal trade restrictions, orders for the Strategy are routed for agency execution. In connection with transactions executed for Accounts, when permitted by applicable law and JPMS policy, JPMIM, acting on behalf of client Accounts, enters into transactions in securities and other instruments with or through JPMS, and causes Accounts to engage in principal transactions. A "principal transaction" occurs if JPMIM, acting on behalf of client Accounts, knowingly buys a security from, or sells a security to, JPMS or its affiliate's own account.

Benchmarks

Each Strategy is benchmarked to the S&P 500 Index. Client portfolio holdings may differ significantly from the securities in the benchmark or index and may also hold far fewer securities than the benchmark or index. As a result, client portfolios can have higher levels of risk and volatility than that of the benchmark or index.

Margin and Margin Calls

Separate from managing your Account pursuant to the Investment Management Agreement, JPMS provides margin lending services to your Account as a broker-dealer and secured creditor pursuant to the Brokerage Agreement. When you open a margin account, you grant us a general security interest in the assets held in that account to secure your obligations, including any extension of margin credit.

The Portfolio Manager will seek to manage your Account in the ordinary course to stay within applicable margin requirements, including liquidating securities or other assets in the Account as it deems appropriate, and coordinating with JPMS to address margin calls. Notwithstanding that, if the equity in your Account falls below applicable margin requirements, including JPMS's higher "house" requirements, JPMS (acting as a broker-dealer) can take all necessary steps to protect its financial interests, including immediately liquidating securities or other assets—including acting as principal in buying them from you for JPMS's own account—without prior notice to you and without your consent, and you will be responsible for any shortfall in the Account after such a sale. Because the securities are collateral for the margin loan, you are not entitled to choose which securities or other assets in the Account will be liquidated or sold to meet a margin call. JPMS has the sole right to decide which securities and assets to sell in order to protect its interests. JPMS can increase its "house" margin requirements at any time and is not required to provide you with advance notice. These changes often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may result in the liquidation or sale of securities in your Margin Account. You are not entitled to an extension of time on a margin call.

When JPMS liquidates securities or other assets it acts as a broker-dealer and secured creditor enforcing the Brokerage Agreement, and not as your investment adviser in relation to these transactions. This means, and you acknowledge and agree, that JPMS, when acting as broker-dealer and secured creditor, is not required to disclose to you in writing before the completion of such transactions the capacity (including as principal, as applicable) in which JPMS is acting and obtain your consent, which would be the case if JPMS were acting as investment adviser in relation to the transactions.

Portfolio Margining

Portfolio margining is a margin methodology that sets margin requirements for an account based on the greatest projected net loss of all positions in a "security class" or "product group" as determined by a model. The goal of portfolio margining is to set levels of margin that reflect actual net risk. For more information please refer to the "Portfolio Margining Risk Disclosure Statement & Acknowledgement" document, which is available at account opening and upon request from your J.P. Morgan team.

C. Client Profile and Account Selection

Client Profile and Account Opening

Prior to opening an Account, the J.P. Morgan team consults with the client or prospective client to create a client financial and suitability profile based upon the client's responses to questions regarding their financial situation, investment experience, investment objectives, time horizon and risk tolerance. Based on the information in the client financial and suitability profile and the client's investment guidelines, as applicable, the J.P. Morgan team will assist the client in selecting the Strategy and will discuss the recommendation with the client to ensure that it is appropriate for their specific investment needs and risk tolerance. You will inform JPMS of any reasonable restrictions you wish to impose on the management of your Account, including specific securities or types of securities not to be purchased for your Account. Applicable advisory and brokerage service agreements apply. Your account selections and customizations will be played back to you in the Managed Account Summary at account opening.

Appointment and Authorization: JPMS Investment Management Agreement

As a condition to receiving investment management services through the Strategy, clients are required to enter into an Investment Management Agreement with JPMS. The Investment Management Agreement authorizes JPMS to act as the client's investment adviser, delegate its discretionary investment advisory functions to JPMIM as Sub-Adviser and Portfolio Manager of the Strategy, and authorizes JPMS to perform its services directly, or through or by delegating performance to, affiliated or unaffiliated service providers, as JPMS may from time to time designate. The Investment Management Agreement incorporates a separate Brokerage Agreement with JPMS that clients must consent to in order to enroll in the Strategy. In addition, as a Private Bank client, the client's relationship with JPMS is also governed by applicable terms of the J.P. Morgan Private Bank Combined Terms and Conditions (the **Combined Terms**), which include a Brokerage Account Agreement and Margin Account Agreement (together, the **Brokerage Agreement**). Each Account is subject to the terms and conditions of the Brokerage Agreement and any other associated documentation.

Restrictions on Management of Accounts

Clients can request reasonable restrictions on management of their Account, including particular securities or categories of securities related to a sector or industry (e.g., weapons or tobacco) that will be implemented subject to JPMS's and JPMIM's acceptance and in their sole discretion. JPMS and/or JPMIM may rely on the information about a company, industry classification, industry grouping and issuer screening provided by J.P. Morgan or a third party to implement the investment restrictions. Category restrictions aim to screen companies with revenue derived from the restricted category, but they do not exclude all companies with any tie or revenue derived from such restricted category. JPMS and JPMIM do not review, guarantee or validate any third-party screenings or its processes. Issuer screenings and processes

to implement category investment restrictions are not absolute and may change at any time and could result in the portfolio holding investments in companies that derive revenue from the restricted category. If a client's investment is perceived to belong to the restricted category, such security will be sold and could trigger a taxable event to the client.

Any restrictions a client imposes on the management of the Account can limit the ability to make investments or take advantage of opportunities and can cause the Account to perform differently than similar unrestricted accounts. Neither JPMS nor JPMIM is required to accept investment restrictions that they deem unreasonable and may decline an Account when they deem any client requested restriction unreasonable.

If JPMS or JPMIM accepts a restriction as reasonable, JPMIM has the discretion to invest the portion of the client Account that would have been invested, or was previously invested, in the restricted security in the other securities in the Account (on a pro rata basis), to select a substitute security or to hold those assets in cash. Substitute securities are likely to have fees or expenses that are higher than the securities normally used in the Strategy. In the event that a restriction request for a security that is currently held in a client's Account is accepted, the security will be sold and a client may experience tax consequences.

Category and security restrictions will not be applied to investments made by mutual funds, exchange-traded funds (**ETFs**) and pooled investments.

Implementation of Investment Strategy

After JPMS opens an Account for the client, JPMIM will implement the Strategy taking into account any reasonable investment restrictions a client has placed on management of the Account, as accepted by JPMS or JPMIM. JPMIM manages client Accounts in accordance with each client's specific investment guidelines, objectives and any reasonable restrictions on investing in specific securities that the client provides to JPMS in writing and JPMS has accepted.

JPMS or its affiliates will monitor and regularly evaluate, as appropriate, the performance of JPMIM to determine if it is following its stated investment philosophy for the Strategy and that there have been no material changes in the business and operations of JPMIM. JPMIM, not JPMS, makes investment decisions about the purchase and sale of underlying securities in a client's Account and JPMS is not obligated to monitor each transaction directed by JPMIM for conformity with a client's investment objectives and restrictions.

Funding Accounts

Clients can fund their accounts by depositing cash and/or securities acceptable to JPMS. JPMS or JPMIM may determine in its sole discretion that certain securities are ineligible for the Strategy. Investment management will begin after JPMS has accepted the Account into the Strategy. Account acceptance may be delayed or rejected if the Account is overfunded or underfunded relative to the amount stated in the Strategy. Cash to fund an Account will be placed in the sweep vehicle described herein.

Clients funding Accounts with securities direct JPMS or JPMIM to liquidate the securities on behalf of the client and allocate the proceeds in accordance with the Strategy. JPMS or JPMIM, on a best-efforts basis, will sell a portion or all of any securities that are not consistent with the Strategy. Neither JPMS nor JPMIM will advise clients 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. Refer to "Trading Away and Associated Costs" below for more detail.

Depending on the type of security involved, liquidation may result in redemption charges and taxable gains or losses. Before contributing mutual fund shares, clients should consider if they paid a front-end sales charge, will incur a contingent deferred sales charge or a redemption fee in the event the mutual fund shares are liquidated in accordance with the Strategy. These mutual fund fees and charges are the responsibility of the client and are in addition to the wrap fee. Clients should review the potential tax consequences of these liquidations with their tax professional before funding their Account with securities. JPMS, JPMIM and their affiliates do not provide tax advice. If non-U.S. denominated securities are sold, the client will incur currency conversion charges.

When liquidating securities for purposes of establishing a client's Account, JPMS will be acting as your broker, not your investment adviser. Liquidations will be effected promptly after receipt into and acceptance of the Account by JPMS or JPMIM, at the then prevailing market prices, subject to market conditions and applicable JPMS policies. If a particular security cannot be liquidated or is not eligible for the Strategy, it will not be used to fund an Account and your J.P. Morgan team will work with you regarding disposition of the securities.

Custodian

JPMS, in its capacity as an SEC-registered broker-dealer, provides clearing and trade execution services for and serves as the custodian for Account assets. JPMS is a "qualified custodian" as defined in Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended (the **Advisers Act**).

D. Trade Confirmations, Statements and Performance Reporting

You will receive trade confirmations of all transactions. To the extent that you have consented to electronic delivery, we will provide you with confirmations via electronic access. The statements we provide to you generally will include a summary of transactions, an inventory of holdings, and other information. You agree to review all such confirmations, statements and reports promptly upon receipt and to notify us immediately of any errors or discrepancies identified. Currently, for the Strategies, you cannot elect to waive receipt of separate trade confirmations.

E. Proxy Voting, Corporate Actions and Other Legal Matters

Voting Client Securities

Each client has the right to vote proxies for any securities held in the client's account. Alternatively, where Portfolio Managers are responsible for voting, or in cases where the client has chosen to use an outside custodian, clients may direct JPMS to facilitate the voting of proxies on their behalf. If the client retains proxy voting authority (which must be done by providing written notice to JPMS within a reasonable period of time for JPMS to process the written notice), (i) JPMS will forward to the client, or any person designated by the client, any proxy-related materials distributed to securityholders entitled to vote, including proxy statements, proxy cards or voting instruction forms, notices of meetings or availability of proxy materials, annual or other informational reports, and any related solicitation materials (Proxy Materials) JPMS receives that pertain to proxies for securities in the client's Account; and (ii) JPMS (and its affiliates) will not take any action or render any advice with respect to the voting of proxies solicited by or with respect to the issuers of any securities held in the client's Account.

Unless the client retains proxy voting authority and subject to certain exceptions, the client grants JPMS the limited authority to select, appoint, and remove one or more agents and attorneys-in-fact for the sole purpose of exercising the client's right to vote proxies relating to securities owned by, or held for, their account(s). The proxy agent so appointed is JPMIM. Please review the JPMIM ADV Brochure for information on proxy voting, conflicts, and the use of JPMIM as a proxy agent. The JPMIM Form ADV Part 2A Brochure is available on the SEC's website at adviserinfo.sec.gov. JPMS may, in its discretion, change the proxy agent upon providing notice to the client. The client will be deemed to have agreed to the appointment of any new proxy agent effective when the client receives notice of the appointment of a new proxy agent. In addition, a proxy agent may resign its appointment at any time. JPMS's grant of authority is expressly limited to the power of appointment and JPMS shall have no authority or responsibility to vote proxies or otherwise exercise any of a client's proxy-related rights. The proxy agent is solely responsible for voting proxies on a client's behalf, it being understood that JPMS is not responsible for the acts or omissions of the proxy agent, so long as JPMS exercises reasonable care in the selection and monitoring of the proxy agent. Clients should understand that by appointing JPMS as the client's agent to appoint a proxy agent, the client will not receive Proxy Materials pertaining to the securities in their account.

The proxy agent, acting directly as the client's agent and attorney-in-fact and deriving authority to vote proxies exclusively from the client pursuant to this authorization, shall apply its own proxy voting guidelines and policies (copies of which are available on request), which are subject to

change in the proxy agent's discretion. A proxy agent's authority and role as agent applies only to the voting of proxies that the proxy agent generally votes and does not apply to proxies with respect to which the proxy agent declines to vote, in its discretion. When proxy voting authority is delegated to JPMIM, JPMIM will use one or more third-party proxy services in certain situations, such as to avoid conflicts of interest, address affiliation or control issues or when voting shares of registered investment companies. Information relating to JPMIM's Global Proxy Voting Guidelines is available at https://am.jpmorgan.com/content/dam/jpm-am-aem/americas/us/en/supplemental/proxy-information/global-procedures-and-guidelines.pdf. In its role as proxy agent, JPMIM will use a generative AI tool to support the U.S. proxy voting process. This includes scanning relevant SEC filings, processing raw data regarding relevant issuers, and ingesting issuer data from data vendors; it will assist by organizing, summarizing and presenting information to facilitate analysis by personnel of JPMIM (and, where relevant, its asset management affiliates), who remain responsible for making all proxy voting decisions (other than those delegated to a third-party proxy service). Refer to "Risks Associated with the Use of Artificial Intelligence (AI) Tools" for more information.

The Portfolio Manager (or its agent or delegate) to a client's Account is designated to receive and act on the client's behalf in regard to all shareholder communications, including, but not limited to: Proxy Materials (unless the client retains proxy voting authority over the securities in their accounts), annual reports and semi-annual reports. In such case, clients authorize JPMS to forward to the Portfolio Manager (or its agent or delegate) all Proxy Materials that pertain to securities held in client account(s).

A client can revoke its appointment of JPMS to appoint proxy agents or a Portfolio Manager to vote proxies, as applicable, upon written notice to JPMS at J.P. Morgan Securities LLC, Attn: Proxy Voting Opt Out, Mail Code: IL1-0291, PO Box 1762, Chicago, IL 60690. If a client revokes their appointment of JPMS as their agent to appoint proxy agents or a Portfolio Manager to vote proxies, as applicable, (i) JPMS or its affiliates shall have a reasonable period of time to process such revocation; (ii) the client will receive all Proxy Materials and annual reports related to securities and other property in the client's account; (iii) the client will be responsible for voting such proxies directly or instructing any custodian that holds such securities; and (iv) such revocation will neither impair nor limit any other authority given to JPMS, the Portfolio Manager or its delegates, as applicable to provide discretionary portfolio management for the client's Account.

To the extent that (i) JPMS has not received Proxy Materials or related shareholder communications on a timely basis or at all, JPMS will not be responsible or liable for any failure to send the proxy agent or clients, as applicable, Proxy Materials or related shareholder communications; and (ii) the proxy agent or Portfolio Manager responsible for voting proxies has not received proxies or related shareholder communications on a timely basis or at all, the proxy agent or Portfolio Manager will not be responsible or liable for any failure to vote the proxies or consider the information in such Proxy Materials or related shareholder communications when deciding how to vote the proxies.

Corporate Actions

JPMS, its affiliates, or the Portfolio Manager, as applicable, will take appropriate action with respect to voluntary corporate actions with respect to securities in the 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. JPMS and its affiliates are authorized, but not required, to forward materials and information regarding voluntary corporate actions to the applicable Portfolio Manager, including materials related to corporate organization, such as a tender offer.

Client Rights and Responsibilities to Take Action

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, its affiliates nor JPMIM 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 JPMIM 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. The client understands that they may receive certain communications regarding investments in the Account such as class actions and will be responsible for taking any actions that may be required or contemplated by such communications.

F. Fees and Compensation

Clients will pay an Advisory Fee, Portfolio Manager Fee, financing fees and other fees and expenses, each as described below.

JPMS may change the Advisory Fee and the Portfolio Manager Fee upon advance notice to you.

Wrap Fee (Advisory Fee)

Clients pay JPMS an investment advisory fee (the **Advisory Fee**). The Advisory Fee is an asset-based account fee for the Strategy paid to JPMS.

JPMS, as investment adviser, will perform activities as part of the management of portfolio assets, manager selection and oversight; brokerage; portfolio implementation and rebalancing; custody; performance reporting; risk management; and client service, and all such services are included in the Advisory Fee.

The Advisory Fee schedule for the Strategy is set forth below and expressed as an annual percentage. The Advisory Fee rate for the Strategy is determined by the total market value of managed assets in the Account (including cash and accrued income). Sometimes J.P. Morgan groups more than one account together to determine the managed assets we use to determine your fee rate. If we do so, your fee rate for an account could be lower than if we considered the assets in only that account. The accounts we group together to determine the fee rate for one account might not be the same as the accounts we group together to determine another account's fee rate. From time to time, we may change our policies on which accounts we group together.

JPMS charges fees that it believes are reasonable, but these fees are not always the lowest available from other firms, including affiliated ones. Advisory Fees for partial billing periods upon the inception or termination of an Account will be prorated. The Advisory Fee will be reflected on the account statement issued by the custodian for the Account. The Advisory Fee is payable each calendar quarter in arrears, but clients may elect monthly, semi-annual or annual billing.

JPMS ADVISORY FEE	
Client Relationship Total Market Value	**Advisory Fee Rate (Annualized)**
$2,000,000-$4,999,999.99	0.75%
$5,000,000-$9,999,999.99	0.65%
$10,000,000-$14,999,999.99	0.55%
$15,000,000-$24,999,999.99	0.50%
$25,000,000-$49,999,999.99	0.40%
$50,000,000-$99,999,999.99	0.30%
$100,000,000-$249,999,999.99	0.25%
$250,000,000 or more	0.20%

The applicable Advisory Fee rate applies to all assets in a client's Account. For client relationships with a total market value of less than $2 million, the Advisory Fee rate is 1.45% for a client relationship below $250,000, 1.30% for a client relationship of at least $250,000 but less than $500,000, 1.15% for a client relationship of at least $500,000 but less than $1,000,000, and 1.00% for a client relationship of at least $1,000,000 but less than $2,000,000.

Portfolio Manager Fee

JPMIM, as sub-adviser and portfolio manager of the Strategy, is paid an additional fee (the **Portfolio Manager Fee**). The Portfolio Manager Fee is an annualized asset-based fee that covers the portfolio management services provided by JPMIM. These Portfolio Manager Fees are in addition to the Advisory Fee and are not included in the Advisory Fee. JPMS collects the Portfolio Manager Fee from clients and pays it to JPMIM.

Depending upon the Strategy you select, the Portfolio Manager Fee for the Strategy ranges from 0.30% to 1.00%. The client's Portfolio Manager Fee is reflected in the account statement issued by the custodian for the Account.

Calculation of the Advisory Fee and the Portfolio Manager Fee

For billing, we use the "adjusted market value" of your account, which is the total market value of assets in your account, including cash and accrued income, but excluding amounts invested in such other funds that we designate in the future for this purpose, as may be permitted under applicable law (the **Adjusted Market Value**). We calculate your advisory fees based on the Adjusted Market Value at month-end (for accounts where fees are paid monthly) or the average of the Adjusted Market Values at each month-end over the quarter (for accounts where fees are paid quarterly). Intra-month market value fluctuations are not considered for purposes of calculating advisory fees. Advisory fees may vary based on the frequency of your billing cycle.

If you have been billed for a billing period at a particular advisory fee rate, but in a later billing period the total market value of the managed assets within your client relationship falls below the minimum asset level for that fee rate, we will still apply the previous fee rate as long as the total market value does not fall more than 10% below the minimum asset level for that fee rate. (If your fees are paid quarterly, the total market value used for billing purposes is the average of the total market values at each month-end over the quarter.) Even with this fee rate protection, some decreases in the total market value of managed assets in the client relationship would result in higher total advisory fees.

For purposes of the calculation of the Advisory Fee and the Portfolio Manager Fee, the net market value of the assets in the Account on which the Advisory Fee and Portfolio Manager Fee are based generally will not be adjusted by the amount of any margin debit balances held in any account outside of the Strategies, even if some or all of the proceeds of the loan represented by the margin debit balances are held in, or were used to purchase securities held in, your Account and even if some or all of the assets in the Account in a Strategy are used to collateralize or secure the loan represented by the margin balances. Similarly, any interest and fees paid by you in connection with any margin debit balances held by you in any account outside of the Strategies will not be taken into account in the calculation of the net equity or performance of your Account, as reflected in statements, periodic reviews, or otherwise.

In computing the value of assets in the Account, securities traded on any national securities exchange or any national market system shall be valued, as of the valuation date, at the closing price on the principal market on which they are traded. Account assets invested in shares of open-end mutual funds will be valued based on the fund's net asset value calculated as of the close of business on the valuation date or as otherwise provided for in the prospectus of the mutual fund, except that on account statements, the mutual funds will be at the listed closing price on the valuation date. In valuing assets, we use information provided by recognized independent quotation and valuation services. We believe such information to be reliable, but we do not verify its accuracy. If the above-referenced methods are not available to us or if we do not believe them to be accurate, we value any securities or investments in an account in a manner we determine in good faith to reflect their fair market value. In preparing statements, JPMS uses the services of third-party vendors for the valuation of the assets held in the Account, and while JPMS believes this information to be reliable, JPMS does not guarantee the accuracy of such information nor will JPMS be liable for any errors or omissions in this information.

Financing Fees

Because the Strategy utilizes leverage and short exposure, clients will incur financing fees associated with margin borrowing and short positions. You will be responsible for paying to JPMS financing fees associated with the leverage extension components of your Account.

Margin

Specifically, interest will be charged as provided below on any credit extended to you by JPMS for the purpose of purchasing, carrying or trading in any security. The annual rate of interest you are charged may fluctuate with changes in the stated base rates. The changes in rates resulting from this fluctuation will be made without prior notice to you.

JPMS MARGIN FINANCING FEE	
Debit Balances	**Total Margin Financing Fee**
$3,000,000 or less	SOFR + 130 bps
$3,000,001–$10,000,000	SOFR + 110 bps
$10,000,001–$25,000,000	SOFR + 95 bps
$25,000,001–$75,000,000	SOFR + 85 bps
$75,000,001 or more	SOFR + 75 bps

The annual rate of interest that you will be charged on any U.S. dollar-denominated credit is based on the Secured Overnight Financing Rate (SOFR) plus a J.P. Morgan fee. SOFR is a benchmark for dollar-denominated derivatives and loans. SOFR is based on transactions in the Treasury repurchase market. The method of computing interest is as follows: Interest is computed on a daily basis on the net debit balance during the interest period. JPMS's basic interest period runs on a calendar month cycle from the first day through the last day of the month, and is itemized to show the dates of sub-periods and corresponding interest rate changes, if any, during the month. You commence your interest calculation by ascertaining the net debit balance on the first day of the month (or the first day thereafter on which there is a net debit balance) and on each day thereafter. You then multiply each day's net debit balance by the interest rate and by the fraction 1/360. The interest charged during the interest period is the total of the daily charges so computed. Accrued interest for the period will be charged on the first business day of the following month. Your monthly account statements will show the opening and closing debit balances for the period. Financing fees will be charged to your account monthly and reflected on the account statement issued by the custodian for the Account.

Short Positions

Short sales incur fees that are based on a fluctuating rate applied daily to the market value of the securities sold short which can lower the short interest credit applied to the account. These fees, which are in addition to interest charged on any debit balances in your account created in connection with your short positions, are based on (i) the costs and expenses incurred by J.P. Morgan to settle and maintain those transactions, and (ii) service fees in connection with the establishment and/or maintenance of your short positions. Due to changing market conditions, the rate that you will be charged may vary.

The Account can also incur short locate fees, which are charges paid to secure hard-to-borrow securities, prior to executing a short sale, and which can also be paid to JPMS.

All fees described above are subject to change. For more details on the methodology used to calculate financing fees, please refer to the "Margin Rates and Requirements" document and the client's monthly statement, which is available upon request from your J.P. Morgan team.

Other Fees and Expenses

In addition to the fees described above, the Account can incur additional fees not covered by the Advisory Fee, including but not limited to: commissions or other charges resulting from transactions not executed through JPMS or its affiliates (as described below); fund fees and expenses; transfer taxes; electronic fund and wire transfer fees; stop payment fees; odd-lot differentials; activity assessment fees; exchange fees; termination fees; postage fees; auction fees; fees and any pass-through or other fees associated with investment in American Depositary Receipts (ADRs); and any other fees or taxes reasonably assessed to a brokerage Account or required by law.

Other Compensation Received by JPMS and J.P. Morgan Affiliates

JPMS, JPMCB or J.P. Morgan affiliates may earn fees and profits from managing, advising, executing brokerage transactions for, marketing, selling, distributing or servicing (including shareholder servicing, recordkeeping, providing custody or other services) securities in your Account in addition to the Advisory Fee.

Financing fees and the other fees and expenses described above are subject to change.

No Minimum Fee

There is no minimum fee for the Accounts. When applicable, Accounts will be charged the appropriate fee percentage for the asset value in the Account or, if applicable, for the value of assets in related Accounts that have been combined for Advisory Fee calculation purposes.

Method of Payment

Subject to restrictions for retirement accounts and asset availability, clients can request, and JPMS may allow, that one of the related accounts (including a non-retirement Account or J.P. Morgan bank account) pay the entire Advisory Fee for the combined holdings.

Once an Advisory Fee or Portfolio Manager Fee is charged, unless the client has elected to pay the Advisory Fee or Portfolio Manager Fee from a related JPMS account, if there is sufficient cash in the Account and/or sweep fund to pay the entire amount, the Advisory Fee or Portfolio Manager Fee will be paid out of the Account and/or sweep fund within the Account. If the sweep fund does not have sufficient funds to pay the Advisory Fee or Portfolio Manager Fee in its entirety, shares of the most overweight fund(s) or security in a model or, if applicable, at the discretion of JPMIM, securities in the portfolio Account will be sold to pay the entire fee rather than paying any of the fee from the sweep fund. This could result in the client incurring a tax liability. If due to withdrawals, payment of fees, or otherwise, the value of the sweep fund would fall to zero or below, sufficient shares in the investment(s) currently most overweight in the Account based on actual dollar value or, if applicable, at the discretion of JPMIM, will be sold to clear the debit and replenish the sweep fund to its current target amount.

Reimbursement of Affiliates

JPMS reimburses the expenses of certain affiliates in return for their services with respect to the Strategy. For qualified retirement Accounts where fees to affiliates are waived, JPMS could share a portion of the Advisory Fee with the affiliated manager for the Account.

Trading Away and Associated Costs

The Advisory Fee does not cover brokerage commissions or other charges resulting from transactions not effected through JPMS or its affiliates. JPMIM may place all or substantially all of certain types of trades with a broker-dealer other than JPMS for execution, depending on the types of securities traded in the Strategy. For example, it is not uncommon for JPMIM to trade away in fixed income, foreign security, and small-cap equity securities. For these trades, the client will incur a brokerage commission, mark-up or mark-down charged by the other broker-dealer that is not covered by the Advisory Fee.

When a Portfolio Manager places orders with broker-dealers other than JPMS, clients will receive a trade confirmation issued by JPMS that will provide details of the trade as follows, provided that the Portfolio Manager provides JPMS with appropriate information: (i) equity trades will generally indicate "traded away" and will list the commission the client incurred as an additional cost in connection with trading away by a Portfolio Manager; and (ii) fixed income trades will generally indicate "traded away" and show a price for the traded security that is inclusive (i.e., net) of the commission, mark-up or mark-down paid by the client to the other broker-dealer, but it does not break out or otherwise show the amount of the commission, mark-up or mark-down separately. Some equity and fixed income trades, due to operational factors, will not indicate "traded away"; however, all fixed income trades are "traded away" whether or not they are indicated as such.

Clients should review JPMIM's Form ADV Part 2A Brochure, ask about JPMIM's trading practices and consider that information carefully before investing in the Strategy. In particular, clients should carefully consider any additional trading costs associated with JPMIM before investing in the Strategy.

For more information on trades away, refer to "Investment Managers Trading Away Practices" available at https://privatebank.jpmorgan.com/nam/en/disclosures/private-bank-disclosures.

Waivers, Reductions and Negotiation of Fees

In its discretion, JPMS can negotiate, reduce or completely waive the Advisory Fee for any client or group of clients. Advisory Fees are discounted for employees of JPMS and its affiliates. It is possible that similarly situated clients will pay a different Advisory Fee. From time to time, the Advisory Fee can be increased (i.e., JPMS may increase the Advisory Fee; JPMIM may increase its fee). JPMS will promptly notify the client whenever a fee increase is made to the client's Account(s).

The Advisory Fee can be more or less than the cost of paying for investment advice, trade execution, custody and reporting services separately, depending on the cost of these services if provided separately and the level of trading activity in the client's Account.

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

Cash Allocations and the Sweep Feature

Clients in the Strategy authorize JPMS, to the extent permitted by applicable law and as described in the Investment Management Agreement with JPMS, to invest (i.e., "sweep") excess cash into the money market fund referenced below managed or advised by JPMIM. JPMIM and JPMS have a conflict of interest since these J.P. Morgan affiliates earn revenues from managing and distributing the money market mutual fund available to clients and in making it the default "sweep" option. The money market fund being utilized for the sweep is JPMorgan 100% Treasury MMF Ticker **JSMXX**. Information can be found at https://am.jpmorgan.com/us/en/asset-management/adv/products/jpmorgan-100-u-s-treasury-securities-money-market-fund-im-48129c744. Clients should read the prospectus for the money market mutual fund for more information.

You authorize JPMS to accrue sufficient cash or money market fund balances in your Account to cover the anticipated Advisory Fee and Portfolio Manager Fee and other fees and to deduct the Advisory Fee and Portfolio Manager Fee and all other applicable fees and charges from these accruals on or following the date they are payable. You are responsible for ensuring that the amount of any debit is correct. JPMS may withhold any tax to the extent required by law and may remit such taxes to the appropriate governmental authority.

Any fees paid to J.P. Morgan may be subject to a revenue sharing arrangement with a J.P. Morgan affiliate.

Compensation Paid to Your J.P. Morgan Team

The investment professionals on your J.P. Morgan team are paid a base salary and are eligible for a discretionary bonus. The discretionary bonus is not directly related to any specific product or services, though it can take into account various performance factors, including overall growth in clients and assets, along with qualitative factors.

Compensation to J.P. Morgan and Affiliates

J.P. Morgan is compensated from various sources, in addition to the account fees and transaction costs. JPMS receives compensation for the services provided under a managed account when you decide to open such an account. If you invest in a managed account, you will pay a management or advisory fee, which covers JPMS's and J.P. Morgan's services to the managed account. The types of fees you will pay, the exact amount of fees, and any offsets depend on many factors, such as the amount invested in your managed account over time, the types of assets held in your managed account, the J.P. Morgan program in which you invest, and other J.P. Morgan managed accounts you hold. In addition, the account will bear the costs for the underlying investment products held in the accounts. For more information, please contact your J.P. Morgan team.

JPMS and its advisors offer a variety of investment products and structures, including separately managed accounts, mutual funds, private investment funds, ETFs, and other investment vehicles, that may have similar investment objectives or strategies. The fees, expenses, and compensation received by JPMS and its affiliates may differ depending on the product or structure selected. As a result, JPMS and its advisors have financial incentives to recommend one product or structure over another, including recommending the Strategy instead of other available alternatives.

Custody Accounts. For the Strategies, JPMS is providing custody services. The Private Bank otherwise provides custody services through JPMCB. JPMCB charges asset and transaction-based fees for its custody services. Unless otherwise indicated, when you open a custody account with JPMCB that is linked to brokerage services offered through JPMS, the custody fees charged by JPMCB will be in addition to, but separate from, any commissions and fees charged by JPMS for its brokerage services. However, when you open an Account with JPMS the custody fees are included in the Advisory Fee.

Purchasing J.P. Morgan Affiliated Funds and ETFs and Related Compensation. JPMS and its affiliates provide a wide range of financial services to various mutual fund companies. Some of these affiliates provide investment management and other services to funds sponsored or managed by affiliates of JPMS (**J.P. Morgan Funds**) or J.P. Morgan ETFs (as defined herein), for which those affiliates will benefit from that purchase as a result of receiving investment management fees and other forms of compensation in connection with the operation of such funds, such as shareholder servicing, custody, fund accounting, administration, distribution, securities lending and other services. Therefore, because JPMS and its affiliates will in the aggregate receive more compensation if you purchase shares in a J.P. Morgan Fund or J.P. Morgan ETF than if you were to purchase shares in a non-affiliated mutual fund, there is a conflict of interest when JPMS clients purchase J.P. Morgan Funds. The prospectus, descriptive brochure, offering memorandum or similar documents for such products describe these fees and other compensation in detail.

Introduction to Private Bank Affiliates. The Private Bank may benefit from revenue-sharing arrangements within J.P. Morgan businesses that may, from time to time, result in the Private Bank receiving revenue related to an introduction that results in a transaction with another J.P. Morgan business.

Compensation for Other Services. J.P. Morgan or JPMS's related persons 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 that may be held by client accounts. Such compensation could include financial advisory fees, monitoring fees, adviser fees or fees in connection with restructurings or mergers and acquisitions, as well as underwriting or placement fees, financing or commitment fees, trustee fees and brokerage fees. Certain funds track financial indices in which the Adviser or an affiliate retains various intellectual property rights. As a result, JPMC may be entitled to receive index licensing fees from unaffiliated licensees of these indices. JPMS may earn additional compensation through such brokerage related services it provides, such as extending margin loans to clients. When a client has a margin account with JPMS, JPMS, as permitted by federal law, may use certain securities in the client's account for, among other things, settling short sales and lending securities for short sales. JPMS will generally be compensated in connection with these transactions. JPMS may receive additional compensation separate and distinct from interest and fees paid by the client on margin debit balances held by the client in any account. Your J.P. Morgan team does not receive compensation on margin loans. As a result, JPMS has a financial incentive for the client to incur margin debt to buy securities in the client's account because the client will be required to pay interest and fees on the debt, and it has a further financial incentive to maintain or increase the client's margin debit balance.

JPMS Use of Margin Account Securities

JPMS may face conflicts of interest when you maintain a margin account because, consistent with applicable law and your Margin Agreement, JPMS may lend, pledge, rehypothecate, or otherwise use securities held in your margin account (including using them as collateral for its own financing transactions, potentially in amounts exceeding your indebtedness to us). JPMS may receive economic and other benefits from these activities (e.g., fees, spreads, or financing advantages) that you do not receive, and these incentives could influence JPMS's decision to request or maintain margin and the level of securities available for such use. In addition, when your securities are loaned or otherwise used, you may lose or have limited ability to exercise certain ownership rights, including voting rights, and you may not receive dividends directly from the issuer; instead, you may receive "payments in lieu of dividends," which may have different (including less favorable) tax treatment than dividends.

Margin Debit Balances

Margin allows a client to borrow against the value of securities they already own. JPMS, in its capacity as broker-dealer, will earn interest and may also earn additional compensation when extending margin. When a client has a margin account with JPMS, JPMS is permitted to use certain securities in the client's account for, among other things, settling short sales and lending securities for short sales. JPMS will generally be compensated in connection with these transactions. As a result, JPMS has a financial incentive for clients to incur margin debt to buy securities in their accounts.

JPMS has a financial incentive for a client to incur margin debt to buy securities in an Account because: (1) the client will be required to pay JPMS or its affiliates interest and fees on the debt; and (2) the net market value of the Account will be increased by the value of the additional securities purchased with the margin loan (and will not be offset by the amount of the margin debit held by the client in any account outside of the Strategy), resulting in a higher fee. In addition, any interest and fees paid by the client in connection with any debit balances held outside the Account will not be taken into account in the computation of the net equity or performance of the client's Account as reflected in Account statements, performance reports or otherwise.

As part of the Strategy, the assets held in the client's Account will receive a standalone margin calculation, which will be separate from the margin calculation performed on the assets and debit balances held in any of the client's additional margin accounts outside of the Strategy. Accordingly, any assets held by the client in a margin account outside of the Strategy will not be used to reduce the margin debit balance in the client's Account, and vice versa.

ITEM 5 — ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

The Strategy is available to Private Bank clients with a U.S. address, including individuals, certain trusts and taxable entities.

A. Strategy Minimum

The minimum investment amount for the Strategy is $10 million. Minimums are subject to waiver or reduction in JPMS's discretion and are waived for certain client accounts on occasion. If Account assets fall below the initial minimums, JPMS can terminate Strategy participation and close Accounts at its discretion.

To open or maintain an account, clients are required to enter into an Investment Management Agreement with JPMS that stipulates the terms under which JPMS and JPMIM, as sub-adviser and portfolio manager, are authorized to act on behalf of the client to manage the assets listed in the Investment Management Agreement.

The investment, sale or withdrawal of funds or securities from Accounts will be effected as soon as practicable subject to market conditions and other factors. Under normal market conditions, it can take 2-4 business days to process the investment (whether initial investments or additions), sale or withdrawal of funds in Accounts; however, timeframes can be longer due to market conditions and other factors.

B. Cash Balances in Accounts

A portion of Accounts will be held in cash, cash equivalents or money market funds as part of the overall investment strategy for the Account and funds awaiting withdrawal by the client. Cash and cash equivalents, including money market funds, are subject to the Advisory Fee. For additional information, refer to "Cash Allocations and the Sweep Feature" in Item 4.

Cash raised for withdrawal will be charged both an Advisory Fee and an applicable Portfolio Manager Fee until the cash is removed from the Account. Cash that is not removed from an Account in a timely manner will be reinvested pursuant to the Strategy.

ITEM 6 — PORTFOLIO MANAGER SELECTION AND EVALUATION

Methods of Analysis, Investment Strategies and Risk of Loss

Set forth below is a general description of the primary methods of analysis that are utilized for the Strategy. In connection with investments in a fund or other securities through JPMIM, this description is qualified in its entirety by the information included in any applicable fund's prospectus or other relevant offering documentation, including JPMIM's Form ADV Part 2A disclosure brochure. The Form ADV Part 2A disclosure brochure for JPMIM is available at the SEC's website at adviserinfo.sec.gov. JPMS is not responsible for the performance of any fund or JPMIM, or their compliance with their prospectus, disclosures, laws or regulations or for other matters within their control. JPMIM is solely responsible for the management of the SMA. JPMS cannot ensure that the Strategy's investment objective will be attained.

Investment Process and Guidelines

The Strategy takes long and short positions in different equity securities listed on United States stock exchanges, selecting from a universe of publicly traded mid and large capitalization equity securities. Under normal circumstances, JPMIM intends to keep the Strategy essentially fully invested. JPMIM will invest the Strategy's assets in equity securities of publicly traded companies, real estate investment trusts (**REITs**), preferred stock, rights, warrants, convertible securities and depositary receipts, although any Account that is utilizing JPMIM's tax-sensitive portfolio transition services may hold other types of securities during the transition period.

JPMIM considers fundamental and data-driven stock selection insights as it seeks to provide returns that exceed those of the S&P 500 Index. JPMIM utilizes an optimization approach to target underweights or overweights on industry sectors as well as securities within those industry sectors when it believes such underweighting or overweighting will benefit the Strategy's performance. In addition, the target weight for any security or sector will not apply with respect to any Account utilizing the tax-sensitive portfolio transition services.

As part of its investment process, JPMIM seeks to assess the impact of environmental, social and governance (**ESG**) factors on the companies in which the Strategy invests. The assessment is based on a proprietary analysis of key opportunities and risks across industries to seek to identify financially material issues on the Strategy's investments in securities and ascertain key issues that merit engagement with company management. These assessments may not be conclusive and securities of companies may be purchased and retained by the Strategy for reasons other than material ESG factors.

JPMIM expects annualized portfolio turnover in excess of 100%, although the amount of portfolio turnover with respect to any Account could be impacted by factors such as, but not limited to, gross exposures, portfolio age, market conditions and client specific activities, such as the application of the tax-sensitive portfolio transition services.

JPMIM intends to maintain an approximate net 100% long exposure to the equity market, however the long and short positions of the Strategy will vary in size as market opportunities change. JPMIM intends to maintain a target of gross (e.g., the total combined value of both long and short positions in a portfolio) and net (e.g., the difference between the long and short positions) exposures of either 190% (145/45) or 300% (200/100), depending on the Strategy.

Account-specific Investment Guidelines may be applicable based on client-specific customization, which may include security or ticker level restriction, industry level restrictions or other client-specific restrictions. Client-specific customizations may be limited based on total number of names and/or the percent weight in benchmark. Client-specific customizations are subject to JPMIM approval.

JPMIM seeks to provide active tax management and built-in tax optimization, taking into consideration various tax rules pertaining to holding periods, wash sales, constructive sales, and tax straddles within each Account. During any period when JPMIM is providing tax-managed investment strategies, the target allocations, sector weightings, position limitations and net exposures applicable to the Strategy may vary from those described herein.

Due to the client-specific customizations and tax-sensitive portfolio transition services provided to Accounts, the Investment Guidelines may vary across Accounts, and each Account may contain an investment portfolio that is different from the other Accounts. Moreover, client customizations related to higher gross exposure targets will likely result in higher expected tracking error and volatility than those with lower gross exposure targets.

Research Process and Selection of Strategy

JPMS uses research provided by the J.P. Morgan manager solutions team to research, select and monitor whether the Strategy should be offered to and continue to be available to clients.

The manager solutions team is comprised of employees and/or supervised persons of JPMCB and other affiliates.

The manager solutions team conducts due diligence on the Strategy and is responsible for researching and selecting JPMIM as well as for subjecting them to a review process. The due diligence process is designed to subject JPMIM to the same process as it would be if it were not an affiliate; however, the manager solutions team applies its discretion and is not required to apply all factors equally to each portfolio manager. The manager solutions team utilizes both quantitative and qualitative assessments during its initial review process. The manager solutions team then recommends the Strategy to an investment oversight committee, which is responsible for approving or rejecting the Strategy. The manager solutions team is also responsible for monitoring and re-evaluating JPMIM as part of its ongoing review process.

Centralized Due Diligence

A due diligence review is performed on JPMIM through both the Qualitative Research Process and Systematic Research Process. In the Qualitative Research Process, the J.P. Morgan manager solutions team conducts a qualitative analysis of JPMIM on an ongoing basis. For the "Systematic Research Process," JPMIM is evaluated using an internally developed quantitative screening process on an ongoing basis. This evaluation reviews JPMIM's organization, investment process, investment philosophy and performance using only quantitative criteria. The team reviews JPMIM's organization, investment process, investment philosophy and performance.

Ongoing Review of JPMIM

An investment oversight committee is responsible for the decisions to maintain JPMIM as the portfolio manager of the Strategy. This committee considers analysis and recommendations from the J.P. Morgan manager solutions and operational due diligence teams. From time to time, this investment oversight committee may place them on probation or terminate them as part of its ongoing monitoring and oversight responsibilities. The investment oversight committee review process is generally the same for affiliated and non-affiliated portfolio managers, as further described under "Research Process and Selection of Strategy" above.

Termination and Liquidation of Strategy

If the Strategy is terminated, and no replacement is selected with JPMS, Clients authorize JPMS and/or the Portfolio Manager to take steps when they deem appropriate to (i) close or cover any short positions, and (ii) reduce, satisfy, or eliminate any margin debit balance or other indebtedness in the Account. Depending on market conditions, this may result in realized gains and losses.

Recommendations of the Strategy for Particular Clients

In connection with opening an Account, clients complete a client profile that requests information about the client's financial situation, investment experience, investment objectives, time horizon and risk tolerance. JPMS identifies whether the Strategy is suitable for a client based on this information, but Clients are solely responsible for the selection of the Strategy. JPMS and JPMIM cannot ensure that the Strategy's investment objective will be met.

JPMIM Disclosure Documents and Performance

Clients will receive one or more JPMIM disclosure documents. Clients should review the disclosure documents carefully for important information about JPMIM, including risks associated with the Strategy. JPMIM is solely responsible for the truthfulness, completeness and accuracy of its own disclosure documents.

JPMS is not responsible for the performance of JPMIM or JPMIM's compliance with applicable laws and regulations or other matters within JPMIM's control. JPMIM is solely responsible for the management of the Account(s). JPMS will effect transactions for an Account only if and to the extent instructed by JPMIM. JPMS shall not be responsible for any act or omission of JPMIM or any misstatement or omission contained in any document prepared by or with the approval of JPMIM or any loss, liability, claim, damage or expense whatsoever, as incurred, arising out of or attributable to such misstatement or omission.

JPMIM is responsible for obtaining best execution. To learn more about JPMIM's trading and execution practices, refer to JPMIM's disclosure documents.

Affiliated Portfolio Managers and JPMS Conflicts of Interest

JPMIM is an affiliate of JPMS that acts as sub-adviser and portfolio manager of the Strategy.

JPMS has a conflict of interest in: (1) including JPMIM in the Strategy; (2) conducting, or having an affiliate research services provider conduct, initial and periodic reviews of JPMIM; and (3) identifying JPMIM to clients.

JPMS and its affiliates receive more total revenue than if the client were able to select an investment strategy of an unaffiliated portfolio manager. JPMS manages this conflict through disclosure to clients and by subjecting affiliated portfolio managers to a comprehensive review process.

Important Information About Your Investments and Potential Conflicts of Interest

JPMS has a conflict of interest in including JPMIM as the portfolio manager for the Strategy because JPMS and/or its affiliates and parent company will receive more overall compensation than if an unaffiliated portfolio manager were engaged to implement the Strategy. JPMS manages this conflict through disclosure to clients and by subjecting affiliated Portfolio Managers to a comprehensive review process.

USE OF J.P. MORGAN FUNDS AND INVESTMENT STRATEGIES AND POTENTIAL CONFLICTS OF INTEREST

Investment Principles 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 our clients' accounts to act in a way that benefits J.P. Morgan. Conflicts will result, for example (to the extent the following activities are permitted in a client's Account): (1) when J.P. Morgan invests in an investment product, such as a mutual fund, structured product, SMA, or hedge fund issued or managed by a J.P. Morgan affiliate, such as JPMIM; (2) when a J.P. Morgan entity obtains services, including trade execution and trade clearing, from a J.P. Morgan 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 Account. 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.

As a general matter, J.P. Morgan prefers J.P. Morgan managed strategies. J.P. Morgan 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. J.P. Morgan may allocate a significant portion of the assets in the Strategy to J.P. Morgan Funds. That portion varies depending on market or other conditions.

While J.P. Morgan's internally managed investment 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 the J.P. Morgan, it is important to note that J.P. Morgan receives more overall fees when internally managed investment strategies are included. In the Strategy J.P. Morgan offers the option of choosing to exclude J.P. Morgan managed strategies (other than cash and liquidity products) in certain portfolios.

Separately Managed Accounts

The Strategy could be potentially managed by a third-party manager. When JPMIM manages the Strategy, there is a benefit to J.P. Morgan since it increases the overall revenue of J.P. Morgan. Additionally, JPMIM may invest in products that may result in additional revenue to J.P. Morgan.

When JPMIM selects J.P. Morgan Funds for client Accounts, J.P. Morgan receives a fee for managing the J.P. Morgan Funds. As such, J.P. Morgan will receive more total revenue when cash in a client's Account is invested in J.P. Morgan Funds than if it was invested in third-party funds. JPMS and JPMIM address this conflict through disclosure to clients and through the investment process described in Item 6 herein. For important information about each J.P. Morgan Fund, including investment objectives, risks, charges and expenses, clients can read each fund's prospectus.

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 and its affiliates are the sponsor or manager of funds, including ETFs, that can be purchased for accounts. In such case, J.P. Morgan or its affiliates will receive a fee for managing such funds or for providing other services to such funds based on the value of the assets invested in the 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. When a retirement account can be invested in J.P. Morgan Funds, the retirement account will be credited an amount equal to the account's pro rata share of all such fees paid to J.P. Morgan or its affiliates in connection with the account's investments in J.P. Morgan 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 funds themselves, but that

ultimately are borne by the investor. These fees and expenses are in addition to any fees paid to JPMS. J.P. Morgan may receive administrative and servicing fees for providing services to both J.P. Morgan Funds and third-party funds that are held in a client's Account. Clients should review the applicable prospectuses for funds for more information about these fees and expenses. These payments may be made by sponsors of the funds (including affiliates of J.P. Morgan), or by the funds themselves, and may be based on the value of the funds in the client's Account. Funds or their sponsors may have other business relationships with J.P. Morgan outside of its portfolio management role or with its broker-dealer affiliates of J.P. Morgan, which may provide brokerage or other services that pay commissions, fees and other compensation.

Prospectus Delivery for Managed Accounts

A discretionary investment adviser can receive prospectuses and other issuer-related materials on behalf of a client for mutual funds and ETFs in a client's account with client authorization. JPMS and JPMIM, 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 not receive such prospectuses or issuer-related materials directly, but can access them via the issuer's website or request copies from the J.P. Morgan team 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.

RISKS ASSOCIATED WITH THE STRATEGIES

Set forth below are certain material risk factors that are associated with the Strategy. 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 Strategy, refer to the applicable Portfolio Manager's Form ADV Part 2A and/or any applicable prospectuses or other relevant disclosure documents.

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.

Long/Short Risks

Risks Related to Short Sales. Short selling occurs when an Account borrows a security from a lender, sells the security to a third party, reacquires the same security and returns it to the lender to close the transaction. The Account profits if the price of the borrowed security declines in value from the time the account sells it to the time the account reacquires it. Conversely, if the borrowed security has appreciated in value during this period, the Account will suffer a loss. The potential loss on a short sale is unlimited because the price of the borrowed security may rise indefinitely. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. To the extent an Account uses the proceeds it receives from a short position to take additional long positions, the risks associated with the short position, including leverage risks, may be heightened. Short selling also involves the risks of: increased leverage, and its accompanying potential for losses; the potential inability to reacquire a security in a timely manner, or at an acceptable price; the possibility of the lender terminating the loan at any time, forcing the account to close the transaction under unfavorable circumstances; the additional costs that may be incurred; and the potential loss of investment flexibility caused by the account's obligations to provide collateral to the lender and set aside assets to cover the open position.

The Strategy will require that JPMS, acting as broker dealer, execute a short sale of securities as directed by JPMIM. If a client chooses to participate in the Strategy, the client will appoint JPMS as their agent to complete all such transactions and the client will authorize JPMS to make advances and expend monies as required.

The client will be responsible for any cost or loss JPMS may incur in sourcing and maintaining the borrow, or the cost JPMS may incur in obtaining the securities if JPMS is unable to borrow such securities. These costs will impact the investment performance of the Strategy. In the event the Account maintains a short position over a record date for a dividend, voluntary or involuntary corporate action or other distribution in respect of such security, or maintains a short position in a security that is subject to an exchange or tender offer, JPMS will, on the relevant payment date, charge or debit the Account for money or property in an amount equal to the full amount of distribution, exchange or tender offer consideration applicable to the securities underlying such short position, without withholding or deducting any taxes. JPMS may source a borrow of securities from its own proprietary accounts or from customer margin shares. The Account is ultimately responsible for the delivery of securities on the settlement date, the consequences of a failure to deliver, the timely return of securities borrowed on the Account's behalf, all costs associated with such borrowings, and all charges relating to any corporate actions.

To the extent that JPMS effects a close-out transaction by buying-in shares as described above, it will allocate the shares so acquired to those of its clients maintaining short positions on a pro-rata basis. Such allocation methodology is subject to change at any time in JPMS's sole discretion based on individual facts and circumstances, provided that, in no case will any client who obtained a "locate" from JPMS for such shares be allocated more than its pro-rata shares of the buy-in.

If JPMS is responsible for settling a short sale on behalf of an Account, or if an Account fails to deliver any securities that were sold in a long sale, JPMS is authorized to borrow or obtain the securities necessary to enable JPMS to make delivery. The Account is responsible for any cost or loss JPMS may incur in sourcing and maintaining the borrow, or the cost JPMS may incur in obtaining the securities if JPMS is unable to borrow such securities. The Client appoints JPMS as their agent to complete all such transactions and authorizes JPMS to make advances and expend monies as are required.

Risks Related to Margin. The Strategy will involve the Account borrowing money from JPMS, as broker-dealer, through a margin account. The securities held in the JPMS brokerage account serve as collateral for the loan to the Account. If the securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and, as a result, JPMS will be required to take action, such as issue a margin call and/or instruct JPMIM to sell securities or other assets in the clients' accounts, in order to maintain the necessary level of equity in the Account. JPMS will act in its sole discretion when taking such action, and without the coordination or input of JPMIM. The actions taken by JPMS may have a significant and detrimental impact on the performance of the Strategy, including the recognition of significant capital gains within the Account. It is important that clients fully understand the risks involved in trading securities on margin. These risks include the following:

- The client can lose more funds than they deposit in the margin account. If the Account purchases securities on margin and the value of those securities declines, JPMS will require additional funds from the client and the client may be required to liquidate the securities that they purchased on margin or other securities or other assets in the Account in accordance with applicable regulations.

- JPMS can force the sale of securities or other assets in the Account. If the equity in the Account falls below the regulatory maintenance margin requirements, or JPMS's "house" requirements, JPMS can sell the securities or other assets in any of the clients' accounts, including Accounts related to the Strategy, to cover the margin deficiency. The client also will be responsible for any shortfall in the Account after such a sale.

- JPMS can sell the client's securities or other assets without contacting the client. Some investors mistakenly believe that a firm must contact them for a margin call to be valid and that the firm cannot liquidate securities or other assets in their accounts to meet a margin call unless the firm has contacted them first. This is not the case. JPMS may attempt to notify customers of margin calls, but is not required to do so. However, even if JPMS has contacted a client and provided a specific date by which the client can meet a margin call, JPMS can take steps to protect its financial interests, including immediately selling prior to such date without notice to the client.

- The client is not entitled to choose which securities or other assets in the margin account are liquidated or sold to meet a margin call. Because the securities are collateral for the margin loan, JPMS has the right to decide which security or other asset to sell in order to protect its interests. JPMS will act in its sole discretion when taking such action, and without the coordination or input of JPMIM. The actions taken by JPMS may have a significant and detrimental impact on the performance of the Strategy, including the recognition of significant capital gains within the Account.

- JPMS can increase its "house" maintenance margin requirements at any time and is not required to provide clients with advance written notice. These changes in firm policy often take effect immediately and may result in the issuance of a maintenance margin call. An Account's failure to satisfy the call may cause JPMS to liquidate or sell securities or other assets in the Account.

- Clients are not entitled to an extension of time on a margin call. While an extension of time to meet margin requirements may be available to clients under certain conditions, a client does not have a right to the extension.

The use of leverage in managing assets in the Strategy will increase the amount of fees and other expenses charged to the Account and will have the effect of increasing the value of the Account on which any fees are computed. Margin interest will also be charged to the Account.

Risks Related to Leverage. Leverage creates exposure to potential gains and losses in excess of the initial amount invested and may make an Account more volatile. When an Account uses leverage the sum of the Account's investment exposures may significantly exceed the amount of assets invested in the Account, although these exposures may vary over time. Relatively small market movements may result in large changes in the value of a leveraged investment. The use of leverage may require the liquidation of portfolio positions to satisfy the Account's obligations or to meet segregation requirements when it may not be advantageous to do so. The use of leverage can substantially increase the volatility of the Account's investments and the adverse impact to which the investment portfolio may be subject. A high degree of leverage necessarily entails a high degree of risk. In addition, the level of interest rates generally, and the rates at which the Account can borrow in particular, can affect the operating results of the Account. The Account will incur expenses, which may include interest charges and commitment fees, in connection with any leverage that it utilizes, which could be significant. JPMS may require the Account to reduce its leverage ratio by requiring the liquidation of assets when it otherwise would not have done so. There can be no assurance that financing will be available at any time, on terms available to any other account or to other customers, or on terms favorable to the Account. A client may not be able to liquidate assets quickly enough to repay the Account's borrowings, which could increase the losses incurred by the Account. JPMS has the right under certain circumstances to cause the sale of assets held in the Account at times that may be inopportune from a pricing standpoint.

Tax Risks

This document is not intended to provide, and should not be relied upon for, accounting, legal, tax or investment advice or recommendations. The information contained herein does not take into account the particular investment objective or financial or other circumstances of any individual existing or prospective client. This material may contain certain assumptions regarding your tax status which may not be applicable to you.

You should fully review and discuss the Strategy with your independent tax advisor to understand the particular nuances and consequences associated with your overall particular tax objectives and financial picture before entering into the Strategy. You should also speak with your own tax advisor regarding the proper treatment of transactions in the Account.

Risks of UBTI. Investments in long/short strategies may give rise to unrelated business taxable income (**UBTI**) when held by tax-exempt investors, including retirement accounts. UBTI may be generated, among other reasons, as a result of the use of leverage, margin borrowing, short sales, or certain derivative transactions.

Risks Related to Tax-Managed Investment Objectives. Like any investment strategy designed to generate pre-tax returns, tax-managed investment strategies are subject to the risk of pre-tax returns meaningfully underperforming expectations. Potential tax benefits are impacted by the client's overall portfolio, including whether realized capital losses generated by the Strategy can be fully applied against capital gains and whether the client has sufficient short-term capital gain to offset any short-term capital losses generated by the Strategy. Potential tax benefits may diminish over time.

The Strategy will manage toward a pre-tax investment strategy and at the same time will pursue tax-related objectives that involve an emphasis on triggering the realization of capital losses (generally short-term capital losses), and deferring recognition of capital gains, for purposes of benefitting U.S. taxable clients. Market conditions may limit the Strategy's ability to generate tax losses or defer recognition of capital gains, and JPMIM's ability to utilize various tax-management techniques may be curtailed or eliminated in the future by tax legislation, regulation or interpretations, each of which may have retroactive effect. In addition, it is possible that the IRS could assert various anti-abuse doctrines so as to disallow the tax benefits associated with the Strategy. Although JPMS and JPMIM do not believe that any such anti-abuse doctrines should apply to the tax benefits associated with the Strategy, no assurances can be provided in this regard and clients should consult their tax advisor. In addition, transactions that generate significant tax losses may in certain circumstances be subject to reportable-transaction disclosure requirements. Clients are responsible, in consultation with their own tax advisors, for determining whether any such reporting obligation applies to them.

Long/short strategies generally defer capital gains rather than eliminating them. While losses can offset current gains, such strategy may result in lower cost bases for underlying securities, leading to significant capital gains upon future liquidation. Abruptly closing the strategy (moving from long/short back to long-only) can trigger substantial, immediate tax liabilities.

The Internal Revenue Code of 1986, as amended (the **Code**), allows capital losses to be carried forward indefinitely. The cost basis of a portfolio of securities, such as the Strategy, which has been managed so as to trigger capital losses will have a reduced aggregate tax basis, thereby creating a contingent tax liability in respect of the unrealized gains in the portfolio.

If the Account is liquidated, the client will pay taxes on the realized gains upon liquidation. If a client donates their portfolio to charity or bequeaths it to their heirs upon death, the portfolio will generally not be subject to tax on the unrealized gains associated with the long positions in their portfolio (under current law). However, short positions cannot be gifted and the treatment of unrealized gains on short positions upon bequest on the client's death is subject to significant uncertainty and the client is urged to consult their own tax advisor on this matter. Gain or loss realized on closing a short position is generally short-term capital gain or loss, unless substantially identical property has been held for more than one year prior to entering into the short sale, in which case special holding-period and character rules under Section 1233 of the Code may apply.

As a result of the Strategy's tax objectives, the performance of the Strategy may deviate materially from that of other investment vehicles with objectives that do not pursue such tax-related objectives. The Strategy may not provide as high a pre-tax return as it would otherwise if it were pursuing its investment objectives without consideration of tax-related objectives.

There is no guarantee that any client will achieve the desired tax benefits of the Strategy or that any legal or regulatory authority will respect the tax benefits. You should speak with your own tax advisor regarding the proper treatment of transactions in the Account. In the event that such tax benefits are not achieved, a client could be subject to materially higher tax liabilities. For example, JPMIM intends to generally operate the Strategy so as not to cause the straddle rules, constructive sale rules or wash sale rules (each as more fully described below) to apply to investments within the Strategy; however, no assurances can be provided in this regard and JPMIM may in certain instances operate the Strategy in a manner that will cause such rules to apply if JPMIM believes it would be beneficial for the client. Additionally, in the event of an unfavorable determination on a tax audit, a client may be subject to additional taxation (including interest and penalties thereon) on a current or retroactive basis and may have tax consequences that differ materially from those initially reported to the client by us on an IRS Form 1099 or other client tax reporting.

In addition, the extent of any such tax benefits, even if achieved by the Strategy, could vary depending upon a client's investments outside of the Strategy. For instance, the tax benefits of capital losses generated from the Strategy will be eliminated to the extent the client does not have sufficient capital gains from other investments outside of the Strategy or reduced to the extent that the client does not have sufficient short-term capital gains from other investments outside the Strategy to offset short-term capital losses that are recognized under the Strategy.

The Strategy's ability to utilize various tax-management techniques may be reduced or eliminated in the future by tax legislation or regulation, each of which may have retroactive effect. In addition, tax rates may change over time, including in a manner that impacts the Strategy's tax-related objectives.

Tax Risks Related to Other Positions Held by the Client. The following section addresses certain adverse tax consequences which can arise as a result of investments held by clients outside of the Strategy, whether or not held through accounts managed by JPMS or its affiliates. Such adverse tax consequences could in some circumstances exceed the tax benefits of the Strategy.

Tax Straddles. Certain adverse tax consequences can apply when a taxpayer or a related party holds "offsetting positions" (e.g., a stock and an offsetting option) that substantially diminish the risk of loss from holding one position by reason of holding one or more other positions, which is known as a straddle. In general, straddles are subject to certain rules that may affect the amount, character and timing of a client's gains and losses with respect to straddle positions by requiring, among other things, that: (1) any loss realized on disposition of one position of a straddle may not be recognized to the extent that the client has unrealized gains with respect to the other position in such straddle; (2) the client's holding period in straddle positions be suspended while the straddle exists (possibly resulting in a gain being treated as short-term capital gain rather than long-term capital gain); (3) the losses recognized with respect to certain straddle positions be treated as 60% long-term and 40% short-term capital loss; (4) losses recognized with respect to certain straddle positions that would otherwise constitute short-term capital losses be treated as long-term capital losses; and (5) the deduction of interest and carrying charges attributable to certain straddle positions may be deferred.

Under certain circumstances, positions in the Strategy may create a straddle with other positions held outside the Strategy (including positions held by certain related parties or through partnerships in which a client holds an interest) or positions held outside of JPMS. For example, a straddle will arise if the Strategy holds a short position in respect of a stock and the client elsewhere (either directly or through certain related parties or a partnership) holds such stock. Conversely, a straddle will arise if the Strategy holds a stock and the client elsewhere (either directly or through a partnership) holds a short position in such stock.

If a straddle exists, losses realized on one end of the straddle—whether held inside or outside the Strategy—may be deferred to the extent of an unrecognized gain in the offsetting position. This could apply even if the client did not intend to engage in coordinated transactions. The tax rules governing straddles are not limited to positions held in a single account, and offsetting positions held across multiple accounts, including accounts managed independently, can be treated as part of a straddle for tax purposes. In addition to deferral of losses, the holding period of a position that is part of a straddle is generally tolled while the straddle exists, which may prevent the investor from achieving long-term capital gain treatment on a position that would otherwise qualify for such treatment. Furthermore, any interest expense incurred to carry a position that is part of a straddle must generally be capitalized rather than deducted currently. This means that the benefit of such interest deductions is deferred until the associated position is disposed of and may be subject to further limitations.

Taxpayers are permitted to identify the offsetting positions that compose a straddle at the time they enter into the position that creates a straddle. Clients seeking to make this identification should identify shares before the close of the day on which the straddle is entered into. When the identification is made, the general loss deferral rules do not apply and the loss is capitalized into the basis of the identified offsetting position(s) proportionately. These rules are particularly important when a client has hedged only a portion of his or her position in a particular asset (e.g., owning 1,000 XYZ shares and buying puts on 100 of those shares). If no identification is made, there is a risk the loss could be deferred until the entire position is disposed of. Since clients will not have advance notice of positions being entered into as part of the Strategy, clients may not have sufficient information to make a timely straddle identification.

Constructive Sales. In addition to the straddle rules, a client may be treated as recognizing a gain (but not a loss) if they enter into a constructive sale. A constructive sale of an appreciated financial position occurs when a client enters into certain offsetting transactions with respect to the same or substantially identical property, including, but not limited to: (i) a short sale; (ii) an offsetting notional principal contract; (iii) a futures or forward contract; or (iv) other transactions identified in future Treasury regulations. The character of the gain from constructive sales will depend upon the client's holding period in the appreciated financial position. Losses realized from a sale of a position that were previously the subject of a constructive sale will be recognized when the position is subsequently disposed of. The character of such losses will depend upon the client's holding period in the position beginning with the date the constructive sale was deemed to have occurred and the application of various loss deferral provisions in the Code.

For example, if the Strategy holds an appreciated long position and the client enters into an offsetting short position outside the Strategy—or vice versa—the long position may be treated as constructively sold, triggering immediate gain recognition for tax purposes. These rules do not require a formal sale and can apply to synthetic positions, derivatives, or any transaction that substantially eliminates both the risk of loss and opportunity for gain on the underlying appreciated position. The rules apply regardless of which account the positions are held in, and even if the positions are managed independently.

It is the responsibility of the client and their independent tax advisor to identify tax considerations with respect to a client's portfolio, and to request from JPMS reasonable restrictions or customizations on the management of a Managed Account to mitigate inadvertent constructive sale and other tax risks within the Managed Account, subject to JPMS's and JPMIM's acceptance and/or the Strategy's parameters.

Wash Sales. Selling a security at a loss and replacing it with a "substantially identical" security within 30 days can disallow the loss. Specifically, under the wash sale rules, (i) a loss from the sale of shares of stock or securities is disallowed if the taxpayer acquires, or enters into a contract or option to

acquire, "substantially identical" stock or securities within 30 days before or after the sale, and (ii) a loss from the closing of a short sale is disallowed if the taxpayer enters into a short position or option to sell "substantially identical" stock or securities within 30 days before or after the closing of the short sale. In that case, the loss on the sale is disallowed and is instead added to the basis of the replacement security. These rules can be triggered by transactions across different accounts under the taxpayer's control and possibly as a result of transactions made by a partnership in which the client is a partner. For example, if the Strategy sells shares at a loss, and the client purchases the same shares or a substantially identical security in a separate personal or retirement account within the 30 days before or after the sale by the Strategy, the loss recognized by the client under the Strategy would generally be disallowed under the wash sale rules. Likewise, if the client sells a share at a loss in their personal account, and the Strategy purchases the same share or a substantially identical security within the 30 days before or after the sale, that loss could also be disallowed—even if the accounts are managed independently. The rules apply to both long and short positions. For example, if the Strategy closes a short sale at a loss and the client enters into a new short position in the same shares within the wash sale window, the loss on the initial short sale may be deferred.

Qualified Dividends. Holding offsetting positions across accounts may affect whether dividends qualify for the preferential tax rate on qualified dividend income. For individuals to receive preferential tax rates on dividends, a stock must be held for more than 60 days during a specific 121-day window. Clients who hold a short position in the same or similar stock directly or in a related account during this period can cause the dividend to fail to be qualified, causing it to be taxed at higher ordinary income rates. A dividend received on a share of stock is eligible for the preferential tax rate only if the taxpayer satisfies a minimum holding period—generally more than 60 days during the 121-day period beginning 60 days before the ex-dividend date. However, if a client holds a short position in the same stock or in substantially similar or related property during the relevant holding period, the dividend may be disqualified. For example, if a client holds shares of stock outside the Strategy and the Strategy establishes a short position in the same stock, that short position may negate the client's ability to count the holding period for the shares, thereby causing dividends received on the shares to be taxed at ordinary income rates.

In addition, payments in lieu of a dividend that a client may receive with respect to a shorted stock are generally not considered qualified dividends and may be treated as ordinary income expenses. If the client holds a short position in respect of a stock outside the Strategy and the Strategy holds shares of the same stock or substantially similar or related property, the client may not be able to treat dividends received on such shares as qualified dividends.

Limitation on Deductibility of Investment Interest. The Strategy uses margin leverage, and clients will incur margin interest and financing costs. For non-corporate clients, margin interest and other financing costs treated as "investment interest" are deductible only to the extent of the client's net investment income for the year. Interest not deductible in the current year generally may be carried forward to future years, but there can be no assurance that it will be deductible in any future year. In addition, certain carrying charges may be required to be capitalized where the straddle rules apply, as described above. Clients should consult their own tax advisors regarding the deductibility of margin interest and financing costs.

Limitation on Deductibility of Advisory Fees and Other Expenses. The deductibility of the Advisory Fee, the Portfolio Manager Fee, and certain other investment expenses associated with a Managed Account may be subject to significant limitations, or may be entirely unavailable, under applicable law. Under current law, miscellaneous itemized deductions, including certain investment expenses, are not deductible by individuals for federal income tax purposes. No assurance can be given that current or future law will permit the deduction of such expenses. Clients should consult their own tax advisors.

Incomplete Information. JPMIM will generally only consider positions and transactions in a client's Account on a standalone basis when executing the Strategy. Data used for portfolio management may be incomplete, will be limited to information regarding the Account, and will not include information regarding positions held or transactions executed outside of the Account, including other accounts managed by JPMS or its affiliates. Accordingly, we cannot guarantee that adverse tax implications across a client's full portfolio will be identified or avoided. Trading activity in a client's Account, including short sales, can result in wash sales, straddles and constructive sales across other accounts that are deemed to be related under the relevant tax rules and regulations ("related accounts"). In addition, JPMIM may be unable to avoid wash sales, straddles and constructive sales in certain circumstances given uncertainty around the "substantially identical" standard. JPMIM will execute the Strategy without regard to the likelihood of wash sales, straddles and constructive sales resulting from trades executed in the Account and related accounts managed by JPMIM, JPMS and their affiliates.

Our reporting to you may not identify all transactions that could be viewed as wash sales. In addition, there is no broker tax reporting of straddles or constructive sales. It is the responsibility of a client's independent tax advisor to identify wash sales, straddles and constructive sales with respect to the client's portfolio. **Clients are strongly urged to discuss the tax implications of any transactions, including any potential straddles, wash sales, and constructive sales with their independent tax advisor.** The use of short positions while investing in stocks in other accounts or related accounts substantially increases the complexity of accurate tax return preparation. Clients may incur significant costs engaging a sophisticated tax advisor, tax return preparer and necessary software to identify constructive sales and straddles, and to keep track of tax basis as adjusted for these rules.

The foregoing briefly summarizes some of the important U.S. federal income tax consequences as of the date of these materials, but it does not address all special tax rules applicable to certain types of clients. Unless otherwise noted, this discussion assumes that the client is a U.S. person within the meaning of the Code. This discussion is based upon current provisions of the Code, the regulations promulgated thereunder and judicial and administrative ruling authorities, all of which are subject to change or differing interpretations by the courts or the IRS retroactively or prospectively. Clients should consult their tax advisors regarding other U.S. federal, state and local and non-U.S. tax considerations that may be applicable in their particular circumstances, as well as any proposed tax law changes.

This information is being provided merely to provide a framework to assist in the implementation of the client's own analysis and own view on the topic discussed herein. The information generated is hypothetical in nature, does not reflect actual investment results, and is not a guarantee of future results. There is no guarantee, express or implied, that the methods described herein will be successful.

Investment Risks

Availability of Investment Strategies. The success of the Strategy's investment and trading activities will depend on JPMIM's ability to identify overvalued and undervalued investment opportunities and inefficiencies in the mid and large capitalization equity securities market. Identification and exploitation of the investment strategies to be pursued by the Strategy involves a high degree of uncertainty. No assurance can be given that JPMIM will be able to identify suitable investment opportunities in which to deploy all of the Strategy's capital. A reduction in overall market volatility and liquidity, as well as other market factors, may reduce the pool of profitable investment strategies for the Strategy.

Certain of the investment strategies employed by the Strategy are based on historical relationships among equity prices, exchange rates, option adjusted spreads, and the performance of various market segments and sectors. There can be no assurance that these historical relationships will continue and no representation is made by JPMS or JPMIM as to what results any Strategy will or is likely to achieve based on these trends and relationships.

Concentration Risk. JPMIM intends to invest primarily in publicly-traded mid and large capitalization equity securities and derivative instruments related thereto. This exclusive focus may constrain the liquidity and the number of issues available for investment by the Strategy. In addition, the Strategy's investments are disproportionately exposed to risks associated with these securities. For example, changes in (i) the frequency and amount of issuance of such securities, (ii) state and federal fiscal policy, (iii) the regulatory environment, including the policies or personnel of the U.S. Securities and Exchange Commission, and/or the U.S. Department of Justice, (iv) the political climate and (v) GAAP accounting policies, in each case, could disproportionately affect the Strategy.

Model Risks. The Strategy can include the use of various proprietary quantitative or investment models. Investments selected using models may perform differently than expected as a result of changes from the factors' historical – and predicted future – trends, and technical issues in the implementation of the models, including, for example, issues with data feeds. There can be no assurance that the models are currently viable, or, if the models are currently viable, that they will remain viable during the term of any Strategy. Also, there can be no assurance that the investment professionals utilizing the models will be able to (i) determine that any model is or will become not viable, or not completely viable, or (ii) notice, predict or adequately react to any change in the viability of a model. The use of a model that is not viable or not completely viable could, at any time, have a material adverse effect on the performance of the Strategy. Moreover, the effectiveness of a model may diminish over time, including as a result of changes in the market and/or changes in the behavior of other market participants. A model's return mapping is based partially on historical data regarding particular economic factors and securities prices. The operation of a model, similar to other fundamental, active investment processes, may result in negative performance, including returns that deviate materially from historical performance, both actual and pro-forma. For a model-driven investment process - and again similar to other, fundamental, and active investment processes, there is no guarantee that the use of models will result in effective investment outcomes for clients. Additionally, client accounts with lower asset levels can experience some dispersion from the established models.

Investment and Trading Risks. An investment in the Strategy involves a high degree of risk, including the risk that the entire amount invested may be lost. The Strategy will invest in and actively trade securities and other financial instruments using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of the global equity and currency markets and the risks of short sales, the potential illiquidity of derivative instruments, the risk of loss from counterparty defaults and the risk of borrowing to meet Withdrawal requests. No guarantee is made that any of the Strategy's investments or overall portfolio, or various investment strategies used or investments made will have low correlation with each other or with any market. The Strategy may use such investment techniques as option transactions, short sales, forward contracts, swaps, and swaptions, which practices involve substantial volatility and can, in certain circumstances, substantially increase the adverse impact to which the Strategy may be subject. All investments made by the Strategy risk the loss of capital. No guarantee or representation is made that the Strategy will be successful, that the Strategy will achieve its targeted returns or volatility or that there will be any return of capital invested, and investment results may vary substantially over time.

Market Conditions. The strategies of the Strategy rely, in part, upon general economic forces that are outside the control of JPMIM. No assurance can be given that businesses and assets can be acquired or disposed of at favorable prices or that the market for such assets will remain stable or, as applicable, recover or improve, since this will depend, in part, upon events and factors outside of the control of the sub-adviser. Recent market events and others signal unprecedented uncertainty in the financial markets and the Strategy may be subject to market risks which the sub-adviser is not able to plan for or mitigate.

Diversification Risk. The Strategy may, at the discretion of the sub-adviser, but is not expected to, invest in a limited number of investments. A consequence of the limited number of investments is that the aggregate returns realized by the Strategy may be substantially adversely affected by the unfavorable performance of a small number of such investments.

Highly Volatile Markets. The prices of the Strategy's investments can be highly volatile. Price movements of futures in which the Strategy's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies.

Lack of Liquidity in Markets. Despite the heavy volume of trading in securities and other financial instruments, the markets for some securities and instruments have limited liquidity and depth. This limited liquidity and lack of depth could be a disadvantage to the Strategy, both in the realization of the prices which are quoted and in the execution of orders at desired prices.

Country Risk. While JPMIM intends to only invest in securities listed on a U.S. stock exchange, some such securities may be issued by non-U.S. companies. Investments in securities of issuers of different nations and denominated in different currencies involve particular risks. Such risks include changes in relative currency exchange rates, political and economic developments, the imposition of exchange controls, confiscation and other governmental restrictions. Investments in emerging markets and countries will also involve greater risks than investments in more developed countries. Investment in securities of issuers located in different countries offers potential benefits not available from investments solely in the securities of issuers located in a single country, but also involves certain significant risks that are not typically associated with investing in the securities of issuers located in a single country.

With respect to certain countries, there is a possibility of expropriation, confiscatory taxation, imposition of withholding and/or other taxes on dividends, interest, capital gains or other income, limitations on the removal of funds or other assets of the Strategy, political or social instability or diplomatic developments that may affect investments in those countries. An issuer of securities may be domiciled in a country other than the country in whose currency such securities are denominated.

Convertible Securities Risk. A convertible security generally entitles the holder to receive interest paid or accrued on debt securities or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible securities generally have characteristics similar to both debt and equity securities. The value of convertible securities tends to decline as interest rates rise and, because of the conversion feature, tends to vary with fluctuations in the market value of the underlying securities. Convertible securities are usually subordinated to comparable nonconvertible securities. Convertible securities generally do not participate directly in any dividend increases or decreases of the underlying securities, although the market prices of convertible securities may be affected by any dividend changes or other changes in the underlying securities.

Securities Believed to be Undervalued or Incorrectly Valued. Securities which JPMIM believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame the sub-adviser anticipates. As a result, the Strategy may lose all or substantially all of its investment in any particular instance.

GENERAL RISKS

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 the 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, pandemics or endemics.

Infectious Disease Risk. The effects of any future pandemic or other global events to business and market conditions may have a significant negative impact on the performance of the Strategy's investments; increase volatility; exacerbate pre-existing political, social, and economic risks to Strategy investments; and negatively impact broad segments of businesses and populations. In addition, governments, their regulatory agencies or self-regulatory organizations, have taken or may take actions in response to a pandemic or other global events that affect the instruments in which the Strategy invests, or the issuers of such instruments, in ways that could have a significant negative impact on the Strategy's investment performance. The ultimate impact of any pandemic or other global events and the extent to which the associated conditions and governmental responses impact the Strategy's investments will also depend on future developments, which are highly uncertain, difficult to accurately predict and subject to frequent changes.

Regulatory Risk. There have been legislative, tax, and regulatory changes and proposed changes that may apply to the activities of JPMS that may require legal, tax and regulatory changes, including requirements to provide additional information pertaining to a client Account to the Internal Revenue Service (**IRS**) or other taxing authorities. Regulatory changes and restrictions imposed by regulators, self-regulatory organizations and exchanges vary from country to country and may affect the value of client investments and their ability to pursue their investment strategies. Any such rules, regulations and other changes, and any uncertainty in respect of their implementation, may result in increased costs, reduced profit margins, and reduced investment and trading opportunities, all of which would negatively impact performance.

Short sales effected in an Account can affect a Client's ability to purchase securities in public offerings of equity securities in other accounts, and transactions in those secondary offerings during the up to five business day restricted period could lead to a violation of Rule 105 of SEC Regulation M (17 CFR § 242.105).

Key Personnel Risk. If one or more key individuals become unavailable, including any of the portfolio managers of the Strategy, who are important to the management of the portfolio's assets, the portfolio could suffer material adverse effects, including substantial share redemptions that could require the portfolio to sell portfolio securities at times when markets are not favorable.

Risks Associated with the Use of Artificial Intelligence (AI) Tools. J.P. Morgan relies on programs and systems that utilize AI, machine learning, probabilistic modeling and other data science technologies (**AI Tools**). AI Tools are highly complex and may be flawed, hallucinate, reflect biases included in the data on which such tools are trained, be of poor quality, or be otherwise harmful. J.P. Morgan typically incorporates human oversight to reduce the risk of acting on potentially defective outputs. AI Tools present Data Sources Risk, Cybersecurity Risk and Model Risk (as further described below). The U.S. and global legal and regulatory environment relating to the use of AI Tools is uncertain and rapidly evolving, and could require changes in J.P. Morgan's implementation of AI Tools and increase compliance costs and the risk of non-compliance. Further, J.P. Morgan uses AI Tools developed by third parties, and J.P. Morgan may have limited visibility over the accuracy and completeness of such AI Tools.

Data Sources Risk. Although J.P. Morgan obtains data, including alternative 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 has controls for certain data that, among other things, consider the representations of such third parties with regard to the provision of the data to J.P. Morgan in compliance with applicable laws. J.P. Morgan does not make any express or implied warranties of any kind with respect to such third-party data. J.P. Morgan shall not have any liability for any errors or omissions in connection with any data provided by third-party sources.

AI Tools often use data feeds from a number of sources. If those data feeds or formats become corrupted, compromised, or discontinued in any material manner, or become undeliverable or inaccessible in a timely manner, the tool will be unable to properly function or their operation may be adversely impacted. The tools' ability to use the data may also be adversely impacted by any change in the format of data delivered or acquired by the tool. The timeliness and quality of a third party's data may be compromised for a variety of reasons, some of which are outside of the control of J.P. Morgan and the third-party data provider. A tool's ability to process data may also be adversely affected if J.P. Morgan experiences any disruptions to its computing resources or network connections, including disruption of cloud-based computing resources.

Cybersecurity 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 cybersecurity, 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, including, but not limited to, AI Tools and cloud-based computing resources relating to the operations of J.P. Morgan and its service providers. Cybersecurity risks can 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 cybersecurity 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 cybersecurity, there is no guarantee that those measures will be effective, particularly since J.P. Morgan does not directly control the cybersecurity defenses or plans of its service providers, financial intermediaries and companies in which they invest or with which they do business. Use of AI Tools may lead to increased risks of cyberattacks or data breaches and the ability to launch more automated, targeted and coordinated attacks due to the vulnerability of AI technology to cybersecurity threats.

LIBOR Discontinuance Risk. The London Interbank Offered Rate (**LIBOR**) was intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. After the global financial crisis, regulators globally determined that existing interest rate benchmarks should be reformed based on a number of factors, including that LIBOR and other interbank offering rates (**IBORs**) are no longer representative of the underlying markets. New or alternative reference rates have since been used in place of LIBOR. Replacement rates that have been identified include the Secured Overnight Financing Rate (**SOFR**, which is intended to replace U.S. dollar LIBOR and measures the cost of U.S dollar overnight borrowings collateralized by treasuries) and the Sterling Overnight Index Average rate (**SONIA**, which is intended to replace pound sterling LIBOR and measures the overnight interest rate paid by banks in the sterling market). Markets are slowly developing in response to these new rates. As a result of the benchmark reforms, publication of all LIBOR settings has ceased, and the Adviser and the funds and accounts it manages have generally transitioned to successor or alternative reference rates as necessary. Although the transition process away from IBORs for most instruments has been completed, there is no assurance that 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 which may affect the value, volatility, liquidity, or return on certain of a fund's or other client Account's loans, notes, derivatives, and other instruments or investments comprising some or all of a fund's or other client Account's portfolio and result in costs incurred in connection with changing reference rates used for positions, closing out positions and entering into new trades. The transition from LIBOR to alternative reference rates may result in operational issues for a fund or a client account or their investments. Moreover, certain aspects of the transition from IBORs will rely on the actions of third-party market participants, such as clearing houses, trustees, administrative agents, asset servicers and certain service providers; no assurances can be given as to the impact of the transition away from LIBOR on a fund or other client Account or their investments. These risks may also apply with respect to changes in connection with other IBORs (e.g., Euribor) and a wide range of other index levels, rates and values that are treated as "benchmarks" and are the subject of recent regulatory reform.

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, J.P. Morgan 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.

REITs Risk. The value of real estate securities in general, and REITs in particular, is subject to similar risks as direct investments in real estate and mortgages, and their value will be influenced by many factors including the value of the underlying properties or the underlying loans or interests. The underlying loans may be subject to the risks of default or of prepayments that occur later or earlier than expected and such loans may also include so-called "subprime" mortgages. The value of these securities will rise and fall in response to many factors, including economic conditions, the demand for rental property, interest rates and, with respect to REITs, the management skill and creditworthiness of the issuer. In particular, the value of these securities may decline when interest rates rise and will also be affected by the real estate market and by the management of the underlying properties. There is no public trading market for private or public non-traded REITs; therefore, such REITs may be more volatile and/or more illiquid than publicly traded REITs and other types of equity securities.

Exchange-Traded Funds and Index Mutual Funds. ETFs and index mutual funds are marketable securities that are interests in registered funds and are designed to track, before fees and expenses, the performance or returns of a relevant basket of assets, usually an underlying index. The index may be published or calculated by affiliates of JPMS or JPMIM. Unlike mutual funds, 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 ETFs and index mutual funds. Physically replicated ETFs and index mutual funds buy all or a representative portion of the underlying securities in the index that they track. In contrast, some 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 ETFs, including, but not limited to:

- *Variance from benchmark index.* ETF and index mutual fund performance may differ from the performance of the applicable index for a variety of reasons. For example, 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 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 risk.* Passive investing differs from active investing in that ETF and index mutual fund 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.

- *Secondary market risk.* ETF shares are bought and sold in the secondary market at market prices. Although ETFs are required to calculate their 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 would vary substantially from the NAV per share of such ETF, and the client may incur significant losses from the sale of ETF shares.

- *Tracking the index.* Certain strategies track financial indices in which J.P. Morgan retains various intellectual property rights. As a result, J.P. Morgan may be entitled to receive index licensing fees from unaffiliated licensees of these indices. J.P. Morgan affiliates may develop or own and operate stock market and other indices based on investment and trading strategies developed by such affiliates. J.P. Morgan affiliates may also assist unaffiliated entities in creating indices that are tracked by certain ETFs or certain client accounts. Some of the ETFs advised by J.P. Morgan affiliates (**J.P. Morgan ETFs**) seek to track the performance of certain of these indices. In addition, J.P. Morgan may manage client accounts which track the same indices used by the J.P. Morgan ETFs or which may be based on the same, or substantially similar, strategies that are used in the operation of the indices and the J.P. Morgan ETFs. The operation of the indices, the J.P. Morgan ETFs and client accounts in this manner may give rise to potential conflicts of interest. For example, client accounts that track the same indices used by the J.P. Morgan ETFs may engage in purchases and sales of securities relating to index changes to a time different to the implementation of index updates or J.P. Morgan ETFs engaging in similar transactions because the client accounts may be managed and rebalanced on an ongoing basis, whereas the J.P. Morgan ETFs' portfolios are only rebalanced on a periodic basis corresponding with the rebalancing of an index. These differences may result in the client accounts having more or less favorable performance relative to that of the index and the J.P. Morgan ETFs or other client accounts that track the index. Furthermore, J.P. Morgan may, from time to time, manage client accounts that invest in these J.P. Morgan ETFs. Other potential conflicts include the potential for unauthorized access to index information, allowing index changes that benefit J.P. Morgan or other client accounts and not the investors

in the ETFs and index mutual funds. J.P. Morgan has established certain information barriers and other policies to address the sharing of information between different businesses within J.P. Morgan, including with respect to personnel responsible for coordinating the development and governance of the indices and those involved in decision-making for the ETFs and index mutual funds.

Risks That Apply Primarily to ESG/Sustainable Investing Strategies

Investment approaches that incorporate **ESG** considerations or sustainable investing can include additional risks. ESG or sustainable investing strategies (together, **ESG Strategies**), including SMAs, mutual funds and ETFs, can limit the types and number of investment opportunities and, as a result, could underperform other strategies that do not have an ESG or sustainable focus. Certain strategies focusing on a particular theme or sector can be more concentrated in particular industries that share common characteristics and are often subject to similar business risks and regulatory burdens. Because investing on the basis of ESG/sustainability criteria can involve qualitative and subjective analysis, there can be no assurance that the methodology utilized by or determinations made by, J.P. Morgan, or an investment manager or investment adviser selected by J.P. Morgan, will align with the beliefs or values of the client. Additionally, other investment managers and investment advisers can have a different approach to ESG or sustainable investing and can offer ESG Strategies that differ from the ESG Strategies offered by J.P. Morgan with respect to the same theme or topic. In addition to the ESG Strategies, J.P. Morgan also offers investment products that utilize ESG criteria in developing the product while seeking to maximize financial return.

When evaluating investments, an investment manager or investment adviser is dependent upon information and data that might be incomplete, inaccurate or unavailable, which could cause the manager/adviser to incorrectly assess an investment's ESG or sustainable attributes. In making investment decisions, J.P. Morgan uses data and information, including, but not limited to, industry classifications, industry grouping, ratings, scores and issuer screening provided by third-party data providers or by a J.P. Morgan affiliated service provider. J.P. Morgan does not review, guarantee or validate any third-party data, ratings, screenings or processes. Such data and information will not have been validated by J.P. Morgan and can therefore be incomplete or erroneous.

ESG and sustainable investing are not uniformly defined concepts, and scores or ratings may vary across data providers that use similar or different screens based on their process for evaluating ESG characteristics. Investments identified by J.P. Morgan as demonstrating positive ESG characteristics might not be the same companies identified by other investment managers in the market that use similar ESG screens or methodologies. In addition, investments identified as demonstrating positive ESG characteristics at a particular point in time might not exhibit positive or favorable ESG characteristics across all relevant metrics or methodologies or on an ongoing basis. ESG or sustainable investing practices differ by asset class, country, region and industry and are constantly evolving. As a result, a company's ESG or sustainability-related practices and the Advisor's assessment of such practices could change over time.

J.P. Morgan takes a global approach to ESG and sustainable investing, and the solutions offered through our sustainable investing platform meet our internally developed criteria for inclusion in our sustainable investing platform and, where applicable, take into account ESG or sustainable investing regulations. As part of the due diligence process, the manager solutions team of J.P. Morgan applies an eligibility framework that establishes minimum criteria for determining the universe of funds and strategies to be considered for inclusion in the ESG Strategies offered to our clients.

The evolving nature of sustainable finance regulations and the development of jurisdiction-specific legislation setting out the regulatory criteria for a "sustainable investment" or "ESG" investment mean that there is likely to be a difference in the regulatory meaning of such terms. This is already the case in the European Union where, for example, under the Sustainable Finance Disclosure Regulation (**EU**) (2019/2088) (**SFDR**), certain criteria must be satisfied in order for an investment to be classified as a "sustainable investment." Unless otherwise specified and where permitted by applicable law, any references to "sustainable investing" or "ESG" in this material are intended as references to our internally developed criteria only and not to any jurisdiction-specific regulatory definition.

Category Restrictions and Exclusions Risks

Restrictions and exclusions can affect the investment manager's ability to make investments or take advantage of opportunities that may be available to clients that do not choose similar restrictions and, as a result, investment performance could suffer. In order to implement category restrictions, JPMS or JPMIM may rely on information about a company, industry classification, industry grouping and/or issuer screening provided by J.P. Morgan, an affiliate service provider or a third party.

Category restrictions aim to screen companies that engage in certain behaviors or earn revenue derived from a restricted category; however, they do not exclude all companies with any tie or revenue derived from such restricted category. If a client holds an investment that is perceived to belong to the restricted category, such security will be sold and could result in a taxable event for the client.

Third-party managers or programs may apply category restrictions differently than J.P. Morgan or its affiliates and use different data, data providers and methodologies; therefore, the selection of restricted securities and the number of restricted securities may differ in the same category. Category restrictions require assumptions, opinions and the subjective judgement of a data provider that might not reflect J.P. Morgan's views or values and/or the views or values of the client. Further, use of a particular data source from an organization does not mean that J.P. Morgan endorses all the activities of that organization. Additionally, data providers will have conflicts of interest when receiving compensation from or providing services to companies that use or obtain their ratings. JPMS and its affiliates do not review, guarantee or validate any third-party data, ratings, screenings or processes. Moreover, issuer screenings and processes to implement category restrictions are not absolute and could be discontinued or changed at any time, including, but not limited to, changes to industry sector definitions, parameters, ownership categories, revenue calculations and estimations that could result in the portfolio holding investments in companies that derive revenue from the restricted category. If there is a change in the screening methodology or processes used to implement category restrictions, it could lead to trading in the account, which could trigger a taxable event.

The application of category restrictions varies by asset class. Restrictions are not available for all strategies, and JPMS or JPMIM can reject a restriction if it deems the restriction to be unreasonable or not in line with the strategy. The number of restrictions that a client can select is limited based on the potential impact to the applicable Investment Strategy and potential deviation from the Investment Strategy. Only those restrictions that can be applied by JPMS or JPMIM will be applied.

Any faith-based restrictions will exclude multiple categories selected by a third-party provider based generally on the values and norms of such groups; however, such restrictions will not completely represent or fully align with the client's values or religious beliefs.

Risks That Apply Primarily to Equity Investments

Equity Securities. Investment strategies that invest in equity securities (such as stocks) will be more or less volatile and carry more risks than some other forms of investment. The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements will generally result from factors affecting individual companies, sectors or industries selected or recommended for a portfolio or the securities market as a whole, such as changes in economic or political conditions.

Equity securities that are included in growth strategies are generally those that JPMIM believes will experience rapid earnings growth relative to value

or other types of stocks. The value of these stocks generally is much more sensitive to current or expected earnings than stocks of other types of companies. Short-term events, such as a failure to meet industry earnings expectations, can cause dramatic decreases in the growth stock price compared to other types of stock. Growth stocks generally trade at higher multiples of current earnings compared to value or other stocks, leading to inflated prices and thus potentially greater declines in value.

Equity securities that are included in the Strategy are generally those that JPMIM believes the market has undervalued, according to JPMIM's estimate of the company's true worth. JPMIM engages in value investing and selects stocks at prices that it believes to be temporarily low relative to factors such as the company's earnings, cash flow or dividends. A value stock can decrease in price or not increase in price as anticipated by JPMIM if other investors fail to recognize the company's value or the factors that JPMIM believes will cause the stock price to increase do not occur.

The Strategy may invest in securities of smaller companies. Investments in smaller companies are generally riskier than investments in larger companies. Securities of smaller companies tend to be less liquid than securities of larger companies. In addition, small companies are generally more vulnerable to economic, market and industry changes. As a result, the changes in value of their securities may be more sudden or erratic than in large capitalization companies, especially over the short term. Because smaller companies may have limited product lines, markets or financial resources or may depend on a few key employees, they may be more susceptible to particular economic events or competitive factors than large capitalization companies. This may cause unexpected and frequent decreases in the value of an investment. Finally, emerging companies in certain sectors may not be profitable and may not realize earning profits in the foreseeable future.

Equity Investment Conversion Risk. A non-equity investment, such as a convertible debt obligation, may convert to an equity security. Alternatively, equity securities may be acquired in connection with a restructuring event related to non-equity investments. An investor may be unable to liquidate the equity investment at an advantageous time from a pricing standpoint.

Other Miscellaneous Investment Risks

Liquidity Risk. Investments in some equity or other instruments can be difficult to purchase or sell, possibly preventing the sale of these illiquid securities at an advantageous price or when desired. A lack of liquidity can also cause the value of investments to decline, and the illiquid investments can also be difficult to value. Additionally, there may be no market for a fixed income instrument, and the holder may not be able to sell the security at the desired time or price. Even when a market exists, there may be a substantial difference between the secondary market bid and ask prices for a fixed income instrument.

Active Trading. The Strategy may involve active and frequent trading leading to increased portfolio turnover, higher transaction costs, and the possibility of increased capital gains, including short-term capital gains that are generally taxable as ordinary income.

Diversification Risk. The Strategy generally assumes that diversification is beneficial. This concept is a generally accepted investment principle, although no amount of diversification can eliminate investment risk, and the investment returns of a diversified portfolio may be lower than a more concentrated portfolio or a single investment over a similar period.

Counterparty Risk. An account may have exposure to the credit risk of counterparties with which it deals in connection with the investment of its assets, whether engaged in exchange-traded or off-exchange transactions or through brokers, dealers, custodians and exchanges through which it engages. In addition, many protections afforded to cleared transactions, such as the security afforded by transacting through a clearing house, might not be available in connection with over-the-counter (**OTC**) transactions. Therefore, in those instances in which an account enters into OTC transactions, the account will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and will sustain losses. This includes where accounts enter into uncollateralized covered agency transactions and derivatives transactions.

Concentration of Investments. Concentration of investments in a region, a small group of countries, or an industry or economic sector or in specific securities resulting in holding a relatively small number of securities positions, each representing a relatively large portion of assets, can result in the value of an account being subject to greater volatility than a more geographically or sector diversified portfolio. Investments in issuers within a country, state, geographic region, industry or economic sector that experiences adverse economic, business, political conditions or other concerns will impact the value of such a portfolio more than if the portfolio's investments were not so concentrated. A change in the value of a single investment within the portfolio may affect the overall value of the portfolio and may cause greater losses than it would in a portfolio that holds more diversified investments.

ITEM 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

JPMS provides to JPMIM a summary of client information relevant to JPMIM's services to the client, including the client's name, address, Account number, Social Security number or taxpayer identification number, whether the Account is taxable or non-taxable, the client's selection to invest in the Strategy, investment restrictions requested by the client, and the amount to be invested.

The information provided to JPMIM is updated if it becomes materially incorrect, such as in the event that the client changes the investment restrictions.

ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS

Personnel of JPMS, JPMIM, and other affiliates who are knowledgeable about the management of client Accounts are available for client consultation upon reasonable request. The J.P. Morgan team can assist clients in contacting such personnel.

ITEM 9 – ADDITIONAL INFORMATION

A. Disciplinary Information

JPMS has been involved in the following material legal or disciplinary events during the last ten years.

1) In October 2018, JPMS submitted an AWC 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 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.

2) On January 9, 2020, JPMS entered into a settlement with the SEC resulting in the SEC issuing an administrative order (the **2020 Order**). JPMS consented to the entry of the 2020 Order, which found that JPMS violated Section 17(a)(2) and 17(a)(3) of the Securities Act of 1933. The 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 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 2020 Order, without admitting or denying the findings set forth in the 2020 Order. The 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 2020 Order required JPMS to pay a total of $1,822,438 in disgorgement, pre-judgment interest and civil penalty.

3) On March 9, 2020, JPMS entered into an agreed order (the **March 2020 Order**) with the Kentucky Department of Financial Institutions (**KDFI**). 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 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 J.P. Morgan Funds; (ii) there was an economic incentive to invest CSP assets in J.P. Morgan 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 J.P. Morgan Fund share classes. Solely for the purpose of settling these proceedings, JPMS consented to the March 2020 Order, with no admissions as to liability. JPMS agreed to pay a total of $325,000 to resolve the KDFI investigation.

4) In September 2020, JPMS, together with JPMC and JPMCB (collectively, **J.P. Morgan**) agreed to an administrative resolution with the CFTC for violations of the CEA and CFTC regulations related to manipulation, attempted manipulation and spoofing, as well as a charge against JPMS for failure to supervise. As described in the CFTC's Order, from at least 2008 through 2016, former J.P. Morgan traders placed hundreds of thousands of spoof orders of precious metals futures and U.S. treasuries (**UST**) futures on exchanges, and, on occasion, engaged in manipulation related to precious metals barrier options. The CFTC Order further states that JPMS failed to identify, adequately investigate, and put a stop to misconduct, despite red flags, including internal surveillance alerts, inquiries from CME and the CFTC, and internal allegations of misconduct. J.P. Morgan consented to the entry of the CFTC Order without admitting or denying the findings contained therein, except to the extent that admissions were made in the related resolutions, described below, with the United States Department of Justice, Criminal Division, Fraud Section, and the United States Attorney's Office for the District of Connecticut (together, **DOJ**) and the SEC. JPMS also agreed to an administrative resolution with the SEC for violations of Section 17(a)(3) of the Securities Act of 1933. Pursuant to the SEC Order, JPMS admitted to hundreds of manipulative trading events involving spoofing by certain former J.P. Morgan traders in the UST cash securities secondary market between April 2015 and January 2016. JPMC separately entered into a deferred prosecution agreement (**DPA**) with DOJ with respect to a criminal information, charging JPMC with two counts of wire fraud (the **Information**) related to the same conduct underlying the CFTC and SEC Orders. JPMS and JPMCB also agreed to certain terms and obligations of the DPA. J.P. Morgan admitted, accepted and acknowledged responsibility for the acts of its officers, directors, employees and agents as described in the Information and the Statement of Facts accompanying the DPA, and that the allegations described therein are true and accurate. In resolving these three actions, J.P. Morgan agreed to pay a total of $920,203,609 to DOJ, CFTC and SEC, consisting of civil and criminal monetary penalties, restitution and disgorgement. J.P. Morgan agreed to cease and desist from any further violations and also agreed, among other things, to certain cooperation, remediation and reporting requirements.

5) On January 16, 2024, JPMS entered into a settlement with the SEC resulting in the SEC issuing an administrative order (the **Order**). JPMS consented to the entry of the Order, which found that JPMS willfully violated Rule 21F-17(a) under the Securities Exchange Act of 1934 (the **Exchange Act**). The Order arose out of JPMS, from 2020 through July 2023, asking certain clients and customers to whom it had issued a credit or settlement over $1000 in value to sign a confidential release agreement that required the clients to keep confidential the release agreement and all information relating to the specified account at JPMS. The confidential release agreement neither prohibited nor restricted clients from responding to any inquiry about the confidential release agreement or its underlying facts from FINRA, the SEC, or any other government entity or self-regulatory organization, or as required by law, but did not permit voluntary communications with such regulators. The Order censured JPMS and directed JPMS to cease-and-desist from committing or causing any violations and any future violations of Rule 21F-17(a) under the Exchange Act. Additionally, the Order required JPMS to pay a civil money penalty in the amount of $18,000,000. JPMS has paid the civil monetary penalty in accordance with the terms of the Order.

6) On October 31, 2024, JPMS entered into a settlement with the SEC resulting in the SEC issuing an administrative order (the **Order**). JPMS consented to the entry of the Order, which found that JPMS willfully violated Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. The Order arose out of JPMS, from at least July 2017 until October 11, 2024, failing to fully and fairly disclose the financial incentive of itself and certain of its financial advisors to recommend a certain advisory program—the Portfolio Manager Program—over other advisory programs offered by JPMS that use third-party managers. The Order also found that JPMS failed to adopt and implement written compliance policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules thereunder in connection with the disclosure of conflicts of interest presented by the fee structure of the advisory programs for itself and its financial advisors. The Order censured JPMS and directed JPMS to cease-and-desist from committing or causing any violations and any future violations of Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. Additionally, the Order required JPMS to pay a civil money penalty in the amount of $45,000,000. JPMS has paid the civil monetary penalty in accordance with the terms of the Order.

B. Other Financial Industry Activities and Affiliations

JPMS's primary business is providing brokerage products and services as a bank-affiliated broker-dealer and making available to its customers, in addition to investment advisory services, a variety of bank, securities and insurance products through its affiliates. JPMS's officers, managers and Advisors spend the majority of their time in administrative or supervisory duties with broker-dealer activities rather than investment adviser activities.

JPMS is affiliated with several other SEC-registered broker-dealers, investment companies, investment advisers, insurance agencies, mortgage companies and JPMCB. Other registered investment advisers, collectively referred to as "J.P. Morgan Asset Management," are affiliated with JPMS under the common ownership by JPMC. One or more of these affiliated investment advisers, including, but not limited to, JPMIM, serve(s) as the investment adviser to various J.P. Morgan Funds. Clients, by selecting a program, model or investment strategy which uses affiliated Portfolio Managers, or by investing in J.P. Morgan Funds within their account, should note that JPMC receives more overall fees. JPMS affiliates will benefit from such selection and/or purchase as the result of receipt of the investment advisory fees. JPMS addresses this conflict through disclosure to clients.

JPMS can receive as additional compensation distribution (Rule 12b-1) fees on money market fund assets held in Accounts. If a client selects a money market fund for which an affiliate of JPMS serves as investment advisor, the

client will pay both its pro rata share of the money market funds advisory fees paid to JPMS or an affiliate as well as the Advisory Fee on the assets invested in the money market fund. However, any 12b-1 fees received by JPMS will be credited to the client's Account.

C. Material Relationships with Related Persons and Potential Conflicts of Interest

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

The use of affiliates to provide services to clients creates certain conflicts of interest for JPMS and JPMIM. Among other things, there are financial incentives for JPMS and JPMIM (and their affiliates), including its parent company, JPMC, to favor affiliated service providers over non-affiliated service providers, and compensation of supervised persons of JPMS and JPMIM generally is directly or indirectly related to the financial performance of JPMorgan.

Affiliated Portfolio Manager

JPMIM is an affiliate of JPMS. Should clients select the Strategy and JPMIM as portfolio manager, clients should be aware that JPMS receives more overall fees when an affiliate portfolio manager such as JPMIM is used. JPMS addresses this through disclosure to clients.

Affiliated Fund Advisors

Funds, including money market funds, pay fees and expenses that are ultimately borne by clients. Clients can review the applicable prospectuses for funds in the Strategy for additional information about these fees and expenses. These fees and expenses are in addition to the Advisory Fee. Refer to "Other Fees and Expenses" in Item 4 above for more information.

Affiliates of JPMS provide investment advisory and other services to the J.P. Morgan Funds for compensation. Therefore, because JPMS and its affiliates will in the aggregate receive more revenue when Accounts are invested in J.P. Morgan Funds than they would receive if the Accounts were invested in non-J.P. Morgan Funds, JPMS has a conflict of interest when Accounts are invested in J.P. Morgan Funds. The use of an affiliated Sub-Adviser in the Strategy is also a benefit to JPMS and its affiliates since it increases the overall revenue of affiliates of JPMS and their parent company. JPMS addresses this conflict through disclosure and subjecting the J.P. Morgan Funds and non-J.P. Morgan Funds to the investment process described in Item 6 above. Refer to "Use of J.P. Morgan Funds and Investment Strategies and Potential Conflicts of Interest" in Item 6 above for more information on the use of J.P. Morgan Funds.

Securities Allocations and Limitations

JPMS is part of a large financial services firm. In connection with providing investment advisory services to its clients, JPMS uses the products or services of its affiliates or other related persons, as described both above and below. JPMS and/or its affiliates can receive more compensation from certain Accounts that use strategies similar to those used by Accounts (**Similar Accounts**) than it or its affiliates receive from Accounts. JPMS or its affiliates have a conflict of interest to the extent that JPMS or an affiliate has a proprietary investment in Similar Accounts, JPMS's and/or its affiliates' portfolio managers have personal investments in Similar Accounts, or the Similar Accounts are investment options in JPMS's or its affiliates' employee benefit plans.

JPMS and its affiliates maintain certain investment limitations on the positions in securities, or other financial instruments, that JPMS or its affiliates will take on behalf of its various clients due to, among other things: (i) liquidity concerns; (ii) operational considerations; (iii) regulatory requirements applicable to JPMS or its affiliates; and (iv) internal policies related to such concerns or requirements, in light of the management of multiple portfolios and businesses by JPMS and its affiliates. Such policies preclude JPMS or its affiliates from purchasing certain securities for clients and can cause JPMS to sell certain securities held in client accounts.

A potential conflict of interest also can arise if transactions in one Account closely follow related transactions in a different Account, such as when a purchase increases the value of securities previously purchased by another Account or when a sale in one Account lowers the sale price received in a sale by a second Account.

Conflicts of interest can arise with both the allocation of investment opportunities, including trading opportunities and pricing of trading generally, and the aggregation of orders and allocation of executed transactions specifically, because of market factors or investment restrictions imposed upon JPMS and its affiliates by law, regulation, contract or internal policies. Allocations of transactions resulting from aggregated orders, particularly orders that are only partially completed (due to limits on availability, capacity constraints and other factors) and allocation of investment opportunities generally, would raise a conflict of interest where JPMS or its affiliates have an incentive to allocate investment opportunities or securities that are expected to increase in value to favored accounts, including affiliated accounts and accounts that pay higher fees. JPMS mitigates this conflict by using guidelines designed by JPMS and affiliates to allocate investment and trading opportunities among similarly situated Accounts on a fair and equitable basis over time. A conflict of interest also would arise if transactions in securities in one account closely follow transactions in the same securities in different accounts, especially when the transactions or series of transactions are large in relation to the securities' trading volume and potentially have market impact, such as when a purchase increases the value of securities previously purchased by the other accounts or when a sale in one account lowers the sale price received in a sale by other accounts.

JPMS and its affiliates have intercompany arrangements whereby one or more affiliates share personnel for one or more purposes, including the construction and implementation of trade orders for multiple programs and affiliated entities. Any such shared personnel are subject to the policies and procedures of the applicable affiliate when acting on its affiliate's behalf. Any such shared personnel will have potentially conflicting interests when playing these various roles. Such personnel splitting time and attention between one or more JPMS affiliates creates conflicts of interest in that the time and effort of these shared personnel will not necessarily be devoted exclusively, or even predominately, to JPMS. While the affected affiliates have adopted policies, procedures or guidelines to address conflicts of interest associated with personnel sharing, such policies, procedures or guidelines can differ and there can be no assurance that such policies, procedures or guidelines will successfully eliminate or mitigate all such conflicts in every case.

Conflicts Related to the Advising of Multiple Accounts

Certain portfolio managers of JPMS manage or advise multiple client accounts, investment vehicles or portfolios. These portfolio managers are not required to devote all or any specific portion of their working time to the affairs of any specific client. Conflicts of interest do arise in allocating management time, services, or functions among such clients, including clients that have the same or similar type of investment strategies. JPMS addresses these conflicts by disclosing them to clients and through its supervision of portfolio managers and their teams. Responsibility for managing JPMS's client portfolios is organized according to investment strategies within asset classes. Generally, client portfolios with similar strategies are managed by portfolio managers in the same portfolio management group using the same or similar objectives, approach and philosophy. Therefore, portfolio holdings, relative position sizes, industry and sector exposures generally tend to be similar across client portfolios with similar strategies. JPMS faces conflicts of interest when JPMS's portfolio managers manage accounts or portfolios with similar investment objectives and strategies. For example, investment opportunities that are appropriate for certain clients may also be appropriate for other groups of clients,

including the clients of JPMS, other affiliated investment advisers, and related persons, and, as a result, client accounts would have to compete for positions. There is no specific limit on the number of accounts which will be managed or advised by JPMS or its related persons. Once held by a client, certain investments compete with other investments held by other clients of JPMS and its related persons. The conflict associated with managing assets on behalf of different clients that compete with each other are heightened when JPMS retains certain management, control or consent rights over such assets. JPMS has controls in place to monitor and mitigate these potential conflicts of interest.

Also, it is JPMS's 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. One or more of JPMS's other client accounts may at any time hold, acquire, increase, decrease, dispose of, or otherwise deal with positions in investments in which another client account would have an interest. For instance, due to differences in investment strategies, JPMS might sell a security for a client at the same time that it might hold or purchase the same security for a different client.

Distribution and Other Fees and Revenue Sharing

JPMS receives distribution fees from certain mutual funds pursuant to Rule 12b-1 under the Investment Company Act of 1940. If JPMS receives 12b-1 fees on load-waived Class A shares, it will credit these fees to the client's Account. JPMS, directly or indirectly, receives servicing or administrative fees for certain funds that are held in a client's Account. In addition, JPMS's affiliates receive licensing fees for their indices used by unaffiliated ETFs or other product sponsors.

JPMS has negotiated revenue sharing arrangements with a number of mutual funds and mutual fund families. Some of these mutual funds are available in the Strategy, and JPMS will receive additional revenue on either the mutual fund assets in Accounts or on the initial purchase of these mutual funds. Some of the mutual funds make revenue sharing payments to JPMS for mutual funds held in brokerage Accounts for which JPMS does not provide investment advisory services. Additional information about these arrangements is available at jpmorgan.com/TheGuide. Advisors are not compensated from JPMS's receipt of shared revenues received from mutual funds.

J.P. Morgan's Use and Ownership of Trading Systems

JPMS may effect trades on behalf of Accounts through exchanges, electronic communications networks, alternative trading systems, and similar execution systems and trading venues (collectively, **Trading Systems**), including Trading Systems in which J.P. Morgan has a direct or indirect ownership interest. J.P. Morgan will 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. Such Trading Systems (and the extent of J.P. Morgan's ownership interest in any Trading System) may change from time to time. JPMS addresses this conflict by disclosure to its clients.

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, 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 advisors 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 March 2, 2026, the Vanguard Group, Inc. and BlackRock, Inc. hold more than a 5% interest in J.P. Morgan.

Payment for Order Flow

JPMS does not receive payment for order flow from market makers for customer orders in equity securities. JPMS receives rebates from and pays fees to some registered securities exchanges for providing or taking liquidity on those exchanges, according to those exchanges' published fee schedules approved by the SEC. Alternative trading systems also charge fees and, in some cases, pay rebates for the provision or removal of liquidity. In addition, JPMS receives marketing fees from options exchanges under marketing fee programs sponsored by some exchanges. Under some circumstances, the amount received by JPMS from a trading center over a period of time may exceed the amount that JPMS is charged by a trading center. These practices are one of many factors that may impact routing decisions and do not alter JPMS's policy to route customer orders in securities to the trading centers where it believes customers will receive the best execution, taking into account, among other factors, price, transaction cost, volatility, reliability, market depth and speed.

Affiliates of JPMS have ownership interests in some trading centers. Accordingly, JPMS stands to share in any profits that these trading centers earn from the execution of JPMS customer orders on those trading centers. Additional information on the material aspects of JPMS's relationships with the primary trading centers to which JPMS routes, including descriptions of arrangements for payment for order flow and profit-sharing relationships, is available in JPMS's SEC Rule 606 reports at jpmorgan.com/OrderExecution.

J.P. Morgan's Use of Index Products

JPMS or one of its affiliates develops or owns and operates 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 the client accounts in this manner gives 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.

Other Compensation from ETFs

Certain ETFs in which Account assets may be invested in for the Strategy may execute transactions for their portfolios through JPMS or an affiliate as broker-dealer, and JPMS or an affiliate may receive 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 may have a financial incentive to invest 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.

JPMIM Trading Practices in the Strategy

JPMIM can execute trades for institutional and other non-wrap fee clients before executing trades for clients in SMA programs. As a result, Accounts can pay a higher price, or receive a lower price, than the portfolio manager's trades in the same security for institutional or other clients. Trade execution practices of JPMIM are described in JPMIM's ADV Disclosure Document, which is provided to clients.

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 both institutional and non-institutional clients. Refer to Item 4 for additional conflicts of interest.

All (or substantially all) of the J.P. Morgan team are employees of JPMCB. In their capacities as employees of JPMCB and outside of the Strategy, the J.P. Morgan team may market and sell to clients products and services of JPMCB and be compensated in connection with such sales.

D. Participation or Interest in Client Transactions and Other Conflicts of Interest

J.P. Morgan Acting in Multiple Commercial 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 JPMS client accounts invest. J.P. Morgan is typically entitled to compensation in connection with these activities, and the clients will not be entitled to any such compensation. In providing services and products to clients other than JPMS's 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. JPMS client Accounts have invested in, and in the future may invest in, such entities represented by J.P. Morgan or with which J.P. Morgan has a banking, advisory or other financial relationship. In addition, certain clients of J.P. Morgan, including JPMS clients, invest in entities in which J.P. Morgan holds an interest, including a J.P. Morgan Fund or J.P. Morgan ETF. 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 JPMS client Account or its investments. It should be recognized that such relationships can preclude JPMS's clients from engaging in certain transactions and can also restrict investment opportunities that would otherwise be available to JPMS clients. For example, J.P. Morgan is often engaged by companies as a financial adviser, or to provide financing or other services, in connection with commercial transactions that are potential investment opportunities for JPMS's clients. There are circumstances in which advisory accounts are precluded from participating in such transactions as a result of J.P. Morgan's engagement by such companies. J.P. Morgan reserves the right to act for these companies in such circumstances, notwithstanding the potential adverse effect on JPMS's clients. In addition, J.P. Morgan derives ancillary benefits from providing investment advisory, custody, administration, prime brokerage, transfer agency, fund accounting and shareholder servicing, and other services to JPMS's clients. Providing such services to JPMS's clients enhances J.P. Morgan's relationships with various parties, facilitates additional business development, and enables 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 and are conducted under an available exception.

J.P. Morgan or JPMS's related persons 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 the 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 restructurings 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 JPMS 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, JPMS clients. The presence of such persons in such circumstances may require the relevant person to recuse themselves from participating in a transaction or cause JPMS, a corporation, investment fund manager or other institution to determine that it (or its client) is unable to pursue a transaction because of a potential conflict of interest. In such cases, the investment opportunities available to JPMS clients and the ability of such clients to engage in transactions or retain certain investments or assets will be limited.

J.P. Morgan's Policies and Regulatory Restrictions Affecting Client Accounts

As part of a global financial services firm, JPMS will be precluded from effecting or recommending transactions in certain client accounts and will restrict its investment decisions and activities on behalf of its clients due to applicable law, regulatory requirements, other conflicts of interest, information held by J.P. Morgan, J.P. Morgan's roles in connection with other clients and in the capital markets, J.P. Morgan's internal policies and/or potential reputational risk. As a result, client accounts managed by JPMS may be precluded from acquiring, or disposing of, certain securities or instruments at any time. This includes the securities issued by J.P. Morgan.

In addition, potential conflicts of interest also exist when J.P. Morgan maintains certain overall investment limitations on positions in securities or other financial instruments due to, among other things, investment restrictions imposed upon J.P. Morgan by law, regulation, contract or internal policies. These limitations have precluded and, in the future could preclude, JPMS from including particular securities or financial instruments in its portfolios, even if the securities or financial instruments would otherwise meet the investment objectives of such portfolio. For example, there are limits on the aggregate amount of investments by affiliated investors in certain types of securities within a particular industry group that cannot be exceeded without additional regulatory or corporate consent. If such aggregate ownership thresholds are reached, the ability of a client to purchase or dispose of investments, or exercise rights or undertake business transactions, will be restricted.

Potential conflicts of interest may also arise as a result of JPMS's current policy to seek to manage its clients' accounts so that the various requirements and liabilities imposed pursuant to Section 16 of the Securities Exchange Act of 1934 (**Section 16** and the **Exchange Act**, respectively) are not triggered. Section 16 applies to, among other things, "beneficial owners" of 10% or more of any security subject to reporting under the Exchange Act. In addition to certain reporting requirements, Section 16 also imposes on such "beneficial owner" a requirement to disgorge of "short-swing" profits derived from the purchase and sale or sale and purchase of the security,

executed within a 6-month period. JPMS may be deemed to be a "beneficial owner" of securities held by its advisory clients. Consequently, and given the potential ownership level of the various accounts and funds managed for its clients, JPMS may limit the amount, or alter the timing, of purchases of securities in order not to trigger the foregoing requirements. As a result, certain contemplated transactions that otherwise would be consummated by JPMS on behalf of its clients will not take place, will be limited in their size, or will be delayed.

Furthermore, J.P. Morgan has adopted policies and procedures reasonably designed to ensure compliance with economic and trade sanctions-related obligations applicable to its activities (although such obligations are not necessarily the same obligations that its clients are subject to). Such economic and trade sanctions prohibit, among other things, transactions with and the provision of services to, directly or indirectly, certain countries, territories, entities and individuals. These economic and trade sanctions, and the application by JPMS of its compliance policies and procedures in respect thereof, may restrict or limit a client's account's investment activities. In addition, J.P. Morgan from time to time subscribes to or otherwise elects to become subject to investment policies on a firm-wide basis, including policies relating to environmental, social and corporate governance. JPMS may also limit transactions and activities for reputational or other reasons, including (i) when J.P. Morgan provides or may provide advice or services to an entity involved in such activity or transaction; (ii) when J.P. Morgan or a client is or may be engaged in the same or a related activity or transaction to that being considered on behalf of the client account; (iii) when J.P. Morgan or a client account has an interest in an entity involved in such activity or transaction; or (iv) when such activity or transaction on behalf of or in respect of the advisory account could affect J.P. Morgan or its clients or their activities. J.P. Morgan may also become subject to additional restrictions on its business activities that could have an impact on clients' account activities. In addition, JPMS may restrict its investment decisions and activities on behalf of particular client accounts and not other accounts.

Recommendation or Investments in Securities that the Adviser or Its Related Persons Has a Material Financial Interest

JPMS and its related persons recommend or invest in securities on behalf of its clients that JPMS and its related persons also purchase or sell. As a result, positions taken by JPMS and its related persons may be the same as or different from, or made contemporaneously or at different times than, positions taken for clients of JPMS. As these situations involve actual or potential conflicts of interest, JPMS has adopted policies and procedures relating to personal securities transactions, insider trading and other ethical considerations. These policies and procedures are intended to identify and mitigate actual and perceived conflicts of interest with clients and to resolve such conflicts appropriately if they do occur. The policies and procedures contain provisions regarding pre-clearance of employee trading, reporting requirements and supervisory procedures that are designed to address potential conflicts of interest with respect to the activities and relationships of related persons that might interfere or appear to interfere with making decisions in the best interest of clients, including the prevention of front-running. In addition, JPMS has implemented monitoring systems designed to ensure compliance with these policies and procedures.

J.P. Morgan's Proprietary Investments

JPMS, J.P. Morgan and any of their directors, partners, officers, agents or employees also buy, sell or trade securities for their own accounts or the proprietary accounts of JPMS and/or J.P. Morgan. JPMS and/or J.P. Morgan, within their discretion, can make different investment decisions and take other actions with respect to their proprietary accounts than those made for client accounts, including the timing or nature of such investment decisions or actions. Further, JPMS is not required to purchase or sell for any client account securities that it, J.P. Morgan and any of their employees, principals or agents may purchase or sell for their own accounts or the proprietary accounts of JPMS or J.P. Morgan. JPMS, J.P. Morgan and their respective directors, officers and employees face a conflict of interest as they will have income or other incentives to favor their own accounts or the proprietary accounts of JPMS or J.P. Morgan.

Conflicts of Interest Created by Contemporaneous Trading

Positions taken by a certain client account may also dilute or otherwise negatively affect the values, prices or investment strategies associated with positions held by a different client account. For example, this can occur when investment decisions for one client are based on research or other information that is also used to support portfolio decisions by JPMS or an affiliate for a different client following the same, similar or different investment strategies or by an affiliate of JPMS in managing its clients' accounts. When a portfolio decision or strategy is implemented for an Account ahead of, or contemporaneously with, similar portfolio decisions or strategies for JPMS or an affiliate's other client (whether or not the portfolio decisions emanate from the same research analysis or other information), market impact, liquidity constraints or other factors could result in one account being disadvantaged or receiving less favorable investment results than the other Account, and the costs of implementing such portfolio decisions or strategies could be increased.

In addition, it is perceived as a conflict of interest when the activity in one account closely correlates with the activity in a similar account, such as when a purchase by one account increases the value of the same securities previously purchased by another account, or when a sale in one account lowers the sale price received in a sale by a second account. Furthermore, if JPMS or an affiliate manages accounts that engage in short sales of securities in which other accounts invest, JPMS or an affiliate could be seen as harming the performance of one account for the benefit of the account engaging in short sales if the short sales cause the market value of the securities to fall. Also, certain private funds managed by JPMS or its affiliates hold exclusivity rights to certain investments and therefore, other clients are prohibited from pursuing such investment opportunities.

E. Account Errors and Resolutions

Account errors, trade errors and other operational mistakes occasionally occur in connection with the management of funds and client Accounts. JPMS has developed policies and procedures that address the identification and correction of such errors and generally require that errors caused by JPMS and affecting a client's account be resolved promptly and fairly. Errors can result from a variety of situations, including portfolio management (e.g., inadvertent violation of investment restrictions) trading, processing or other functions (e.g., miscommunication of information, such as wrong number of shares, wrong price, wrong account, executing the order as a buy rather than a sell and vice versa).

The intent of the policies and procedures is to restore a client account to the appropriate financial position as determined in good faith by JPMS based on what it considers reasonable in light of all relevant facts and circumstances surrounding the error. JPMS makes its determinations pursuant to its error policies and procedures on a case-by-case basis, in its discretion, based on factors it considers reasonable. Under certain circumstances, JPMS may consider whether it is possible to adequately address an error through cancellation, correction, reallocation of losses and gains or other means.

If a trade error is made in a client's Account, JPMS will take action to make the Account whole. JPMS corrects trade errors in IRA and ERISA Accounts in the impacted Account and uses a firm account to correct all other trade errors in non-retirement Accounts. If bonds are erroneously sold from a client's Account, it is possible that JPMS or JPMIM will not be able to find the same bonds to buy back for the Account. In that case, JPMS or JPMIM will purchase bonds that it believes are equivalent in quality and yield. If a client requests that any securities be transferred out of an Account or there is a trade error in an Account, JPMS may temporarily suspend trading in the Account until the transfer is complete or the trade error is remediated. During such time, Advisory Fees (as defined in this Item 4) will continue to accrue.

F. Code of Ethics

JPMS has adopted a Code of Ethics (the **Code of Ethics**) pursuant to Rule 204A-1 under the Advisers Act. The Code of Ethics is designed to ensure that JPMS and its supervised persons comply with applicable federal securities laws and place the interests of clients first in conducting personal securities

transactions. The Code of Ethics imposes certain restrictions on securities transactions in the personal accounts of supervised persons to help avoid or mitigate conflicts of interest, as described more fully below. A copy of the Code of Ethics is available free of charge to any client or prospective client upon request by contacting your J.P. Morgan team.

General

The Code of Ethics contains policies and procedures relating to:

- Account holding reports and personal trading, including reporting and pre-clearance requirements for all personnel of JPMS;
- Confidentiality obligations to clients set forth in the J.P. Morgan privacy notices;
- Conflicts of interest, which include guidance relating to restrictions on trading on material non-public information (**MNPI**).

In general, the personal trading rules under the Code of Ethics require that accounts of JPMS employees and associated persons be maintained with an approved broker and that certain trades in reportable securities for such accounts be precleared and monitored by compliance personnel. The Code of Ethics also prohibits certain types of trading activity, such as short-term and speculative trades. JPMS personnel must obtain approval prior to engaging in all covered security transactions, including those issued in private placements. In addition, JPMS personnel are not permitted to buy or sell securities issued by J.P. Morgan during certain periods throughout the year. Certain Access Persons (defined as persons with access to nonpublic information regarding JPMS's recommendations to clients, purchases, or sales of securities for client accounts and advised funds) are prohibited from executing personal trades in a security at certain times. In addition, Access Persons are required to disclose household members' personal security transactions and holdings information. These disclosure obligations and restrictions are designed to mitigate conflicts of interest that arise if Access Persons transact in the same securities as advisory clients.

Additionally, all JPMS personnel are subject to the J.P. Morgan firm-wide policies and procedures, including those found in the J.P. Morgan Code of Conduct (the **Code of Conduct**). The Code of Conduct sets forth restrictions regarding confidential and proprietary information, information barriers, private investments, outside business activities and personal trading. All J.P. Morgan employees, including JPMS personnel, are required to familiarize themselves with, comply with, and attest annually to their compliance with provisions of the Code of Conduct's terms as a condition of continued employment. Where appropriate, JPMS and its affiliates generally address the conflicts disclosed in this Brochure through policies and procedures.

G. Review of Accounts

Clients have ongoing reasonable access, during normal business hours, to J.P. Morgan team members who are available for consultation regarding Accounts. The J.P. Morgan team members are an essential component of the Strategy and provide clients with nondiscretionary advisory services and Account maintenance support.

JPMS contacts clients at least annually 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 Account. To ensure that the Strategy remains suitable for the client, clients are instructed to promptly notify JPMS or the J.P. Morgan team of any material changes to their investment objectives and/or financial situation. Clients are solely responsible for notifying JPMS in the event that any information that JPMS maintains about them is inaccurate or becomes inaccurate.

As most Accounts are managed in a similar manner according to the Strategy, JPMS does not review individual trades or individual Accounts. As described in this Brochure, JPMS periodically reviews JPMIM and investments available in the Strategy to ensure that they continue to meet the Strategy requirements. For Accounts that have requested investment restrictions, JPMS periodically monitors the Accounts to ensure compliance with the accepted investment restrictions.

JPMS and JPMIM 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 the specific review features associated with the Strategy. Clients are urged to ask questions regarding JPMS's review process applicable to the Strategy, to read all product-specific disclosures, and to determine whether the Strategy is suitable for their Account in light of their circumstances, investment objectives and financial situation.

Reports to Clients

Clients receive Account statements from the custodian at least quarterly and also receive quarterly performance reports. Refer to "Trade Confirmations, Statements and Performance Reporting" above.

JPMS does not provide tax advice, and discussions with the J.P. Morgan team, Account statements and the performance reports should not be construed as tax advice and are not a substitute for careful review of Account statements or tax reporting forms by clients.

Performance reviews are not a substitute for regular monthly or quarterly account statements or IRS Forms 1099 and should not be used to calculate the fees 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 and the J.P. Morgan team do not provide tax advice, and nothing in the performance review should be construed as advice concerning any tax matter. Neither JPMS nor any of its supervised persons acts as a portfolio manager in the Strategy.

Subject to JPMS's policies and procedures and applicable law, the periodic written performance review provided to clients can include information about assets in other accounts. 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. Client Account asset values are available from JPMS upon request.

H. Testimonials and Endorsements

Accounts are offered and sold only through the J.P. Morgan team associated with JPMS. In addition to compensating the J.P. Morgan team for their provision of investment advisory services to clients on behalf of JPMS, and/or for their referral or introduction of investors who become advisory clients of JPMS, JPMS has entered into agreements with certain unaffiliated third parties (sometimes also called a "finder," "referrer" or "promoter") for their referral of prospective investment advisory clients to JPMS in accordance with the Advisers Act. Under these arrangements, JPMS agrees to pay each finder when a referred prospective client is either referred or becomes an investment advisory client of JPMS. JPMS either pays the finder a flat amount or a specified portion of the fee it receives and retains relating to each such client's advisory account.

In addition to the third-party referral agreements described above, pursuant to an agreement between JPMS and JPMCB, an affiliate, JPMCB can compensate its employees for referring clients to JPMS for various products and services, including the Strategy and other advisory products and services. Any such payments to JPMCB employees shall not increase the total account fees paid by the client.

I. Financial Information

JPMS is not aware of any financial condition that is reasonably likely to impair JPMS's ability to meet its contractual commitments to its clients, nor has JPMS been the subject of a bankruptcy petition at any time during the past 10 years.