

J.P. MORGAN PRIVATE BANK

# Investment Management Agreement and Private Bank Risk Disclosure Booklet

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# Investment Management Agreement

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## I. Overview

The client (the “Client” or “you”) has retained JPMorgan Chase Bank, N.A. (“JPMCB” or the “Bank”) to manage your investments on a discretionary basis as further described herein. As disclosed in the account opening application (“Application”), you will open an account held at the Bank (“Managed Account”) that will use one or more eligible investment strategies (“Strategy” or “Strategies”, respectively) that you select. This Investment Management Agreement (“Agreement”) applies to all of the Strategies you select, including any you select in the future. Strategies may change from time to time, or new Strategies may become eligible for you to select after you open your initial Managed Account. As a result, some of the information in this Agreement may not apply to you now.

Once you sign an Investment Management Agreement Acknowledgement (the “IMAA”), you will be able to add, remove or change eligible Strategies, or adopt new Strategies that may become available after you open an initial Managed Account without signing additional Agreements. We will summarize and confirm your new eligible Strategies to you in writing by sending a Private Bank Managed Account Summary (each summary, a “Managed Account Summary” or a “Summary”) and send you any updates or amendments to the Agreement and any disclosures you have not already received. The effective date of each Summary is the date listed on the Summary. We will use those Strategies to manage your Managed Account until a reasonable time after (a) you notify us to terminate or change your Strategy, or (b) we notify you that the Strategy is no longer available. You will not receive a new Agreement each time you add or change a Strategy. Notwithstanding the foregoing, we reserve the right to require that you sign an agreement in connection with the opening of certain Managed Accounts or enrollment in certain Strategies. For changes that do not require a signed agreement, we will summarize and confirm the changes to you by sending a Summary. This Managed Account Summary will eventually replace the portfolio schedule for advisory strategies (the “Portfolio Schedule”) and the discretionary portfolio mandate (the “Mandate”) for multi-asset portfolios and it will supersede all previous written and oral instructions and agreements pertaining to that particular Strategy or portfolio covered in the Summary. You will also be able to make changes to your Managed Account over time, including adding, removing or changing Strategies, based on your instruction to do so (which may be done verbally, electronically or in writing), without the need to sign a new Agreement each time. We will summarize and confirm the changes to you by sending a Summary.

Upon your receipt of each Summary, it will be incorporated with and into this Agreement by reference. If the information in a Summary is incorrect, please notify us immediately to update your Managed Account information. We will deem the information contained in the Summary to be accurate and complete within five days after sending you the Summary, or upon your funding of the Managed Account with respect to such Strategy, whichever occurs first.

Your initial acceptance of the Agreement and your continued use of your Managed Account will serve as your agreement and understanding that this Agreement, including any updates and amendments, applies to all of the Strategies you select.

You should review carefully (i) this Agreement, (ii) the IMAA, (iii) the Private Bank Risk Disclosure Booklet, which is found in the Appendix, including the applicable fee schedules (“Risk Disclosure Booklet”), (iv) the Application, and (v) the J.P. Morgan Private Bank Combined Terms and Conditions, as amended from time to time (the “Terms and Conditions”), and (vi) each Portfolio Schedule, Mandate or Summary, as applicable, containing the Investment Guidelines (as defined below) for each Managed Account (collectively, “Account Documents”). The Account Documents, together with any supplemental material provided to you for each new Strategy, govern your Managed Account.

The Terms and Conditions contain certain agreements and disclosures that apply to your Managed Account. Capitalized terms not otherwise defined in this Agreement have the meanings given to them in the Terms and Conditions. To the extent there are any conflicts between the Terms and Conditions and this Agreement, this Agreement shall prevail.

Investing in securities involves risk, including the loss of your entire principal. For more information, please review the Risk Disclosure Booklet.

## II. Asset Allocation Advisory Services

The Bank will advise you about the allocation and management of your investments and cash under management or held by the Bank or other J.P. Morgan entities (together “J.P. Morgan”). These entities, and other affiliates of the Bank, are “Morgan Affiliates”.

In connection with this Agreement, the Bank may advise and assist you in preparing an investment profile based upon information you provide, including information about assets held by other financial institutions. The investment profile documents the Bank’s understanding of, among other things, your current wealth picture, investment goals, risk profile and strategic asset allocation with J.P. Morgan, including

discretionary assets managed or held by the Bank in a Managed Account and assets traded through J.P. Morgan Securities LLC (“JPMS”) in a full-service brokerage account.

The Bank will have full discretion to buy and sell securities in your Managed Account based upon written guidelines the Bank and you agree to. JPMS will execute trades in full-service brokerage accounts and if appropriate will sell alternative investments to your Managed Account (hedge funds, private equity funds, funds of alternative funds, structured products, and the like) based upon your prior express approval.

The Bank may invest in a share class of a mutual fund, exchange-traded fund, or other security that you qualify for under the Bank’s share class policies or, if not covered thereby, under the fund or other security’s offering documents. You understand that all rights, responsibilities and liabilities as to any security are set forth in its prospectus or other offering document and you authorize and appoint the Bank to accept the delivery of prospectuses, offering documents and other issuer-related materials and reports on your behalf. The Bank may rely upon the prospectus, offering documents, and marketing materials to implement any Strategy in your Managed Account and is not responsible for the completeness or accuracy of these third-party materials. The Bank may, at its option, deliver the prospectus or other offering document to you but is not required to do so unless you request this document.

You agree to review your investment profile from time to time and notify the Bank if you believe any information in your profile is incorrect or does not reflect your investment goals, risk profile, desired asset allocation, and/or other considerations. Rebalancing decisions and directing the movement of Assets between Managed Accounts are your sole responsibility and neither the Bank nor JPMS will do so unless you direct them.

From time to time the Bank may recommend changes in your investment profile. You may also instruct us to make changes to your investment profile (which may be done verbally, electronically or in writing), which we will summarize and confirm to you in writing. If any information we summarize or confirm to you about changes in your investment profile is incorrect, please notify us immediately to update the information. We will deem the information contained in our summaries or confirmation to be accurate and complete within five days after sending them to you. Until you notify the Bank of any changes, the Bank is entitled to rely upon the most recent investment profile that you have adopted. The services provided herein are subject to the Terms and Conditions provided to Client at account opening. Client may also request the latest copy of the Terms and Conditions from their J.P. Morgan team.

## III. Investment Management Account

The Bank will (i) advise you about the allocation and management of your investments and cash under management or held by the Bank or Morgan Affiliates and/or (ii) provide services regarding your assets invested in one or more Strategies. Assets means, but is not limited to, securities and securities entitlements of all kinds, money, deposits, bankers’ acceptances, commercial paper, contract rights of all kinds, accounts, goods, documents, general intangibles, chattel paper, commodities and commodity interests and the distributions, proceeds, products and accessions of and to the above (together with any cash under management, the “Assets”).

You may select a multi-asset portfolio with an allocation to multiple asset classes and multiple Strategies as set forth in the Mandate and/or a single-focused Strategy with a focus on a particular investment theme or asset class as set forth in the Portfolio Schedule or Managed Account Summary, as applicable. Based upon the information you provide, including but not limited to your investment profile and your investment objectives for your Assets, the Bank will identify and present to you a multi-asset portfolio and/or one or more Strategies for investment of the Assets. You will determine the dollar value of Assets to be invested. You are solely responsible for selecting each Strategy.

The Bank may use one or more persons or entities who are not affiliated with the Bank (each, a “Third-Party Manager”) to manage all or a portion of your Managed Account, as described in Section XVI. The manager name for each Strategy will be included in your Portfolio Schedule or Summary, as applicable. The Bank or a Morgan Affiliate also may use models provided by one or more advisers (including Morgan Affiliates) (each, a “Model Manager”) to manage all or a portion of your Managed Account.

### A. Investment Management

You hereby appoint the Bank as investment manager for your Managed Account. The Bank, as discretionary investment manager, will buy, sell or exchange investments, or take any other action that it deems necessary or desirable as to the Assets held in the Managed Account. The Bank may appoint J.P. Morgan Investment Management Inc. or another Morgan Affiliate as a sub-advisor on your Managed Account. The Bank may arrange for a Morgan Affiliate to perform, on its behalf, any act the Bank must perform under this Agreement. The Bank will manage your Managed Account subject to the Investment Guidelines (as defined

below) but without other instructions from you. If at any time you believe changes should be made in the Investment Guidelines, you agree to discuss them with the Bank.

“Investment Guidelines” means any guidelines and instructions you give the Bank or a Morgan Affiliate for your Managed Account, including strategic ranges and asset allocations in Client’s Application, the strategic asset allocation guidelines in Client’s Mandate, Portfolio Schedule or Managed Account Summary, as applicable, or any custom ranges and allocations Bank has agreed to, as amended from time to time. “Investment Guidelines” also shall include instructions the Bank gives a Third-Party Manager the Bank engages to manage Assets under an agreement with the Bank. From time to time you may discuss with Bank’s representatives an overall wealth, investment or asset allocation Strategy that considers all of your Assets wherever they are held. You may also discuss with the J.P. Morgan team specific transactions, investment ideas, or recommendations not involving your Managed Account. However, you appoint the Bank as discretionary investment manager of the Assets in your Managed Account, and Bank has no discretion over any brokerage account, margin account, or assets that Bank holds as custodian, or other account you may have with JPMS or another Morgan Affiliate. You direct the investment decisions in your brokerage account, margin account, or other account, even if you discuss these decisions with a Morgan Representative assigned to your Managed Account.

You may ask the Bank to hold Assets in custody in an account that the Bank does not manage, for tax, liquidity or other reasons. If the Bank agrees to accept these Assets in a custodial account, you exclude it from the scope of the Bank’s appointment as investment manager. The Bank will identify these Assets by means it deems appropriate.

If, at any time, because of fluctuations in market prices, market conditions, your withdrawal of Assets, or any reason beyond the Bank’s control, there is a deviation from the Investment Guidelines, the Bank will not be deemed to be in breach of the Investment Guidelines, provided that the Bank takes steps to comply with the Investment Guidelines within a reasonable period of time. If Assets are invested in a Fund (as defined below) that is generally in compliance with the Investment Guidelines, the Investment Guidelines will not control if there is a conflict between the Investment Guidelines and the specific investment objectives, policies, or guidelines of that Fund. “Fund” refers to mutual funds, exchange traded funds, index mutual funds or alternative investment vehicles (such as hedge funds, private equity funds, funds of such funds, and real estate).

The Bank’s appointment as investment manager shall not be affected by your subsequent disability, incapacity, death, or incompetency, and the Bank may continue to act until further notice from an appropriate authorized person.

The Bank may delegate management of a Managed Account to J.P. Morgan (Suisse) SA (“JPM Suisse”). JPM Suisse may appoint an investment adviser who may manage, or provide advice in connection with, the same or a similar strategy for a Morgan Affiliate. When JPM Suisse receives investment advice from the adviser outside of its normal business hours it may not consider this advice until the next business day. Depending on the geographic location of JPM Suisse, the investment adviser or the Morgan Affiliate, each may—due to time zone differences—implement investment decisions at different times. This means that you may receive a different price for an underlying security than a client of a Morgan Affiliate invested in the same or a similar Strategy. The difference in price for an underlying security may arise for a number of other reasons including overnight movements in the market for that security.

#### B. Permissible Investments

The Bank and any sub-advisor will determine the investments in your Managed Account in accordance with the Investment Guidelines and in light of availability and applicable fiduciary standards. Investments that may be made for the Managed Account include (to the extent permitted by applicable law) stocks, bonds, warrants, puts, calls, swaps, forwards, futures, options, debentures, notes, loans and loan participations, mutual funds, exchange-traded funds, unit trusts, real estate investment trusts, and other types of pooled interest funds and commingled investment vehicles (including, without limitation, “funds of funds” and hedge funds), currencies, precious metals and other commodities, bank deposits, mortgages, limited partnership interests, limited liability company interests, structured products (as discussed below), and all

other securities, obligations, derivatives, and alternative investments of every description in which Bank may legally invest for the Managed Account, regardless of investment rating or lack of rating, in any currency, whether registered or unregistered, restricted or unrestricted, publicly traded or privately offered, and on or off any exchange, and any documents or other instruments evidencing Client’s rights or interests therein. If the Bank invests in derivative instruments, the Bank may pledge Assets in the Managed Account to meet collateral requirements to the extent permitted by applicable law.

Notwithstanding any language in the Agreement to the contrary, investments made in any account subject to section 408 or 408A of the Internal Revenue Code (“IRC”) shall comply with the investment restrictions therein.

Notwithstanding any contrary provisions contained in this Agreement or contained in the governing state law, neither the Bank nor any Morgan Affiliate shall be subject to any of the provisions of the Uniform Prudent Management of Institutional Funds Act or any comparable act or law that may be currently in effect or become effective in the future under governing state law (any of which are herein after referred to as “UPMIFA”), and this Agreement is not a delegation of any authority, duties, or powers under any applicable UPMIFA law.

You will remain responsible, liable and subject to the terms of any applicable UPMIFA law, and you hereby expressly agree to release any Morgan Affiliate from complying with any of the terms of any applicable UPMIFA law, and further agree to release, hold harmless and indemnify any Morgan Affiliate from and against any and all action, inaction, grounds for complaint, and any causes of action, in law or in equity, suits, penalties, any and all liabilities, losses, claims, expenses (including legal and other professional fees), costs or other demands that any Morgan Affiliate may incur or that may be charged against it by reason of any Morgan Affiliate not complying with the terms and provisions of any applicable UPMIFA law.

Investment securities issued by real estate companies, emerging market securities, OTC derivatives (swaps, options, forwards), unlisted or privately placed securities and alternative investments, such as private equity funds, hedge funds, and funds of such funds, and complementary/ structured products involve certain risks discussed in the Risk Disclosure Booklet. You should consult with your own legal, tax, financial and accounting advisers and you are expected to rely upon your own evaluation of information you receive when making investment decisions. You have considered these risks before agreeing that these investments should be part of the Investment Guidelines for your Managed Account.

#### IV. Termination and Liquidation of a Strategy

1. The Bank shall determine which Strategies are available and may add or remove Strategies in its sole discretion. Upon discontinuing a Strategy, the Bank will no longer review it or perform any due diligence or other investigation of any security used in the Strategy or have any obligation to give you information about the Strategy or the securities used in the Strategy. You may have to pay redemption or early termination fees when a Strategy is discontinued or the securities used in a Strategy are sold, unwound, or redeemed before any minimum holding period expires.
2. The Bank will notify you of Strategies that have been, or will be, discontinued and identify replacement Strategies that you may select. You authorize the Bank to sell the Assets invested in any discontinued Strategy without your further consent and reinvest these Assets in another strategy you select, or in a money market mutual fund, exchange-traded fund, index mutual fund or deposit account if you have not selected another strategy. If you do not select another Strategy within 45 days of its discontinuance, the Bank may, at its option, terminate this Agreement. Upon termination, if you do not promptly provide the Bank with instructions for the Assets, the Assets in your Managed Account will remain in a custody account and the Bank will not manage or give you advice about your Assets in that custody account. The Bank may, at its option, deliver the Assets from any discontinued Strategy to you in kind.

The investment in some Strategies have special risks that you should evaluate carefully before you select a Strategy. Please review the Risk Disclosure Booklet for a discussion of various risk factors associated with certain investments.

## V. Minimum Account Size, Additions, Withdrawals

1. You must invest the minimum dollar amount for a Strategy, but the Bank can waive the minimum in its discretion. You acknowledge and agree that your account will not be accepted as a Managed Account in a Strategy for which the Bank acts as a fiduciary until you have satisfied the applicable funding requirements for the Strategy and the Bank has accepted your account as a Managed Account. The investment of assets in a Strategy will only occur when all operational requirements have been met.
2. The Bank will invest your additional deposits in a money market fund or deposit account prior to investment in a Strategy and they will be included in the calculation of Fees.
3. You may deposit additional cash or transfer securities into any Strategy in which you are already invested at such times as the Bank may establish, subject to the Bank's right to terminate any Strategy and subject to applicable law. The Bank shall have full discretion to determine when your additional investment will be used to purchase securities or funds, as applicable.
4. You may withdraw Assets from a Strategy upon notice to the Bank, subject to the provisions of this Section. The Bank may be required to sell securities to meet your withdrawal request and if a sale occurs prior to the issuer's minimum holding period expires, you may be required to pay the security's redemption or early termination fee. You may lose money if the Bank sells a security intended to be held until maturity. Sale or redemption proceeds may not be available immediately if the issuer of the security has limited sales or has reserved the right to hold back a portion of the redemption proceeds.
5. If your withdrawal would cause the amount invested in any Strategy to fall below the Bank's established minimum for the Strategy or below the minimum holding imposed by any issuer of a security used in a Strategy, the Bank reserves the right to terminate this Agreement. Upon termination, if you do not promptly provide the Bank with instructions for the Assets, the Assets in your Managed Account will remain in a custody account and the Bank will not manage or give you advice about your Assets in that custody account. The Bank will not be required to deliver Assets to you in kind if you are not eligible to hold these Assets outside of your Managed Account.

## VI. Fees

1. You will pay the Bank an investment management fee (the "Fee"), which is set out in the fee information provided to you at account opening.

You acknowledge and agree that in addition to the Fee, but only to the extent permitted by applicable law, (1) you will reimburse the Bank for brokerage commissions, taxes and any other transaction-related fees and expenses it incurs in managing your Assets; (2) you will also pay a separate fee to Third-Party Managers (as defined below) for their advisory services and to reimburse them for brokerage commissions, taxes and any other transaction-related fees and expenses they incur in managing your Assets; and (3) you will pay your pro rata share of a Fund's (as defined below) investment advisory fees and administrative expenses as set forth in its prospectus or offering documents, and these fees may be paid to Morgan Affiliates. You authorize the Bank to debit your Managed Account for payment of all such fees, commissions, taxes and expenses incurred by the Bank or by Third-Party Managers to the extent permitted by applicable law. Fund fees and expenses are generally deducted from the net asset value of an interest therein.

The Fee is payable each calendar quarter arrears, but you may elect monthly, semi-annually or annual billing. The Fee is expressed as an annual rate.

2. To the extent permitted by applicable law, the Bank or Morgan Affiliates may receive selling commissions, administrative and servicing fees, and other compensation in connection with securities in your Managed Account. In addition, to the extent permitted by applicable law, Morgan Affiliates may receive a distribution fee from certain mutual funds pursuant to Rule 12b-1 under the Investment Company Act of 1940, and the Bank may receive administrative and servicing fees as well. These fees will reduce your returns. Certain sponsors and managers of Funds are affiliated with the Bank. The Bank and/or a Morgan Affiliate will receive an investment management fee and/or other compensation for managing an affiliated Fund. You understand that, unless your Managed

Account is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA") or comparable provisions of the IRC, the Bank will not offset the Fund fees it or Morgan Affiliates receive against your Fee, except as may be required by applicable law or if the Bank determines it to be appropriate.

3. You agree that the Bank or 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 Managed Account in addition to the Fee, unless the Managed Account is subject to ERISA or comparable provisions of the IRC. You authorize excess cash to be swept into mutual funds managed or advised by Morgan Affiliates or deposit accounts with the Bank or another Morgan Affiliate that is an insured depository institution. You understand that the Bank has a conflict of interest in implementing a Strategy with these securities or deposits because Morgan Affiliates will, to the extent permitted by applicable law, receive compensation if you select a Strategy containing these securities or deposits. Notwithstanding any language in this Agreement to the contrary, proprietary investment products of the Bank or any Morgan Affiliate will not be held in a Managed Account subject to ERISA and/or section 4975 of the IRC unless authorized by and held in accordance with applicable law, including the availability of a prohibited transaction exemption.
4. You authorize the Bank to accrue sufficient cash or money market fund balances in your Managed Account to cover the anticipated Fee and other fees and to deduct the 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. The Bank may withhold any tax to the extent required by law and may remit such taxes to the appropriate governmental authority. In accordance with applicable law and the Bank's procedures, you may instruct the Bank to deduct Fees and other applicable charges from another account you have at the Bank.

## VII. Client Representations and Warranties

1. You acknowledge that the Bank's advice and decisions under this Agreement is limited to the Assets and does not consider any other assets you own, including assets the Bank or Morgan Affiliates hold or manage in accounts held by third parties, or any information you do not provide to the Bank in connection with your Managed Account.
2. The Bank provides investment advisory and/or execution services to other clients. The Bank may give different advice or take different action for any other client or account, including its own accounts or those of Morgan Affiliates, than the advice the Bank gives or actions it takes for your Managed Account. The Bank may execute transactions for your Managed Account with brokers, dealers and banks who supply research to the Bank or to Morgan Affiliates, and the Bank or Morgan Affiliates may use this research in advising other accounts. Purchases or sales of securities for your Managed Account may coincide with purchases or sales of the same securities by other accounts the Bank or a Morgan Affiliate manages or advises, or for the Bank's account or the account of Morgan Affiliates. In such instances, the Bank will allocate investments in a manner it believes to be equitable to each client, subject to its fiduciary obligations under ERISA, if applicable. The Bank may aggregate purchases or sales of securities for your Managed Account with purchases or sales of the same securities by the Bank's other managed accounts or by the Bank's or a Morgan Affiliate's officers, directors or employees, any of which may hold a direct or indirect position in or buy or sell securities used to implement a Strategy.
3. You acknowledge that the Bank and Morgan Affiliates will limit investment positions (including registered funds) that the Bank or Morgan Affiliates manage on behalf of its various clients due to, among other things: (i) liquidity concerns, (ii) regulatory requirements applicable to the Bank or Morgan Affiliates, and (iii) internal policies related to these concerns or requirements, in light of the Bank's and Morgan Affiliates' management of multiple portfolios and businesses. These policies preclude the Bank or Morgan Affiliates from buying certain investments for clients, and may cause the Bank to sell certain investments held in client accounts. You further acknowledge that this could result in performance differences among accounts with similar investment objectives.

## VIII. Conflicts of Interest

### 1. OVERVIEW

As further described below, conflicts of interest will arise whenever J.P. Morgan has an actual or perceived economic or other incentive in its management of Managed Accounts to act in a way that benefits J.P. Morgan. Conflicts will result, for example, whenever (1) J.P. Morgan invests in an investment product, such as a mutual fund, structured product, separately managed account or hedge fund issued or managed by a Morgan Affiliate, such as J.P. Morgan Investment Management Inc.; (2) J.P. Morgan obtains services, including trade execution and trade clearing, from a Morgan Affiliate; (3) J.P. Morgan receives payment as a result of purchasing an investment product for a client's account; or (4) J.P. Morgan receives payment for providing services (including shareholder servicing, recordkeeping or custody) to investment products purchased for a client's portfolio. Other conflicts will result because of relationships that J.P. Morgan has with other clients or when J.P. Morgan acts for its own account. Investment strategies are selected from both J.P. Morgan and third-party asset managers and are subject to a review process by J.P. Morgan's manager research teams. Recommended strategies are then subject to investment committee review and approval. From this approved pool of strategies, J.P. Morgan portfolio construction teams select those strategies it believes fit its asset allocation goals and forward-looking views in order to meet the portfolio's investment objective.

As a general matter, J.P. Morgan prefers J.P. Morgan managed strategies unless it thinks third party managers offer substantially differentiated portfolio construction benefits. It 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.

Your Managed Account is subject to the risks associated with investments in securities and will not necessarily be profitable. Some, but not all, of such risks are described herein. For more information, you should consult the Risk Disclosure Booklet. The Bank does not guarantee the future performance of any Managed Account, guarantee any specific level of performance or guarantee that the Bank's investment decisions, strategies or overall management will be successful or that your investment objectives will be met. The investment decisions the Bank will make for your Managed Account are subject to various market, currency, economic, political and business risks, and will not necessarily be profitable.

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

Six Circles Funds are mutual funds managed by J.P. Morgan and sub-advised by third parties. Although considered internally managed Strategies, J.P. Morgan does not retain a fee for fund management or other fund services.

Morgan Affiliates act as the regular investment bankers for a number of major corporations and, from time to time, perform investment banking services for other companies as well. Accordingly, it is likely that securities in your Managed Account will include some of the securities of corporations for which Morgan Affiliates perform investment banking services. Your Managed Account also may include the securities of companies in which a Morgan Affiliate makes a market or in which a Morgan Affiliate or the officers or employees of a Morgan Affiliate own securities.

At times, the Bank will not initiate or recommend certain types of transactions in the securities of companies for which a Morgan Affiliate is performing investment banking services, and you will not be advised of that fact. For example, when a Morgan Affiliate is engaged in an underwriting or other distribution of securities of a company, the Bank may be prohibited from purchasing or recommending the purchase of certain securities of that company for clients. You further acknowledge that in the course of its investment banking or other activities, the Bank and Morgan Affiliates may acquire confidential or material non-public information. The Bank will not be free to divulge to you, or to act upon, this information.

Certain securities may not be suitable for non-U.S. taxpayers. Neither the Bank nor any Morgan Affiliates render tax or legal advice and you must consult with outside tax and legal professionals regarding the tax consequences of investing in certain securities (including but not limited to, hedge fund, private equity funds, and real estate funds) including, without limitation, taxes on "effectively connected income" and taxes due to the Foreign Investment in Real Property Tax Act ("FIRPTA"), any or all of which may affect your return on investment and exempt tax status.

The Bank, any Morgan Affiliate, or a Third-Party Manager may manage, for other clients additional accounts or other investment vehicles with investment strategies that are similar or identical to a strategy in which you are invested ("Similar Vehicles"). These Similar Vehicles may at times seek to buy or sell the same investments in your Managed Account or other client accounts, and also may be subject to different fee arrangements. Additional conflicts of interest may arise when the Bank, any Morgan Affiliate, or a Third-Party Manager manage Similar Vehicles, including, without limitation, conflicts relating to the allocation of investment opportunities and management time and resources, and you hereby waive all such conflicts of interest.

The Bank is not required to notify you before engaging in any transaction, including transactions that may create a conflict of interest for the Bank, and you understand, and waive, all conflicts of interest.

The Bank or Morgan Affiliates may retain, as compensation for the performance of services, the Managed Account's proportionate share of any interest earned on aggregate cash balances held by the Bank or Morgan Affiliates with respect to "assets awaiting investment or other processing" ("Float"). Please review the Risk Disclosure Booklet for a detailed discussion of this conflict of interest under the heading Float.

The Client agrees that the Bank may effect trades on behalf of the Managed Account through exchanges, electronic communications networks, alternative trading systems and similar execution systems and trading venues (collectively, "Trading Systems"), including Trading Systems in which the Bank or a Morgan Affiliate may have a direct or indirect ownership interest. The Bank or a Morgan Affiliate may receive indirect proportionate compensation based upon its ownership percentage in relation to the transaction fees charged by such Trading Systems in which it has an ownership interest. Please review the Risk Disclosure Booklet for a detailed discussion of this conflict of interest under the heading Conflicts Related to Trading Systems.

### 2. APPLICABILITY OF SECTION

A description of the conflicts set forth above and how they may affect the management of your Managed Account are contained in this Section and throughout this Agreement. Furthermore, the description of these conflicts is subject to the requirements of applicable law, including ERISA and applicable provisions of the IRC, and as a result certain conflicts may not be permissible for certain account types, including ERISA. Please refer to the Risk Disclosure Booklet, for more account type-specific information.

### 3. OTHER SERVICES

The Bank is authorized to act on your behalf even though Bank or any Morgan Affiliate may have a potential conflict of duty or interest in a transaction. This includes the fact that Bank or any Morgan Affiliate may (to the extent permitted by applicable law): provide brokerage services to other clients, act as a financial adviser or lender to an issuer of securities, enter into agreements with providers of mutual or unit trust funds or other types of pooled interest funds and commingled investment vehicles for selling, distributing, or servicing (including shareholder servicing, recordkeeping, providing custody, or other services) shares or interests therein, act as underwriter, broker, dealer or placement agent with respect to securities, invest on your behalf in mutual or unit trust funds or other types of pooled interest funds and commingled investment vehicles that are established, sponsored, advised, or managed by third parties (and the third parties may pay the Bank or a Morgan Affiliate in connection with that investment) or that are established, sponsored, advised, managed by or otherwise affiliated with the Bank or a Morgan Affiliate (and the Bank or a Morgan Affiliate may be compensated separately for that investment), act as a counterparty in currency exchange, swap, option and other derivative transactions, act in the same transaction as agent for more than one client, have a material interest in an issue of securities; earn fees and profits from any of the above-listed activities in addition to the Fee and other fees you pay for the Bank's services under this Agreement,



invest in deposits with the Bank or another Morgan Affiliate and effect transactions between your Managed Account and any other account for which the Bank or any other Morgan Affiliate acts as broker-dealer. The foregoing roles, interests, and separate compensation may apply to privately placed investments as well as other securities or instruments.

Without limiting the generality of the preceding paragraph, you specifically authorize the Bank to invest in J.P. Morgan mutual funds and exchange traded funds (together "J.P. Morgan Funds") and any other Funds. You recognize that, as a shareholder of the Fund, you will indirectly bear your pro rata share of the Fund's advisory fees and administrative expenses as set forth in the Fund's prospectus or offering documents, and Client agrees that Bank or 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) Funds in addition to the Fee you pay for the Bank's services under this Agreement, unless your Managed Account is subject to (and then only to the extent permitted under) ERISA and/or section 4975 of the IRC. You have authorized the Bank to sweep excess cash into J.P. Morgan Funds, any money market fund, or deposits managed or held by the Bank or another Morgan Affiliate.

Notwithstanding any language in the Agreement to the contrary, proprietary investment products of the Bank or any Morgan Affiliate of the Bank shall not be held as an asset of an account subject to ERISA and/ or section 4975 of the IRC unless authorized by and held in accordance with applicable law.

To the extent permitted by applicable law the Bank is authorized to arrange for the execution of transactions involving securities or other Assets, either by executing such transactions, or by choosing brokers or other financial organizations, including Morgan Affiliates. In addition, when the Bank buys or sells securities or other Assets for which the Bank or another Morgan Affiliate acts as a dealer or underwriter, to the extent permitted by applicable law the Bank may buy or sell as principal those securities or other Assets from or to either itself or another Morgan Affiliate, or from or to a member of an underwriting syndicate of which the Bank or a Morgan Affiliate is a member. The Bank is able to trade with JPMS as a trading counterparty (but such practice does not apply to accounts subject to ERISA and/or section 4975 of the IRC). As such, there is a benefit to the affiliated broker-dealer since its overall revenues are increased. The Bank manages this conflict through disclosure to clients as well as through various governance and oversight forums. The Bank is not required to notify you before engaging in any transaction, including transactions that create a conflict of interest for the Bank.

You hereby waive the right to receive a confirmation of each transaction executed in your Managed Account.

## IX. Custody; Proxies

The Bank is appointed custodian of the Assets to be managed in your Managed Account. When the Bank acts as custodian:

- The Bank will record, on its books, your interest in Assets that the Bank holds directly or indirectly in your Managed Account as custodial assets. The Bank may hold Assets directly or indirectly through one or more sub-custodians or securities depositories.
- You agree that any securities that the Bank holds for you directly or indirectly through any sub-custodian or securities depository may be treated as fungible with all other securities of the same issue pursuant to the provisions of applicable law.
- Assets may be registered in the name of the Bank's nominee, or in the name of the nominee of any depository or sub-custodian that the Bank uses.
- The Bank may, in its discretion, hold non-U.S. dollar currencies in your Managed Account to be used in connection with transactions for your Managed Account denominated in non-U.S. dollar currencies. The Bank has the right, to the extent permitted by applicable law, to convert one currency into another at any time and without prior notice at the current market rate for spot foreign exchange transactions or for forward foreign exchange transactions in any manner as the Bank or any Morgan Affiliate determine in their sole discretion to be reasonable. The Bank or any Morgan Affiliate may charge fees for spot foreign exchange transactions or forward foreign exchange transactions, as further described in your fee schedules. Deposits may be held, and transactions effected through, an account with a Morgan Affiliate or another bank in the country where such currency is the lawful

currency or in other countries where such currency may be lawfully held on deposit, to the extent permitted by applicable law.

- The Bank will perform or instruct the appropriate sub-custodian to perform the following: (i) execute in your name any ownership and other certificates as may be required to obtain payment, or exercise any rights in respect of any Asset; (ii) accept and open all mail directed to you; and (iii) retain or dispose of fractional interests the Bank or a sub-custodian receives as a result of stock dividends in accordance with local law and practice.
- You reserve the right to vote proxies for mutual funds and exchange-traded funds registered under the Investment Company Act of 1940, as amended, sponsored or managed by J.P. Morgan or by third parties (together, "Registered Funds") as well as any securities that are held in a strategy managed by a Model Manager in your Managed Account. The Bank designates an independent service provider to vote your proxies ("Proxy Service"). Unless you have provided written notice to the Bank as set forth below, you hereby appoint the Proxy Service as your agent and attorney-in-fact and authorize the Proxy Service, in its discretion, to vote proxies in accordance with its own proxy voting guidelines in effect from time to time (or other guidelines that it has been instructed to use by the Bank), copies of which are available upon request. The Proxy Service's role as agent applies to proxies that the Proxy Service generally votes and does not apply to proxies for which the Proxy Service declines to vote. The Proxy Service is currently Institutional Shareholder Services Inc. The Bank may, in its discretion, change the Proxy Service and you agree that you will be deemed to have agreed to the appointment of any new Proxy Service. The Bank will notify you if the Proxy Service changes.
- You acknowledge that, by appointing the Proxy Service, you will not receive proxy materials or related communications for which the Proxy Service accepts responsibility for voting.
- You agree that the Bank shall not be deemed to have or exercise proxy voting responsibility or authority by virtue of any authority to hire or change the Proxy Service.
- You may revoke your appointment of the Proxy Service upon written notice to the Bank, but the Bank shall have a reasonable period of time to comply with your revocation. You agree that, if you revoke your appointment of the Proxy Service, you will receive all proxy materials and related communications in your Managed Account, and you will be responsible for voting proxies directly or instructing any custodian that holds such Registered Funds or securities to do so.
- You agree that the Bank will not vote proxies (or give any advice about how to vote particular proxies) relating to Registered Funds or securities currently or formerly held in your Managed Account. You agree that neither the Bank nor any Morgan Affiliate will be responsible or liable for (1) failing to notify you of proxies, or (2) failing to send to the Proxy Service or, as applicable, proxy materials or related communications where the Bank or any Morgan Affiliate has not received proxy materials or related communications on a timely basis or at all.
- You specifically reserve the right and responsibility to vote proxies not voted by the Proxy Service and for other corporate events and legal proceedings relating to Assets in your Managed Account requiring action by beneficial owners, including class actions and bankruptcy proceedings. The Bank does not have any obligation to take any action on your behalf of pursuant to a class action. Neither the Bank nor its delegate shall be obligated to take any action on these such proxies, events, or proceedings, except as provided for in this Agreement. You may revoke this delegation upon written notice to the Bank, but the Bank shall have a reasonable period of time to comply with your revocation. You agree that, if you revoke your delegation to the Bank, you will receive proxy and other materials related to such actions for your Assets, and you will be responsible for voting proxies or taking actions directly or instructing any custodian that holds such Assets to do so.
- If a Third-Party Manager manages a portion of your Managed Account, it will be responsible for voting any proxies and acting on any corporate event, and legal proceedings and other communications requiring discretionary action by beneficial owners.
- You shall be solely responsible for compliance with any notification or other requirement of any jurisdiction relating to or affecting beneficial ownership of Assets, and the Bank will not be liable for your non-compliance with such requirements.
- The Bank may execute transactions in accordance with the customary securities trading or processing practices and procedures in the market

in which the transaction occurs. These may include, among other things, delivery of Assets to a purchaser, dealer or agent against a receipt with the expectation of receiving later payment, and free delivery.

- In some securities markets and cash clearing systems, deliveries of securities and cash may be reversed under certain circumstances. Accordingly, credits of securities to your Managed Account and deposits of cash are provisional and subject to reversal if, in accordance with relevant local law and practice, the delivery of the securities or cash is reversed.
- Unless you have instructed the Bank otherwise in writing, or such release is mandatory or otherwise in accordance with this Agreement, the Bank may not release to issuing companies your name, address, and share positions.
- Availability of funds to be credited to your Managed Account will be based upon the type of funds used in trade settlement or payment, including dividend and interest payments and sales and redemption of securities.
- The Bank will maintain custody of the Assets in accordance with the policies and procedures it uses for discretionary investment management accounts generally. In its capacity as custodian, the Bank will receive and credit to your Managed Account all interest, dividends, and other distributions that it receives on the Assets in your Managed Account.
- For each month in which there is activity in your Managed Account or, if there is no activity, on a quarterly basis, the Bank, in its capacity as custodian, will provide an account statement that includes a summary of transactions, an inventory of holdings, and other information.
- Under exceptional circumstances, the Bank may, in its sole discretion, agree to provide custody and, if permitted under applicable law and when otherwise possible, execution for Assets (including Assets purchased on the Bank's direction through a Morgan Affiliate) that you have acquired and wish to maintain outside the Bank's appointment as investment manager ("Unmanaged Assets"). If the Bank agrees to hold Unmanaged Assets, the provisions of the Asset Account Agreement, included in the Terms and Conditions, relating to custody and the separate custody fee schedule will apply to such Unmanaged Assets. Valuations of Unmanaged Assets will be reflected on your periodic statements at the Bank's discretion. For Unmanaged Assets not managed or advised by Morgan Affiliates, the Bank will reflect valuations provided by third parties if possible, but the Bank will bear no responsibility for their accuracy.
- The Bank is not obligated to manage, provide any advice, or make any recommendations about Unmanaged Assets. You will make all investment decisions about Unmanaged Assets, even if the Bank, in its discretion and as an accommodation to you, provides advice and recommendations about them. In case the Bank agrees to hold Unmanaged Assets or if the Bank's appointment as investment manager for your Managed Account is in any way terminated, you may be required to redeem your holdings in any funds or any other pooled investment vehicles or exchange them for shares of another share class for which you are eligible, within 30 days of such termination.

## X. Appointment as Agent; Authorization

You appoint the Bank, or the designated Morgan Affiliate, as your agent and authorize the Bank to represent you in every respect, in your name and place, with regard to the Bank's acting as agent, pursuant to this Agreement. By way of example, but not by way of limitation, the Bank, or the appropriate sub-custodian, is authorized to execute endorsements, assignments, or other instruments of conveyance or transfers of securities or other Assets in your Managed Account and to execute any other documents that the Bank deems to be necessary or desirable and proper in connection with the provision of services under this Agreement. The Bank's signature or that of the appropriate sub-custodian, as well as any and all declarations or other documents, shall be fully binding on you, and you hereby declare yourself fully liable for any and all dispositions made by the Bank. This power is coupled with an interest and shall survive your disability or incompetence. The Bank's appointment as agent pursuant to this paragraph will not be understood to impose upon the Bank any additional duties not expressly undertaken in this Agreement. The Bank, in its sole discretion, is also expressly authorized to employ agents and sub-agents in connection with the provision of services under this Agreement and pay reasonable compensation to such agents and sub-agents directly from your Managed Account.

## XI. Assignment

This Agreement shall be binding upon and inure to the benefit of each of the Bank and the Bank's successors, assigns, heirs, and representatives. You will not assign any of your rights or obligations under this Agreement without the Bank's prior

written consent. Except where prohibited by applicable law or regulation, each Morgan Affiliate providing services under this Agreement may assign its rights and obligations under this Agreement, or grant participations in its rights, such as its rights as a creditor, to any other party without notice to you or your consent. You agree that each Morgan Affiliate may arrange for another Morgan Affiliate or other entity to perform on its behalf any act such Morgan Affiliate is required to perform under this Agreement.

## XII. General Disclosure of Outside Activities

Nothing in this Agreement shall limit or restrict the right of any of the Bank's directors, officers, employees or agents to engage in any other business or to devote his or her time and attention in part to the management or other aspects of any other business, whether of similar or dissimilar nature.

## XIII. Taxes

Managed Account transactions may give rise to tax liability for which you are also responsible. Mutual funds, exchange-traded funds and index mutual funds may make large distributions of interest and dividends to investors at various times in a calendar year, and you will be liable for taxes on such distributions without regard to the date of your investment in a Managed Account. You understand and acknowledge that the Bank and Morgan Affiliates do not provide tax advice and you should consult your own tax advisor about the federal, state and local tax consequences of investing in a Managed Account, including, without limitation, the potential application and impact of Section 1091 of the IRC, and the corresponding Treasury regulations (the "wash sale rules") on your Managed Account. You agree that you are responsible for complying with all applicable tax rules, including, but not limited to, the wash sale rules.

The Bank is authorized to claim exemption from transfer taxes on all transfers of investments held in your Managed Account, unless you otherwise instruct the Bank in a particular transaction. You will pay all applicable transfer taxes on demand.

You authorize the Bank to choose and apply any legally permissible tax lot disposition method to sales of securities in your Managed Accounts (including designating the default method for the sales in the Managed Account generally), regardless of whether you previously designated a different tax lot disposition method for the Managed Account or another account. You understand and acknowledge that (i) the choice of tax lot disposition method for some or all sales in the Managed Account will have tax consequences and could result in a higher tax liability for you than would have resulted from application of another method, including any method you previously designated; and (ii) the Bank shall have no responsibility or liability for any such tax consequences. Any default tax lot disposition method the Bank chooses for your Managed Account shall continue to be applied to your Managed Account after this Agreement is terminated and becomes an unmanaged custody account, unless and until you instruct the Bank to change the method. The Bank and Morgan Affiliates do not provide tax advice.

## XIV. Prohibitions Against Using Proprietary Information; Confidentiality

All information the Bank provides to you that refers to, relates to, or reflects any Strategy or the securities used to implement any Strategy, including all information about the selection and retention of Third-Party Managers, is the confidential and proprietary information of the Bank. You shall safeguard as strictly confidential, and shall not use, any such information except (i) for the purpose of obtaining the products and services contemplated by this Agreement; or (ii) in order to comply with applicable laws and regulations or regulatory requests or a subpoena, court order or similar compulsory legal process, provided that disclosure shall not be broader than required by the applicable process or law and that you give the Bank prompt detailed notice thereof (unless notice is prohibited by law) to permit the Bank, at its own expense, to seek an appropriate protective order or otherwise intervene to protect the confidentiality of information about any Strategy or the securities. Notwithstanding anything herein to the contrary, you may disclose to any and all persons, without limitation of any kind, the U.S. income and franchise tax treatment and the U.S. income and franchise tax structure of any strategy or the securities used to implement any Strategy and all materials of any kind (including opinions or other tax analyses) that are given to you relating to such tax treatment and tax structure insofar as such treatment and/or structure relates to a U.S. income or franchise tax strategy JPMorgan Chase & Co. and its subsidiaries gave you.

For the avoidance of doubt, the Client is permitted to share their account statements and other relevant information with their professional advisors.

## XV. Retirement Plans and Managed Accounts

Unless the Bank has agreed in writing to establish a Managed Account for you that is an Individual Retirement Account (an "IRA") or to hold the assets of any qualified retirement or welfare benefit plan, as further described below (each, a "Retirement

Managed Account”), you represent that your Managed Account is not a Retirement Managed Account (a “non-Retirement Managed Account”), and that none of the Assets in the Managed Account are part of:

- A. A pension, profit sharing or other employee benefit plan subject to ERISA (each, an “ERISA Plan”), or any other substantially similar federal, state, local or foreign law,
- B. A “plan” as defined in section 4975(e)(1) of the IRC (together with any ERISA Plans or other plans described in (A) above, a “Plan”), or
- C. Any entity whose underlying assets include “Plan assets” by reason of any Plan’s investment in the entity.

You agree to notify the Bank promptly in writing if any of this information changes. If you maintain both a Retirement Managed Account and a non-Retirement Managed Account, you understand and agree that any advice or recommendations the Bank or any Morgan Affiliate provides with respect to your non-Retirement Managed Account do not constitute advice or recommendations for, and should not be relied on in connection with, your Retirement Managed Account, which may present different considerations.

The following provisions shall apply if you are establishing a Retirement Managed Account.

1. The Client represents and warrants that:
  - A. the Retirement Managed Account is being opened on behalf of the Plan by a properly authorized fiduciary. If the Retirement Managed Account is established to hold the assets of an ERISA Plan, the representations, authorizations, certifications and warranties required of the Client in this Agreement shall be made by this fiduciary acting solely in its capacity as such and in no event shall such fiduciary be considered a client under this Agreement;
  - B. if the Retirement Managed Account is established to hold the assets of an ERISA Plan, the Client is a “named fiduciary” (as such term is defined in ERISA) of such Plan;
  - C. the execution, delivery and performance of this Agreement is consistent with and will not violate any provision of any Plan document (including any investment policy statement or similar document), trust agreement or any contract or other agreement to which the Client or the Plan is a party or by which the Client or the Plan’s assets may be bound (collectively, “Plan Documents”), or any statute, rule, regulation or order of any government agency or body, and the Client will promptly provide any requested Plan Documents that relate to the responsibilities of the Bank or any Morgan Affiliate under this Agreement and any amendments to such previously requested documents; and, unless the Client gives prior written notice to the Bank in the form and manner required by the Bank, there are otherwise no limitations on securities or other property that may be purchased or held as Retirement Managed Account assets;
  - D. the Client is independent of the Bank and Morgan Affiliates, is capable of making an independent decision regarding the investment of Plan assets, is knowledgeable with respect to the Plan in administrative matters and, if applicable, funding matters related thereto, and is able to make an informed decision concerning this Agreement and maintenance of the Retirement Managed Account;
  - E. any proposed asset allocation the Bank or any Morgan Affiliate provides to the Client, whether provided prior to or after this Agreement, has not served and does not serve as fiduciary investment advice under ERISA or the IRC;
  - F. the Client is solely responsible for complying with section 407 of ERISA, if applicable, and unless the Client informs the Bank otherwise, that any company sponsoring the Plan is not a public company and does not have any affiliates that are public companies; and
  - G. neither the Client nor the sponsor of the Plan nor any of the Client’s or sponsor’s affiliates are a financial services firm or other entity that has the ability to act as a counterparty to the Bank or any Morgan Affiliate with respect to the execution of a transaction in the market involving Plan assets that are held in the Retirement Managed Account.
2. If the Client is acting for an ERISA Plan, the Client hereby appoints the Bank (as well as any manager it retains for the Retirement Managed Account) to serve as an “investment manager” as that term is defined in Section 3(38) of ERISA with respect to the Retirement Managed Account assets, and as a “named fiduciary” with discretion to select managers for the Plan. The Bank represents and acknowledges that, with respect to the performance of its duties under this Agreement, it (and each manager it retains for the Retirement Managed Account) is a “fiduciary” as that term is defined in section 3(21) of ERISA and/or section 4975(e)(3) of the IRC.
3. The Client acknowledges that proprietary investment products of the Bank or any Morgan Affiliates shall not be held as an asset of a Retirement Managed Account unless authorized by and held in accordance with applicable law, including an available prohibited transaction exemption.
4. Unless the Client notifies the Bank otherwise in writing, the Client acknowledges that the Retirement Managed Account is only part of the Plan’s assets, the services provided under this Agreement will have no effect on the assets of the Plan that are not in the Retirement Managed Account and will not take into account such assets (including with respect to the diversification of the Retirement Managed Account), and the Bank will have no responsibility for such other assets. The Bank is not responsible for Plan administration or for performing any duties not expressly set forth in this Agreement.
5. The Client will promptly notify the Bank in writing if any of the representations above become inaccurate, if the identity of any of the Plan’s named fiduciaries with respect to the Retirement Managed Account changes, or if the Client considers any investment or proposed investment of which the Client has notice to be inconsistent with any Plan Document.
6. The Client has concluded that the Fees and other fees and expenses payable to the Bank or any Morgan Affiliate are reasonable and in the best interests of the Plan and, if applicable, its participants and beneficiaries. Further, if any Retirement Managed Account is established to hold the assets of an ERISA Plan, the Client acknowledges that prior to establishing the Retirement Managed Account the Client, as the responsible Plan fiduciary, has received, read, had a sufficient opportunity to review, and understand this Agreement and any disclosures provided in connection with the establishment of the Retirement Managed Account. This Agreement and such other disclosures contain information to assist the Client, as Plan fiduciary, in assessing the reasonableness of the Plan’s contracts or arrangements with the Bank and any Morgan Affiliate, including the reasonableness of the compensation paid to the Bank or any Morgan Affiliate, as required by section 408(b)(2) of ERISA and the regulations thereunder.
7. The Client agrees to obtain and maintain for the period of this Agreement any bond required pursuant to section 412 of ERISA or any other applicable law and to include within the coverage of such bond, as applicable and as required by law, the Bank, Morgan Affiliates, any Third-Party Manager, and any of their officers, directors and employees. The Client agrees to promptly provide the Bank with appropriate documents evidencing such coverage upon request.
8. Notwithstanding any other provision of this Agreement or any other agreement to the contrary, except as may be permitted by applicable law (but only to the extent the rights granted and/or actions contemplated hereunder would not give rise to a non-exempt prohibited transaction under section 4975 of the IRC), the Bank and Morgan Affiliates do not look to the assets or other property held within IRAs or any qualified retirement or welfare benefit plan account (i.e., “retirement accounts”) to satisfy any debt or obligation that exists in connection with any non-retirement account that the Bank or any Morgan Affiliate maintains for the Client, nor do the Bank and Morgan Affiliates look to such non-retirement account assets or other property to satisfy any debt or obligation that exists in connection with any retirement accounts. Retirement accounts remain subject to legal remedies for debts and obligations owed in relation to any retirement accounts themselves.
9. The Client acknowledges that this Agreement constitutes the requisite authorization and notice of the Bank’s intent to trade through all Trading Systems (as described in Section VIII), pursuant to section 408(b)(16) of ERISA and/or section 4975(d)(19) of the IRC. Please review the Risk Disclosure Booklet for a detailed discussion of this conflict of interest under the heading Conflicts Related to Trading Systems.

10. The Client can refer to [www.jpmorgan.com/QPAM](http://www.jpmorgan.com/QPAM) for important documents related to the final exemptive relief that allows the Bank to act as a “qualified professional asset manager” under Prohibited Transaction Class Exemption (PTE) 84-14, as amended, including: (i) the individual prohibited transaction exemption proposed by the Department of Labor (“DOL”) on October 20, 2022; (ii) the final individual prohibited transaction exemption granted by the DOL on January 10, 2023; (iii) a summary of facts regarding the conviction that resulted in a failure to meet a condition in PTE 84-14, which necessitated the individual exemption; and (iv) certain of the Bank’s obligations in connection with the final individual exemption. Upon the Client’s request, a paper copy of these documents will be provided to the Client at no cost. The Client can also obtain an electronic copy by sending an email to [erisa\\_disclosures@jpmchase.com](mailto:erisa_disclosures@jpmchase.com). The Client has a right to obtain a copy of a “Summary Policies” document that summarizes key components of the Bank’s written policies developed in connection with this exemption.

## XVI. Engagement of Third-Party Managers

### 1. ENGAGEMENT OF THIRD-PARTY MANAGERS

#### A. Management by Third Parties

In connection with the Bank acting as investment manager under this Agreement, the Bank may determine to use one or more Third-Party Managers to manage some or all of the Assets in the Managed Account. If the Bank so determines, the Bank hereby is authorized to take all necessary or desirable actions on your behalf to select, retain and terminate any such Third-Party Manager, including, but not limited to, executing agreements or other documentation on your behalf with the Third-Party Manager and giving all directions to the Third-Party Manager on your behalf. In connection with this grant of authority, you hereby appoint the Bank as agent with full power and authority to enter into agreements and execute documentation, as the Bank deems appropriate, in your name and on your behalf in connection with the transactions contemplated by this Agreement. This power is coupled with an interest and shall survive your disability or incompetence.

The Bank is not responsible for the completeness or accuracy of any marketing and other materials that a Third-Party Manager provides, including the Third-Party Manager’s Form ADV, Part 2A, even if the Bank relies on such materials in providing services to you. You acknowledge that you will not receive confirmations of trades made by any Third-Party Manager for your Managed Account. Third-Party Manager ADVs will be delivered to you when you open a new Strategy and Third-Party ADVs including updates will also be available at [www.jpmorgan.com/pb-thirdparty-adv](http://www.jpmorgan.com/pb-thirdparty-adv).

If, at any time, for any reason beyond a Third-Party Manager’s control, such Third-Party Manager deviates from the Investment Guidelines in managing Assets, the Third-Party Manager and the Bank will not be deemed to be in breach of the Investment Guidelines, provided that the Third-Party Manager takes steps to comply with the Investment Guidelines within a reasonable period of time.

Unless otherwise provided for in the Investment Management Agreement or directed by you, the Bank may provide a Third-Party Manager with discretion to act on any communications relating to securities held in your Managed Account with respect to proxies, legal proceedings involving shareholders (including “class actions”), and other communications requiring discretionary action by beneficial owners.

The Bank, in its discretion, may waive conflicts on your behalf that a Third-Party Manager may have with respect to management of your Managed Account, unless the Managed Account is subject to ERISA or comparable provisions of the IRC. You authorize the Third-Party Manager to act on your behalf even though the Third-Party Manager may have a potential conflict of interest in a transaction to the same extent as you have authorized the Bank to act on your behalf under the Investment Management Agreement even though the Bank may have a potential conflict of duty or interest in a transaction.

Without limiting the generality of the foregoing sentence, and subject to restrictions for a Managed Account subject to ERISA or comparable provisions of the IRC (which applies to all activities described in this subsection), the Third-Party Manager may invest in Funds sponsored, managed, advised by or otherwise affiliated with any Morgan Affiliate, the Third-Party Manager or any of its affiliates, or third-party providers and these entities will be separately paid for their services in addition to the fees the Third-Party Manager earns for managing the Assets and the Bank earns for advising on your Managed Account. You can withdraw consent to investment in such Funds at any time by providing written notice to the Bank. Third-Party Managers may invest in securities issued by JPMorgan Chase & Co. The Bank also may authorize the Third-Party Manager to effect transactions between your Managed Account and any other account for which the Third-Party Manager or any of its affiliates acts as broker. In connection with such transactions, the Third-Party Manager or any of its affiliates may act as broker for, receive commissions from, and have a potentially conflicting division of loyalties and responsibilities regarding, both parties to such transactions; provided, however, that the Third-Party Manager or its affiliates shall not recommend any such transaction to both any seller and any purchaser. In addition, when the Third-Party Manager buys or sells securities or other Assets for which the Third-Party Manager or its affiliate acts as a dealer or underwriter, the Third-Party Manager may buy or sell such securities or Assets from or to either the Third-Party Manager or such affiliate, or from or to a member of an underwriting syndicate of which the Third-Party Manager or such affiliate is a member. If a transaction is effected on your behalf on a stock exchange by a Morgan Affiliate, the Third-Party Manager or any of its affiliates, it may retain the compensation it is paid in accordance with applicable law.

You authorize the Third-Party Manager to effect any and all transactions either by executing such transactions itself or by means of brokers or other financial organizations of the Third-Party Manager’s choosing, including Morgan Affiliates or the Third-Party Manager’s affiliates. Any such broker or other organization may supply research to the Third-Party Manager and the Third-Party Manager may use this research in advising its other accounts.

You have read, understand, and agree to the terms and information in the Application, this Agreement, the IMAA, the Risk Disclosure Booklet, the Terms and Conditions, and each Portfolio Schedule, Mandate or Summary, as applicable, and the disclosures contained within these agreements and documents. You may contact the J.P. Morgan team to obtain additional copies of these agreements and documents.

J.P. MORGAN PRIVATE BANK

# Private Bank Risk Disclosure Booklet

Important Disclosure Information for Discretionary Managed Accounts

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## SECTION I—INTRODUCTION

Where JPMorgan Chase Bank, N.A. (the “Bank” or the “Advisor”) acts as your investment manager, we may only invest in products that we believe are suitable for you. A key element of our duty to ensure suitability is that we are satisfied that you understand the principal risks associated with each product that we invest in on your behalf.

The financial markets present many different risks of which investors should be aware prior to investing. The purpose of this Risk Disclosure Booklet is to provide you with a description of certain generic risks that may be common to all investments and to describe in more detail the nature and risks of the principal types of investments that we offer. Our objective is to explain the risks in sufficient detail to enable you to instruct us to make investment decisions on your behalf, on an informed basis.

As a discretionary investment management client, we will not provide you with any additional documentation prior to our making an investment on your behalf. In order to fulfill your asset allocation, you will have authorized us to invest in a number of the products that are mentioned in this Risk Disclosure Booklet. The product descriptions and the risks disclosed in this Risk Disclosure Booklet are, however, illustrative and cannot be exhaustive. For example, the Risk Disclosure Booklet does not deal with risks associated with a particular issuer or counterparty, general economic risks (notably those associated with a particular market, interest rate fluctuations, etc.) or tax risks which may be specific to individual investors. We have attempted to explain the key characteristics of the main asset classes and to describe certain recognized risks of investing in such asset classes.

Section 2 of this Risk Disclosure Booklet contains important information about your investments and describes potential conflicts of interest. Section 3 describes in more detail certain specific products and key risks of certain types of investments. Section 4 discusses additional general risks and contains important information about trading.

This Risk Disclosure Booklet is also available electronically on <https://www.jpmorgan.com/PB-Risk-Disclosure>. From time to time we will update the Risk Disclosure Booklet and we will notify you of any such updates.

This Risk Disclosure Booklet forms part of the Investment Management Account Agreement (the “Agreement”). Capitalized terms not otherwise defined herein have the meanings given to them in the Agreement. Please contact your J.P. Morgan team if you would like further information or explanation regarding any of the investments or risks referred to in this Risk Disclosure Booklet.

## SECTION II—CONFLICTS OF INTEREST

### IMPORTANT INFORMATION ABOUT YOUR INVESTMENTS AND POTENTIAL CONFLICTS OF INTEREST

As further described below and in the Discretionary Portfolio Mandate or the Managed Account Summary (as applicable), or other Agreement for your account, conflicts of interest will arise whenever the Advisor has an actual or perceived economic or other incentive in its management of the Client’s Discretionary Managed Portfolio (the “Portfolio”) to act in a way that benefits the Advisor or its affiliates (together, “JPMC” or “J.P. Morgan”). Conflicts will result, for example, (1) when the Advisor invests in an investment product, such as a mutual fund, structured product, separately managed account or hedge fund issued or managed by the Advisor or an affiliate of the Advisor, such as J.P. Morgan Investment Management Inc.; (2) when the Advisor obtains services, including trade execution and trade clearing, from an affiliate of the Advisor; (3) when the Advisor receives payment as a result of purchasing an investment product for your account; or (4) when the Advisor or its affiliates receives payment for providing services (including shareholder servicing, recordkeeping or custody) with respect to investment products purchased for the Client’s Portfolio. Other conflicts will result because of relationships that the Advisor or its affiliates have with other clients or when the Advisor or its affiliates act for their own account.

Investment strategies are selected from both JPMC and third-party asset managers and are subject to a review process by our manager research teams. From this pool of strategies, our portfolio construction teams select those strategies we believe fit our asset allocation goals and forward-looking views in order to meet the Portfolio’s investment objective.

As a general matter, we prefer JPMC Managed Strategies and Products. We expect the proportion of JPMC Managed Strategies and Products 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. JPMC Managed Strategies and Products are: (i) mutual funds (other than money market funds),

exchange-traded funds, other registered funds, and hedge funds managed by JPMC or structured products issued by JPMC; (ii) Six Circles Funds, which are mutual funds managed by JPMC and sub-advised by third parties, and for which JPMC does not retain a fee for fund management or other services; and (iii) fixed income, equity and alternative separately managed accounts managed by JPMC, in which JPMC is appointed investment advisor.

While our internally managed strategies generally align well with our forward-looking views, and we are familiar with the investment processes as well as the risk and compliance philosophy of the firm, it is important to note that JPMC receives more overall fees when internally managed strategies are included, except as noted below and in the Discretionary Portfolio Mandate or the Managed Account Summary (as applicable), or other Agreement. We offer the option of choosing to exclude JPMC Managed Strategies and Products (other than cash and liquidity products) in certain portfolios.

The Six Circles Funds are mutual funds advised by JPMC and sub-advised by third parties. Although considered internally managed strategies, JPMC does not retain a fee for fund management or other fund services.

The same or similar investment strategies may be offered by JPMC, or may be managed by the same sub-advisor in different affiliate sales channels, and at different fee levels. Additionally, comparable services may be available at lower costs through other firms.

### Float

The Advisor or its affiliates may retain, as compensation for the performance of services, the account’s proportionate share of any interest earned on aggregate cash balances held by JPMC with respect to “assets awaiting investment or other processing.” This amount, known as “float,” is earned by JPMC through investment in a number of short-term investment products and strategies, including, without limitation, loans to customers and investment securities, with the amount of such earnings retained by JPMC, due to the short-term nature of the investments, being generally at the prevailing Federal Funds interest rate (a publicly available average rate of all Federal Funds transactions entered into by traders in the Federal Funds market on a given date), less FDIC insurance and other associated costs, if any. “Assets awaiting investment or other processing” for these purposes include, to the extent applicable, new deposits to the account, including interest and dividends, as well as any uninvested assets held in the account caused by an instruction to purchase and sell securities. JPMC will generally earn float until such time as such funds may be automatically swept into a sweep vehicle, as described further in the General Terms for Accounts and Services and Appendices, or otherwise reinvested. “Assets awaiting investment or other processing” may also arise when the Advisor facilitates a distribution from the account. Thus, pursuant to the Advisor’s standard processes for check disbursement, cash is generally debited from the account on the date on the face of the check (also called the payable date). Such cash is deposited in a noninterest-bearing omnibus deposit account at the Advisor, where it remains until the earlier of the date the check is presented for payment, or the date the payment on the check is stopped at the client’s instruction (in which case the underlying funds are returned to the account). The Advisor derives earnings (float) from the use of funds that may be held in this manner, as described above.

### Conflict When Advisor Is Also a Lender

The Advisor may extend credit to you upon terms mutually agreed upon. The credit agreement governing the lending arrangement will set forth certain remedies that the Advisor can take upon an event of default. In exercising such remedies or in following the instructions of an affiliate, the Advisor will not be required to marshal assets or act in accordance with any fiduciary duty that Advisor may have to you as your investment manager. You understand that any liquidation, sale or transfer of any portion of your investments pledged as collateral to the Advisor as lender may cause the applicable account to no longer conform to the investment guidelines or no longer to be diversified adequately, and that any remaining investment may have limited or no liquidity. The Advisor will not be deemed in breach of the investment guidelines if there is a deviation from such guidelines as a result of Advisor exercising its remedies as described above.

### IMPORTANT INFORMATION ABOUT CONFLICTS RELATING TO JPMC SERVICE PROVIDERS

JPMC provides financing, consulting, investment banking, management, custodial, prime brokerage, transfer agency, shareholder servicing, treasury oversight, administration, distribution or other services (“Services”) to its clients, including investment funds, products or companies in which the Advisor invests on behalf of, or which the Advisor recommends for investment to, its clients. These relationships generate revenue to JPMC and have the potential to influence the Advisor in deciding whether to select such investment funds, products or companies for investment by its clients or to recommend such funds, products or companies to its clients, in deciding how to manage such investments, and in deciding when to sell such investments. For example, JPMC earns compensation from private investment

funds or their sponsors for providing certain Services, and the Advisor would otherwise have an incentive to favor such funds over other funds with which JPMC has no relationship when investing on behalf of, or recommending investments to, its clients because such investments potentially increase JPMC's overall revenue. In addition, JPMC derives ancillary benefits from providing such Services. Therefore, it is important for clients to know that JPMC has policies which seek to ensure the receipt of such compensation as described above does not affect the Advisor's decisions and recommendations to clients. For example, J.P. Morgan Wealth Management ("WM") maintains various types of internal information barriers and other policies that are designed to prevent certain information from being shared or transmitted to other business units within WM and within JPMC more broadly. The Advisor relies on these information barriers to protect the integrity of its investment process and to comply with fiduciary duties and regulatory obligations.

### SECTION III—KEY CONSIDERATIONS AND RISKS OF CERTAIN TYPES OF INVESTMENTS

**The following discussion is focused on key considerations and risks of certain types of investments. Your account may include some or all of the following investments depending on your suitability profile and the type of account that you own (i.e., retirement account). If you would like additional information on any of the investments below, please reach out to your J.P. Morgan team.**

#### IMPORTANT INFORMATION ABOUT SEPARATELY MANAGED ACCOUNTS

Portfolios invested in individual equity or fixed income securities may be managed by the Advisor or by a third-party manager, including an affiliate of the Advisor. When the Advisor or an affiliate of the Advisor manages these investments, there is a benefit to JPMC since it increases the overall revenue of JPMC.

If requested by the third-party manager or agent or if such delivery is required by law, the Advisor may provide copies of account statements and/or provide electronic access to such statements to the third-party manager and/or agent.

If the Client's account in which the investment is made is an individual retirement account or other account governed by Section 4975 of the Internal Revenue Code (each, an "IRA") or the Client's account is governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the account will not be charged an additional fee. For accounts which are not IRAs or governed by ERISA, a manager of a Separately Managed Account ("SMA") may invest in products that result in additional revenue to JPMC.

Investments in non-IRA Portfolios of advisory strategies may differ from investments in IRA Portfolios of the same strategy; as such, the performance of non-IRA Portfolios and IRA Portfolios of such advisory strategies may differ.

#### JPMorgan Chase & Co. Stock Held in Index-Tracking SMA Strategies

Certain index-tracking SMA strategies managed by Advisor or an affiliate are designed to approximate the characteristics of an index (such as the S&P 500 Index) and such strategies can invest in JPMorgan Chase & Co. publicly traded securities ("J.P. Morgan stock"). The management fee for such strategies will apply to all holdings in the strategy, including J.P. Morgan stock. As such, the Advisor or an affiliate will earn a management fee on J.P. Morgan stock when managing certain index-tracking SMA strategies, subject to applicable law as described above.

#### IMPORTANT INFORMATION ABOUT REGIONAL-FOCUSED PORTFOLIOS

Portfolios focusing on investments in certain regions (including those focused on the United States) are likely to hold more investments from that region than portfolios with greater regional diversification. The economic, business, political, regulatory, social and environmental conditions in that region are likely to affect regionally focused portfolios, and the portfolios' performance, more than they affect portfolios with greater regional diversification.

#### IMPORTANT INFORMATION ABOUT MUTUAL FUNDS AND EXCHANGE-TRADED FUNDS ("ETFs") REGISTERED UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED ("REGISTERED FUNDS") AND UNDERTAKINGS FOR COLLECTIVE INVESTMENT IN TRANSFERABLE SECURITIES ("UCITS FUNDS")

- (i) **JPMC Funds—Management Fees** JPMC may be the sponsor or manager of Registered Funds, including ETFs, and UCITS Funds (together, "JPMC Funds") that are purchased for the Client's Portfolio. In such case, JPMC in most cases will receive a fee for managing the JPMC Fund or for providing other services to the JPMC Funds based on the value of the assets invested in the JPMC Funds. As such, JPMC will receive more total revenue when the Client's Portfolio is invested in JPMC Funds than when it is invested in third-party funds. JPMC will not retain such additional revenue when the Client's account is an IRA or is governed by ERISA and the account is invested in JPMC Funds;

instead, the account advisory fees will generally be offset by an amount equal to the account's pro rata share of all such fees paid to JPMC.

- (ii) **JPMC Funds and Third-Party Funds—Other Fees and Expenses** All Registered Funds and UCITS Funds (together, "Regulated Funds") have various internal fees and other expenses, that are paid by managers or issuers of the Regulated Funds, or by the Regulated Fund itself, but that ultimately are borne by the investor. JPMC may receive administrative and servicing and other fees for providing services to both JPMC Funds and third-party Regulated Funds that are held in the Client's Portfolio (except for when the fund is held in a Client's account which is an IRA or is governed by ERISA). These payments may be made by sponsors of Regulated Funds (including affiliates of the Advisor), or by the Regulated Funds themselves and may be based on the value of the Regulated Funds in the Client's Portfolio. Regulated Funds (or their sponsors) may have other business relationships with JPMC outside of its portfolio management role or with JPMC broker-dealer affiliates, which may provide brokerage or other services that pay commissions, fees and other compensation.
- (iii) **Six Circles Funds** The Six Circles Funds are Registered Funds specifically designed by JPMC for use in discretionary accounts as completion funds to align with JPMC's core portfolio views. A JPMC affiliate acts as investment advisor to the Six Circles Funds and engages third-party investment managers as sub-advisors to the Funds' investment portfolios. JPMC may experience certain benefits and efficiencies from investing account assets in the Six Circles Funds instead of unaffiliated investment vehicles; however, JPMC does not retain investment advisory fees for managing the Six Circles Funds through an agreement to waive any investment advisory fees that exceed the fees owed to the Six Circles Funds' third-party sub-advisors. The Six Circles Funds do not pay fees to JPMC for any other services to the Six Circles Funds. Services are provided by third-party service providers and are generally paid by the Six Circles Funds or JPMC. (Note that the market value of assets invested in the Six Circles Funds will be included in calculating the advisory fees paid on the overall Portfolio.)

Six Circles Fund shares may only be purchased through client accounts for which JPMC has investment discretion. Should the Client choose to close its discretionary account but retain the interest in the Six Circles Fund or Funds, Six Circles Fund shares must be held through an eligible brokerage account and no new purchases into the Six Circles Funds will be permitted (other than dividend reinvestment). Note that since the Six Circles Funds are completion portfolios designed to complement and work as part of the overall discretionary portfolio and are not intended to be standalone investments, each Six Circles Fund may underperform as a standalone investment, even in instances where the overall portfolio performs as intended. Further, a Six Circles Fund's overall performance and liquidity may be negatively affected, and additional transaction costs may be incurred by the Six Circles Fund, as a result of (i) allocation decisions made by JPMC to shift discretionary client assets among the Six Circles Funds and other investments and (ii) allocation decisions made by JPMC to shift Six Circles Fund assets among different investment strategies and sub-advisors, which may negatively affect the value of Six Circles Fund shares even if they are not long held through a JPMC portfolio.

#### Conflicts Related to New JPMC Funds

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

#### IMPORTANT INFORMATION ABOUT 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 the Advisor. 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 these passive investment vehicles. 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 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.

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

Certain funds track financial indexes in which the Advisor 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 indexes. Affiliates of the Advisor may develop or own and operate stock market and other indexes based on investment and trading strategies developed by such affiliates. Affiliates of the Advisor may also assist unaffiliated entities in creating indexes that are tracked by certain ETFs and index mutual funds utilized by the Advisor. Some ETFs and index mutual funds seek to track the performance of these indexes. JPMC may, from time to time, manage client accounts that invest in the ETFs and index mutual funds. In addition, JPMC may manage strategies which track the same indexes used by the ETFs and index mutual funds or which may be based on the same, or substantially similar, strategies that are used in the operation of the indexes and the ETFs and index mutual funds. The operation of the indexes, the ETFs and index mutual funds and client accounts in this manner may give rise to potential conflicts of interest. For example, client accounts that track the same indexes used by the ETFs and index mutual funds may engage in purchases and sales of securities relating to index changes prior to the implementation of index updates or at the time as of which the ETFs and index mutual funds engage in similar transactions because the client accounts may be managed and rebalanced on an ongoing basis, whereas the ETFs' and index mutual funds' 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 favorable performance relative to that of the index and the ETFs and index mutual funds or other client accounts that track the index. Other potential conflicts include the potential for unauthorized access to index information, allowing index changes that benefit the Advisor or other client accounts and not the investors in the ETFs and index mutual funds. JPMC has established certain information barriers and other policies to address the sharing of information between different businesses within JPMC, including with respect to personnel responsible for maintaining the indexes and those involved in decision making for the ETFs and index mutual funds.

**For additional important information about conflicts of interest related to ETFs and index mutual funds that are JPMC Funds, please see IMPORTANT INFORMATION ABOUT MUTUAL FUNDS AND EXCHANGE-TRADED FUNDS ("ETFs") REGISTERED UNDER THE INVESTMENT COMPANY ACT OF 1940 AS AMENDED ("REGISTERED FUNDS") AND UNDERTAKINGS FOR COLLECTIVE INVESTMENT IN TRANSFERABLE SECURITIES ("UCITS FUNDS") above.**

#### EXCHANGE-TRADED NOTES

An exchange-traded note ("ETN") is designed to deliver the total return on a broad security or commodity index or individual security or commodity. ETNs pose risks that are very different from risks associated with ETFs or mutual funds that might invest in the same index or commodity. An ETF or mutual fund holding is a share in a portfolio of assets that is held separately from the assets of the portfolio's manager. ETNs are unsecured bonds or notes of the issuer, which is obligated to deliver the return of the index or commodity tracked by the ETN in accordance with the terms of the specific ETN. ETN investors have no ownership interest in the underlying index or commodity and are wholly dependent on the issuer's ability to pay. If the issuer becomes insolvent, ETN holders may lose their entire investment.

**Acceptance of Prospectus and Issuer-Related Materials** The Advisor is authorized to accept delivery of prospectuses and other issuer-related materials and reports on the Client's behalf. There are certain specific risk factors and potential conflicts of interest set forth in those documents, as well as rights, responsibilities and liabilities with respect to particular investments. The Advisor may rely upon the prospectus, reports, offering documents, and third-party marketing materials when making an investment on behalf of the Client and the Advisor is not responsible for the completeness or accuracy of any such third-party materials. The Advisor is not required to deliver any prospectus, report or offering document directly to the Client, but such information is available upon request.

#### MUTUAL FUND LIQUIDITY RISKS

A mutual fund may make investments that are illiquid or that may become less liquid in response to market developments or adverse investor perceptions. Illiquid investments may be more difficult to value. The liquidity of securities can deteriorate rapidly due to credit events affecting issuers or guarantors, such as a credit rating downgrade, or due to general market conditions or a lack of willing buyers. An inability to sell one or more positions, or selling such positions at an unfavorable time and/or under unfavorable conditions, can increase the volatility of a mutual fund's net asset value ("NAV") per share. Liquidity risk may also refer to the risk that the mutual fund will not be able to pay redemption proceeds within the allowable time period because of unusual market conditions, an unusually high volume of redemption requests, or other reasons. Liquidity risk may be the result of, among other things, the reduced number and capacity of traditional market participants to make a market in fixed income securities or the lack of an active market. The potential for liquidity risk may be magnified by a rising interest rate environment or other circumstances where investor redemptions from money market and other fixed income mutual funds may be higher than normal, potentially causing increased supply in the market due to selling activity.

Clients should be aware that mutual funds are not intended to function as cash accounts and should be viewed as long-to-medium-term investments. Fund companies customarily have policies against short-term trading, which they may enforce by imposing early redemption fees or withdrawals made within a specified period following investment or by barring the purchase of new shares for a period of time. If the Advisor is required to liquidate securities in order to satisfy a withdrawal request prior to the expiration of any minimum holding period imposed by a fund company, the Client may be required to pay any redemption fee imposed by the fund company (unless such fee has been waived) and additionally may be restricted from further investments in such fund company. The Client's ability to invest additional funds in a mutual fund also may be affected.

#### RISKS OF INVESTING IN MONEY MARKET FUNDS

##### Stable NAV Funds

It is possible to lose money by investing in a Stable NAV money market fund ("Fund"). Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. The Fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the Fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

##### Floating NAV Funds

It is possible to lose money by investing in a Floating NAV money market fund ("Fund"). Because the share price of the Fund will fluctuate, when you sell your

shares they may be worth more or less than what you originally paid for them. The Fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the Fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time. Past performance is no guaranty of future results.

#### **UCITS Money Market Funds**

It is possible to lose money by investing in a UCITS money market fund ("Fund"). These Funds may be structured as (i) Public Debt Constant NAV Funds that must invest most of their assets into government debt instruments and reverse repo collateralized with government debt or cash and maintain a constant NAV of approximately €1.00 per share; (ii) Low Volatility NAV Funds that maintain a constant NAV provided that certain criteria are met; and (iii) Variable NAV Funds which price their assets using market pricing and therefore offer a fluctuating NAV. Under certain conditions there may be restrictions on redemption and on transfer of shares. Large redemptions within a limited period of time could require the Fund to liquidate positions rapidly with an adverse impact on shares being redeemed and those outstanding. In some circumstances, a Fund may withhold for long periods all or part of the redemption proceeds payable to an investor.

#### **RISKS THAT APPLY PRIMARILY TO ESG/SUSTAINABLE INVESTING STRATEGIES**

Investment approaches that incorporate environmental, social and governance ("ESG") considerations or sustainable investing may 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 or sectors 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, the Advisor, or an investment manager or investment adviser selected by the Advisor, will align with the beliefs or values of the Client. Additionally, other investment managers and investment advisers, including our affiliates, can have a different approach to ESG or sustainable investing and can offer ESG Strategies that differ from the ESG Strategies offered by the Advisor with respect to the same theme or topic. In addition to the ESG Strategies, we also offer 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, the Advisor 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 the Advisor as demonstrating positive ESG characteristics might not be the same investments 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.

The ESG or sustainable solutions offered by the Advisor meet our internally developed criteria for inclusion in the ESG Strategies available to our clients, which, where applicable, take into account ESG or sustainable investing regulations. As part of the due diligence process, the Advisor's Manager Solutions team applies an ESG eligibility framework that establishes minimum criteria for determining the universe of ESG Strategies offered to our clients. Strategies that satisfy our ESG eligibility criteria also are subject to the same due diligence and performance review process as all other strategies. Accordingly, these strategies can be selected by the Advisor, in its discretion and as appropriate, for inclusion in any Client Portfolio.

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**

ESG Strategies can follow different approaches. For example, some ESG Strategies select companies based on positive ESG characteristics while others may apply screens in order to exclude particular sectors or industries from a Client's Portfolio.

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, the Advisor may rely on information about a company, industry classification, industry grouping and/or issuer screening provided by J.P. Morgan or an affiliated 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 trigger a taxable event for that client. Third-party managers may apply category restrictions differently than J.P. Morgan, or its affiliates and use different data 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 judgment of the 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. The Advisor does 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.

The application of category restrictions may vary by asset class. Restrictions are not available for all strategies and the Advisor 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 are limited based on the potential impact to the applicable strategy and potential deviation from the strategy's model. Only those restrictions that can be applied by the Advisor or third-party manager will be applied to the Client's Portfolio.

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.

For Client Portfolios that can hold funds, the Advisor cannot restrict specific securities or types of securities that are held within any fund. Category restrictions will not be applied to strategies that invest only in funds, nor will they be applied to investments made by funds, so it is possible that Client restrictions would not have any practical effect on a Portfolio comprised primarily of fund investments.

#### **IMPORTANT INFORMATION ABOUT INVESTMENTS IN EQUITY SECURITIES**

An investment in equity securities involves a number of risks. The following risk factors discuss some of those risks, but the discussion below is not meant to be exhaustive and the risks discussed do not comprise a complete list of all the risks relating to equity securities.

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 may result from factors affecting individual companies, sectors or industries selected for a Client's Portfolio or the securities market as a whole, such as changes in economic or political conditions. If a company becomes insolvent, its equity securities are repaid only after all other debts of the company have been repaid. This can result in a potential severe reduction in, or total loss of, their value. Investments in smaller, newer companies may be riskier than investments in larger, more-established companies. The securities of smaller

companies may trade less frequently and in smaller volumes than securities of larger companies. In addition, securities of smaller companies may be less liquid and more vulnerable to economic, market and industry changes than securities of larger, more established companies or the market in general.

Investing in equity securities may also expose an investor to inflation and currency risk. Further, the investor will be exposed to the specific risks of the industry in which the company operates. For example, a computer chip manufacturer might have exposure to the availability and price of certain metals. Equity securities may not be registered, publicly listed or traded on an exchange, and these securities are more likely to be illiquid and therefore subject to a higher degree of liquidity risk than registered or listed securities.

#### **IMPORTANT INFORMATION ABOUT PREFERRED SECURITIES INVESTMENTS**

Preferred securities are equity securities issued by corporate or non-corporate (for example, trusts, including real estate investment trusts (“REITs”)) issuers with certain features that are characteristic of debt securities and certain features that are characteristic of common equity securities. For instance, like debt securities, preferred securities are typically issued with a fixed notional value (often referred to as the “liquidation preference amount”) and pay dividends or distributions periodically at a fixed or floating percentage of their notional value. Preferred securities also may (or may not) have credit ratings, but for reasons discussed below, the credit ratings of the preferred securities of an issuer are typically lower than those of its debt securities. Like common equity securities, preferred securities generally are perpetual and do not have a maturity date, and can remain outstanding unless redeemed or repurchased by the issuer. Furthermore, the dividends or distributions payable on a preferred security must be declared by the issuer’s board of directors before the payments can be made. As a consequence, if the board of directors of an issuer does not declare dividends or distributions for the relevant dividend or distribution periods, the issuer will not be obligated to pay dividends or distributions on the relevant payment date, and such dividends or distributions in certain instances may be forfeited.

Generally, preferred securities offer periodic payments similar to a fixed income security, and the risks of investing in preferred securities generally are similar to those of investing in bonds, including credit risk and interest-rate risk.

Holders of an issuer’s preferred securities typically do not have voting rights, unless the issuer is in default on its payments on the preferred securities, in which case holders of the preferred securities may be given certain voting rights until the time the issuer is no longer in such default.

Preferred securities occupy a place in an issuer’s priority of payments that is between debt securities and common equity securities. Holders of an issuer’s debt securities enjoy priority over holders of the issuer’s preferred securities to receive payments, and if an issuer is in default on its debt securities, it will not be permitted to make payments on its preferred securities. Because of their lower priority in receiving payments, preferred securities are typically rated lower than comparable debt securities of the same issuer and pay dividends or distributions at a higher rate than the coupon rates of the comparable debt securities.

Preferred securities are equity interests in an issuer and do not constitute indebtedness. This means that preferred securities of an issuer will rank junior to all existing and future indebtedness of the issuer and to other non-equity claims on the issuer with respect to assets available to satisfy claims on the issuer, including claims in liquidation. Moreover, some issuers may have existing indebtedness that restricts payment of dividends or distributions on their preferred securities in certain circumstances.

Preferred securities can be subject to transfer restrictions and, in limited situations, might not be listed on any securities exchange or have any established trading market. Therefore, investors in preferred securities might not be able to sell their preferred securities at their desired time or price, and should be willing to hold them as long-term investments.

As nearly all preferred securities have issuer call options, call risk and reinvestment risk are important considerations as well. Clients also face equity-like risks, such as deferral or omission of distributions, and subordination to bonds and other more senior debt. In the event of a bankruptcy or insolvency, preferred securities generally are senior to common stock but subordinate to claims of senior and subordinated debt of the issuer.

The income distributed by preferred securities may be eligible for “qualified dividend income” treatment (“QDI”) and subject to U.S. federal income tax at capital gains tax rates, under Section 1(h)(11) of the U.S. Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”). Based on current U.S. federal income tax law, certain types of preferred securities may make distributions of income that are eligible for QDI treatment. However, the determination of whether a particular security held in a client’s Portfolio meets the requirements for QDI treatment is complex (including minimum holding period requirements) and can be affected by related positions with respect to the security that the client holds through the Portfolio or outside the Portfolio. The Advisor does not guarantee the tax treatment of the underlying securities in the Portfolio and does not provide tax advice.

Distributions on U.S.-issued preferred securities to non-U.S. investors may be subject to U.S. withholding tax without regard to QDI treatment.

Clients should consult with their own tax advisors with regard to their specific situation.

#### **IMPORTANT INFORMATION ABOUT FIXED INCOME INVESTMENTS**

Although fixed income investments are perceived to be conservative investments and more predictable than stocks, they are not without risk. Below are some of the major risks associated with the fixed income instruments that may be purchased in the Portfolio.

Credit risk is the risk that the issuer of a security, or the counterparty to a contract, may not honor its obligation to pay principal or interest, resulting in a loss to the investor. However, losses may occur in a fixed income Portfolio invested in securities of good credit quality if the Portfolio is actively traded. 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. This risk is known as liquidity risk.

Credit spread risk is the risk that a change in credit spreads will adversely affect the value of an investment. Even when a market exists, there may be a substantial credit spread, which is the difference in yield between two fixed income instruments that have similar maturity but different credit quality. The value of fixed income instruments generally moves in the opposite direction of credit spreads. Values decrease when credit spreads widen and increase when credit spreads narrow. Changes in interest rates also affect the value of a fixed income instrument. This is known as interest rate (duration) risk. The value of fixed income securities generally moves in the opposite direction of interest rates. Values decrease when interest rates rise and increase when interest rates fall.

Declining interest rates may cause issuers to call their bonds in order to sell new bonds paying lower interest rates. The bond’s principal is repaid early, but the investor is left unable to find a similar bond with as attractive a yield. This is known as call risk. Investors in callable bonds may not receive the bond’s original coupon rate for the entire term of the bond, and they may be unable to find an equivalent investment paying rates as high as the original rate. This is known as reinvestment risk. In addition, once the call date has been reached, the stream of a callable bond’s interest payments is uncertain and any appreciation in the market value of the bond may not rise above the call price.

Callable bonds and asset-backed securities (a pool of fixed income securities backed by a package of assets, including, but not limited to, mortgages, automobile loans and credit card receivables) are also subject to prepayment and extension risk. A decline in interest rates and other factors may result in unexpected prepayment of the underlying obligations, possibly causing a decline in the value of the investment and reinvestment at lower interest rates. An increase in interest rates and other factors may extend the life of such a security because the prepayments do not occur as expected, possibly causing a decline in the value of the investment. Since the Advisor’s fees apply to the total market value of the assets under management, in a low interest rate environment the net investment return on fixed income investments could be negative.

**Government Securities Risk** Although U.S. government securities issued directly by the U.S. government are guaranteed by the U.S. Treasury, other U.S. government securities issued by an agency of the U.S. government may not carry such a guaranty. The U.S. government may choose not to provide financial support to its agencies if not required to do so by law. Similar risks apply to securities issued by state government agencies and municipalities.

Many of the risks in fixed income securities apply to other investments as well. For instance, inflation risk (the risk that returns will not keep pace with inflation) affects every investment. Foreign investments also contain currency risk (the risk that currency exchange rate fluctuations may reduce gains or increase losses on foreign investments). Exchange rate volatility also may affect the ability of an issuer to repay debt denominated in a foreign currency, thereby increasing credit risk.

The Client acknowledges and agrees that the Portfolio may hold fixed income investments or vehicles that are, or that may become, subject to liquidity constraints for a variety of reasons, including lack of a trading market for an investment or restrictions or other limitations on resale, transfer, withdrawal or redemption of an investment.

Investing in fixed income mutual funds usually entails less risk and less reward than investing in equity mutual funds. As described above, investing in fixed income mutual funds involves four types of risk: interest rate risk, credit risk, prepayment risk, and inflation risk. Additionally, the fund could experience a loss and its liquidity may be negatively impacted when selling securities to meet redemption requests by shareholders. The risk of loss increases if the redemption requests are unusually large or frequent or occur in times of overall market turmoil or declining prices. Similarly, large purchases of fund shares may adversely affect the fund's performance to the extent that the fund is delayed in investing new cash and is required to maintain a larger cash position than it ordinarily would.

## **MUNICIPAL BONDS**

Interest on municipal bonds is generally exempt from federal income tax. The interest payments may also be exempt from state and local taxes if you reside in the state where the bond is issued. If you invest in municipal bonds in a state other than the state of your residence, you may not receive the state income tax benefits. Additionally, the interest rate for municipal bonds is usually lower than on taxable fixed-income securities such as corporate bonds. Clients investing in municipal bonds should consider consulting a tax professional to discuss the tax implications of investing in municipal bonds, including the possibility that the bonds may be subject to the federal alternative minimum tax and may not be eligible for state income tax benefits.

## **IMPORTANT INFORMATION ABOUT COMMODITIES**

Commodities include hard assets, such as agricultural products, metals, or petroleum as well as securities futures based on common stock, certain exchange-traded funds, American Depositary Receipts, and securities indices. Commodity futures contracts can be used for speculation, hedging, and risk management. If they are used for speculation, as would be the case in a Portfolio, the account could realize substantial profits in a short period of time, but it is also possible to incur substantial losses in a short period of time. Such losses may be larger than the initial commitment of capital because futures trading is highly leveraged.

Because of the leverage involved and the nature of futures contract transactions, losses may be felt immediately because gains and losses are credited or debited to the investor's account, at a minimum, on a daily basis. The purchase or sale of a futures contract requires the Advisor to make an initial deposit of money, known as margin, which would be drawn from the Client's account. Margin, in the context of futures trading, is different than the margin involved in the purchase of stocks. The purchase of stocks on margin involves a cash down payment and credit extended by the broker for the purchase. The margin required to buy or sell a futures contract is a deposit of money that can be drawn on to cover any daily losses. If movements in the markets for futures contracts or the underlying commodity decrease the value of the account's positions in futures contracts, additional funds from the Client's account may be required as margin. If an account is under the minimum margin requirements set by the exchange or the account's broker, the position may be liquidated at a loss, and the Client's account will be liable for any deficit resulting from the position. Minimum margin requirements for a particular futures contract at a particular time are set by the exchange on which the contract is traded and are subject to modification based on market conditions. An increase in market volatility and the range of daily price movements is frequently a reason for raising margins.

Futures contracts cannot be sold like stocks or bonds. They generally must be liquidated by the investor entering into an equivalent but opposite position in another contract month, on another market, or in the underlying commodity. If a position in a futures contract cannot be liquidated, the Advisor may not be able to realize a gain in the value of the position or prevent losses from mounting in the account. An inability to liquidate could occur, for example, if trading is halted due to unusual trading activity in either the futures contract or the underlying commodity; if trading is halted due to recent news events involving the issuer of the underlying commodity; if systems failures occur on an exchange or at the broker; or if the position is on an illiquid market. An exchange may set a maximum daily limit on market price increases and decreases and will halt trading when the limit is reached. In the event prices have risen or fallen by the maximum daily limit, and there is no trading in the contract permitted (known as a "lock limit" market), it may not be possible to execute an order at any price. Markets may be lock limit for more than one day, resulting in substantial losses to the account because the Advisor finds it impossible to liquidate losing futures positions. Even if the Advisor can liquidate the position, it may be at a price that involves a large loss to the account. For the same reasons, it may also be difficult or impossible for the Advisor to manage risk from open futures positions by entering into offsetting positions.

Portfolios also may be implemented through commodity pools, which are an alternative method of participating in futures trading. A commodity pool is a pooled investment vehicle that invests in commodities (and, typically, securities as well). A commodity pool participant will not have an individual trading account. Instead, the funds of all pool participants are combined and traded as a single account. Each investor shares in the profits or losses of the pool in proportion to his or her investment in the pool.

Although commodity pools can offer benefits such as greater diversification among commodities than an investor might obtain in an individual trading account, the absence of margin calls, and a limitation on losses to the amount invested, the risks a pool incurs in any given futures transaction are no different than the risks incurred by an individual trader. The pool still trades in futures contracts which are highly leveraged and in markets that can be highly volatile. And, like an individual trader, the pool can suffer substantial losses as well as realize substantial profits.

## **IMPORTANT INFORMATION ABOUT CURRENCIES AND FOREIGN EXCHANGE**

Foreign currencies, or baskets of currencies, may be very volatile and may experience significant drops in value over a short period of time. The value of a foreign currency will depend on, among other economic indicators, movements in exchange rates. Risks and special considerations with respect to foreign currencies include, but are not limited to, economic uncertainties, currency devaluations, political and social uncertainties, exchange control regulations, high rates of interest, a history of government and private sector defaults, significant government influence on the economy, less rigorous regulatory and accounting standards than in the United States, relatively less developed financial and other systems, limited liquidity and higher price volatility of the related securities markets.

## **IMPORTANT INFORMATION ABOUT STRUCTURED PRODUCTS**

Structured products ("Structures") are securities in which swaps, options, futures, forwards or other combinations or types of derivatives are embedded. Their return is typically linked to the performance of one or more underlying U.S. or international securities, indices, currencies, rates or commodities and may incorporate leverage. The Client understands that investments in Structures may not be suitable for all investors. The Client is aware that these types of investments entail varying degrees of risk, and that while some Structures offer full or partial principal protection, others can subject the Client to the loss of the full amount invested. In addition, the Client is dependent on the issuer's financial capacity to meet its obligations under a Structure.

Structures used in managed accounts by the Advisor may be in the form of unsecured and unsubordinated debt obligations of JPMC (for accounts which are not IRAs or governed by ERISA) or various third-party issuers, and may also take the form of deposits (which may or may not be insured or guaranteed by the Federal Deposit Insurance Corporation or any other government authority), equity or partnership interests, trust certificates, warrants or interests in special purpose vehicles. Payment therefore will depend upon the issuer's financial capacity to meet its obligations. Structures may or may not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of a state or other country and if not registered, will be sold and offered in a transaction that is intended to be exempt from registration under the Securities Act. The Client understands that Structures may not be publicly listed or traded on an exchange and therefore may be illiquid investments.

Prior to maturity, Structures issued by an issuer generally are repurchased only by the issuer and only upon terms and conditions acceptable to it, and, in most cases, the Structures are non-transferable and non-negotiable. In the event that an issuer consents to early liquidation, the Client will likely not fully participate in any benefits of the Structure, such as principal protection, buffers or enhanced returns. The price offered by the issuer will likely reflect the issuer's costs of developing, hedging and distributing the Structure and may be lower than the principal amount of the Structure.

Investing in a Structure is not the same as investing directly in the underlying asset. The return on a Structure at maturity generally will not be the same as the return on a direct investment in the underlying asset, and the maximum payment on a Structure may be subject to a cap, which would limit appreciation potential compared to a direct investment. An investor in a Structure linked to an equity or equity index does not have voting rights or the right to receive dividends, and the return on the Structure will not reflect dividends, distributions or other payments that would increase the return on a direct investment. The return on the Structure will reflect any volatility in the underlying asset. Certain commodities and currencies are highly volatile, which means that their value may change significantly, up or down, over a short period of time. It is impossible to predict the future performance of any asset based on its historical performance. The amount of principal or interest that can be expected to become payable on a Structure may vary substantially from time to time. Because the amounts payable with respect to a Structure are generally calculated based on the value or level of the underlying asset on a specified date, or over a limited period of time, volatility of the asset increases the risk that the

return on the Structure may be adversely affected by a fluctuation in the level of the underlying asset. The volatility of an asset, particularly a currency or commodity, may be affected by political or economic events, including governmental actions, or by the activities of participants in the relevant markets.

Issuers of Structures generally hedge their exposure on the Structure. Such hedging may involve the issuer, directly or through its affiliates, entering into transactions involving the securities, commodities, currencies or other instruments underlying the Structure, or derivative instruments, such as swaps, options or futures, on the underlying asset. By engaging in transactions of this kind, the issuer could adversely affect the value of a Structure and could achieve substantial returns from its hedging transactions, while the value of the Structure may decline. Issuers and their affiliates also may engage in trading, including trading for hedging purposes, for their proprietary accounts or for other accounts under their management, in the securities, commodities, currencies or other instruments underlying a Structure, or in other derivative instruments related to the underlying asset. These trading activities could adversely affect the value of a Structure. The issuer and its affiliates may also introduce competing products into the marketplace and adversely affect the value of a Structure thereby.

The value of a Structure that is reported on the Client's monthly statement is provided by the issuer and is not independently verified by JPMC. The value is determined using the issuer's own pricing and valuation models, market inputs and assumptions relating to the underlying asset, financial instruments based on the underlying asset, volatility and other factors, including current and expected interest rates, as well as an interest rate related to the implied interest rate at which the issuer's conventional fixed rate debt trades in the secondary market (the "secondary market credit spread").

The original issue price of a Structure includes costs associated with issuing, selling, structuring and hedging the Structure, which are borne by the Client, and, consequently, the estimated value of a Structure on the pricing date will be less than its notional amount. When setting the initial price, the issuer generally takes into account that a Structure comprises both a debt component and a performance-based component linked to the underlying asset. In determining the economic terms of a Structure, the issuer generally will use an internal funding rate that is likely to be lower than its secondary market credit spreads, and therefore advantageous to the issuer. If the issuing, selling, structuring and hedging costs borne by the Client were lower, or if the internal funding rate were higher, one or more terms of a Structure would be more favorable to the Client. The cost of hedging the issuer's obligations under a Structure includes an estimated profit component.

The issue price of a Structured Product will reflect the costs associated with issuing, selling, structuring and hedging a Structured Product, and will include compensation to an issuer or its affiliate for structuring work involved in packaging a Structured Product as one instrument. Cost and compensation will vary with each Structure. Details on the specific fees and costs associated with each note will be contained in the term sheet for the Structured Product. A Structured Product may also include an annual fee embedded in an index or calculation, payable to the issuer or index sponsor for structuring or calculating a proprietary index or formula. If a Structured Product has an early redemption feature and is redeemed prior to maturity, the compensation will not be prorated to the period during which the Structured Product was outstanding and, as a result, the rate of compensation will be higher.

The Advisor's affiliate is the distributor of Structures issued by third-party issuers as well as those issued by JPMC. The Advisor has a conflict of interest when Portfolios are invested in Structures issued by its affiliates because it increases the overall revenue of JPMC. The Advisor addresses this conflict by requiring its distributor to use "best execution" practices when selecting issuers as well as through disclosures and various governance and oversight forums. Such best execution practices include comparing prices for new issue securities by a number of providers (though the trading desk effecting such trade has discretion to choose issuers other than the cheapest bidder for reasons such as credit or other concerns). For secondary selling of securities, the ability to compare market prices is limited; as such, general practice will involve selling the security back to the issuer of the security.

Use of structured products may not be suitable for all investors. Neither JPMorgan Chase Bank, N.A. nor any of its affiliates render tax or legal advice. Therefore, the Advisor strongly encourages the Client to consult with outside tax and legal professionals regarding the potential that the use of structured products may generate unwanted excise taxes, income taxes and penalties under the Internal Revenue Code, including, without limitation, excise taxes on self-dealing under Section 4941, taxes on investments that jeopardize charitable purposes under Section 4944, and taxes on Unrelated Business Taxable Income ("UBTI") under Sections 511 and 512, any or all of which may affect the return on investment and the exempt tax status of the Client's account. Inasmuch as the Advisor has discretion to invest in a Structure in the Client's name, no prospectus, term sheet or offering memorandum (collectively, an "offering document") will be delivered to the Client prior to an investment. However, the Advisor will provide a copy of any offering document to the Client upon request.

## IMPORTANT INFORMATION ABOUT REAL ESTATE

Real estate investments are likely to be illiquid and long-term. Real estate ownership and the real estate industry in general are subject to many risks, including the burdens of ownership of real property; local, national and international economic conditions; supply and demand for properties; the financial condition of tenants, buyers and sellers; changes in interest rates and the availability of mortgage funds; changes in environmental laws and regulations, planning laws and other governmental rules and fiscal and monetary policies; claims arising out of undisclosed or unknown environmental problems or as to which inadequate reserves have been established; changes in real property tax rates; changes in energy prices; force majeure events; terrorist events; and underinsured or uninsurable losses. Real estate assets are subject to long-term cycles that give rise to significant volatility in values.

Illiquidity may result from the absence of an established market for the property. Even if real estate investments are successful, they are unlikely to produce a realized return to the investors for a period of years.

Securities issued by real estate fund companies, including REITs, are subject to the risks associated with the direct ownership of real estate as well as the risks associated with the fund company or REIT itself. Such companies carry the risks of possibly limited operating history, unspecified portfolios, uncertainties in calculating net asset value due to reliance upon appraisals, and restrictions on redemption arising out of the illiquidity of the underlying portfolio. REITs also carry the risk of the possible failure to qualify as a REIT under the Internal Revenue Code which will have adverse tax consequences for investors.

A Portfolio based on real estate may have restricted liquidity. If the Client closes, or withdraws assets from the account, such limited liquidity will affect the amount realized. 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.

The U.S. tax consequences to a non-U.S. investor in a REIT or U.S. real property holding corporations ("USRPHC") are complex. In certain cases, income received by a non-U.S. client from a REIT or USRPHC could be treated as "effectively connected income" subject to U.S. tax, as if such client were a U.S. person, and with respect to which such client would be required to file a U.S. tax return. In addition, in certain cases, income derived by a tax-exempt client from a REIT would be characterized as "unrelated business taxable income."

For those alternative collective investment scheme or vehicle (ACIVs), which refers to an investment fund, investment company or other domestic or foreign legal structure or arrangement such as a unit trust or limited partnership, whose investments are different from traditional investments in equities and fixed income investments which are REITs, the total return of the REITs is subject to the performance of the property market and is less diversified when compared to general securities funds. The unit price of a REIT may go down if its properties drop in value. Also, dividends may not be paid if the REIT reports an operating loss. REITs may be subject to interest rate risks when rates rise sharply. In addition, the performance of a REIT should be considered not only in terms of expected yield but also the concentration, quality and length of its property leases. In general, the fewer and smaller the properties in a REIT, the greater the investment risk. Besides, a shorter lease may imply more rapid turnover of tenants and less stable rental income. The underlying assets in a REIT may be illiquid and properties may have to be sold to make distributions if market conditions change, or to meet redemptions in the event the REIT is unlisted or delisted. A REIT may be unable to sell properties expeditiously where the need arises.

## IMPORTANT INFORMATION ABOUT HEDGE FUNDS, ALTERNATIVE MUTUAL FUNDS AND THE GLOBAL ACCESS PORTFOLIOS

**General Characteristics and Risks** Hedge funds (1) often engage in leveraging and other speculative investment practices that may increase the risk of the complete loss of the Client's investment; (2) can be highly illiquid because no trading market exists and there are restrictions on resale, transfer, withdrawal or redemption of interests; (3) are not required to provide periodic pricing or valuation information; (4) may involve complex tax structures and delays in distributing important tax information; (5) are not subject to the same regulatory requirements as mutual funds; and (6) often charge performance fees in addition to management fees. Although hedge fund interests sometimes may be resold in privately negotiated transactions, the prices realized on these sales could be less than what the Client paid originally. Many hedge fund investments require the Client to maintain an account with the Advisor or one of its affiliates for so long as the Client owns the hedge fund.

**Illiquidity and Limitations on Redemptions** Redemptions from hedge funds generally are not permitted during the first year of investment, and such a "lock-up" could last two or three years. Early redemptions, if permitted, may be subject to a fee based on percentage of assets withdrawn. Investors often are required to submit redemption requests 90 days or more in advance of the withdrawal date

and proceeds frequently are not disbursed until approximately 45 days after the withdrawal date. Hedge funds generally will withhold 10% of the proceeds of a full redemption, pending completion of the fund's audit for the fiscal year in which the redemption occurred. Depending on when in the fiscal year a redemption occurs, an investor may wait more than a year for the proceeds of the redemption. Hedge funds generally do not pay interest on proceeds.

Distribution of redemption proceeds may be further delayed if hedge fund managers have utilized "side pockets," which are created when the manager determines that an investment is not readily marketable or is illiquid (a "Side Pocket Investment"). A hedge fund manager may not be required to redeem that portion of the Client's interest attributable to a Side Pocket Investment until the realization of such investment or a determination by the hedge fund manager that such investment has become readily marketable, and decisions of the manager may be subjective and within the manager's sole discretion. The fund's management and incentive fees usually apply to the investments inside the side pocket. Hedge funds that invest in illiquid assets generally reserve the right to limit redemptions through the use of "gates" that limit total outflows over a specified time period or to suspend redemptions outright for a period of time. Such actions will further delay the distribution of redemption proceeds.

**Offering and Subscription Documents** Since the Advisor has investment discretion, the Client will not receive a confidential private placement memorandum ("PPM") unless requested. The Client agrees to refrain from disclosing the PPM to any other person (other than to attorneys, accountants or professional financial advisors, who must be advised of the confidentiality obligations set forth herein and agree to be bound by such obligations), and to use the PPM only for purposes reasonably related to the investment in the applicable hedge fund, except that the Client may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the applicable investment and all materials of any kind (including opinions or other tax analyses) that are provided to the Client in connection with the investment relating to such tax treatment or tax structure. In connection with an investment, the Advisor will make certain representations and warranties relating to the Client in a subscription agreement. The Advisor will rely on information provided to it by the Client in making all representations and warranties, and may be liable to a hedge fund if any such representation or warranty is untrue. In the event of such liability, the Client will be required to indemnify JPMC for all loss and damage, including attorneys' fees.

**Conflicts of Interest** Certain hedge funds and other unregistered investment vehicles may be managed by, advised by, sponsored by, controlled by, or otherwise affiliated with, the Advisor and/or its affiliates. However, if the Client's account is an IRA or is governed by ERISA, the account will not invest in hedge funds and other unregistered investment vehicles managed by, advised by, sponsored by, controlled by, or otherwise affiliated with, the Advisor and/or its affiliates. JPMC will receive more revenue when the Portfolio is invested in such affiliated hedge funds or investment vehicles than it would receive if the Portfolio were invested in third-party hedge funds or investment vehicles and the Advisor therefore has a conflict of interest when the Portfolio is invested in affiliated hedge funds or investment vehicles. Please see the fee schedule provided to you for additional details regarding fees.

Broker-dealer affiliates of the Advisor, such as J.P. Morgan Securities LLC, act as placement agent for JPMC and third-party hedge funds. These affiliates will earn fees from the hedge fund sponsors or the hedge funds for providing placement and other ongoing services to the hedge fund, but will not receive such fees in connection with hedge fund investments made in a Client's account which is an IRA or is governed by ERISA. The fees earned are a percentage of the hedge fund's management fees and, in some instances, a percentage of the hedge fund's performance fees. The Advisor typically chooses to invest these Portfolios only in hedge funds who pay, or whose sponsors pay, such fees to a broker-dealer affiliate of the Advisor. The fees earned by the broker-dealer affiliate are in addition to the fees the Advisor receives from the Client in connection with the Client's account and will be received by the broker-dealer affiliate only where permitted for a Client's account or Portfolio. The Advisor or its affiliate generally chooses to invest Global Access Portfolios in such funds, but also invests in hedge funds that do not use a broker-dealer affiliate of the Advisor as placement agent. Accounts in the Hedge Fund Advisory Program invest both in hedge funds that do and do not use a broker-dealer affiliate of the Advisor as placement agent.

The use of hedge funds that compensate a broker-dealer affiliate of the Advisor directly or by their sponsor for providing placement and other ongoing services involves a conflict of interest because JPMC receives more overall fees when hedge funds that make such payments are included. Further information about the Global Access Portfolios is provided below as well as in the Confidential Private Placement Memorandum and applicable Supplements, which are available upon request. Further information about the Hedge Fund Advisory Program is provided to Clients who participate in that program. Please see the fee schedule provided to you for additional details regarding fees.

Additionally, hedge funds or their sponsors may have other business relationships for which JPMC must be compensated, including: (i) relationships with the Advisor who may provide custody, administrative or other services to issuers outside of its portfolio management role; and (ii) relationships with the broker-dealer affiliates of the Advisor, who may provide prime brokerage and related services to issuers. The Client will bear its proportionate share of such compensation along with the hedge fund's other expenses. In addition to the foregoing, to the extent permitted under applicable law (including Section 4975 of the Internal Revenue Code and ERISA) hedge funds or their sponsors may invest in JPMC managed products within a hedge fund, which may result in additional revenue to JPMC. Similar business and compensation arrangements may exist for alternative mutual funds, which are described below.

**Special Considerations for Tax-Exempt Investors** Use of alternative investments may not be suitable for all tax-exempt investors. Neither JPMorgan Chase Bank, N.A. nor any of its affiliates render tax or legal advice. Therefore, the Advisor strongly encourages the Client to consult with outside tax and legal professionals regarding the potential that the use of alternative investments may generate unwanted excise taxes, income taxes and penalties under the Internal Revenue Code, including, without limitation, excise taxes on self-dealing under Section 4941, taxes on investments that jeopardize charitable purposes under Section 4944, and taxes on UBTI under Sections 511 and 512, any or all of which may affect the return on investment and the exempt tax status of the Client's account.

**Special Considerations for Registered Alternative Mutual Funds** Alternative mutual funds utilize some of the strategies and investments that hedge funds employ, but they differ significantly from both hedge funds and traditional mutual funds. U.S. alternative mutual funds are regulated under the Investment Company Act of 1940 and EU alternative mutual funds are regulated under the Undertakings for Collective Investment in Transferable Securities Directives, which limit their operations in ways that do not apply to unregistered hedge funds. Unlike hedge funds, alternative mutual funds are subject to limits on illiquid investments as well as to leverage and diversification requirements (including limits on how much may be invested in any one issuer). They are priced daily, and fund shares are readily redeemable subject to restrictions that may be imposed under extraordinary circumstances (see the section above on "Mutual Fund Liquidity Risks" for additional details). Moreover, managers of alternative mutual funds cannot charge investors a "2/20" performance fee for advising the fund, as their private hedge fund advisor peers can. Hedge fund advisors often charge a fee equal to 2% of the fund's assets, plus 20% of gains that the fund produces during a given period.

Alternative mutual funds typically do not follow the typical buy-and-hold strategy of traditional mutual funds and generally will hold more non-traditional investments and will employ more complex trading strategies than traditional mutual funds, which may make alternative mutual funds riskier. Alternative mutual funds may have higher total expense ratios compared to traditional funds, with higher annual operating expenses.

**Special Consideration for Unregistered Alternative Mutual Funds for Offshore Clients** JPMC may invest in alternative mutual funds that are governed by the Alternative Investment Fund Manager Directive (AIFMD). Alternative Mutual Investment Funds may include investment strategies similar to private funds and hedge funds. Such funds may or may not have the liquidity of traditional mutual funds, provide periodic pricing or valuation information to investors, and are subject to the same regulatory requirements as traditional mutual funds, but they engage in leveraging and other speculative investment practices commonly used by hedge funds that may increase the risk of complete loss of the investment. Such funds generally also charge higher fees than traditional mutual funds and have higher expenses. The use of leverage increases risk to a fund, and the more a fund invests in leveraged instruments, the more it could magnify gains or losses to those investments.

**Special Considerations for Investors in the Global Access Portfolios** JPMorgan Chase Bank, N.A. is the investment manager for Global Access Portfolios, LLC, the issuer of interests (shares) in each of the Global Access Portfolio strategies. Investments in the Global Access Portfolios may be used to achieve, wholly or in part, the investment profile, and the underlying investments in the Portfolios will be utilized for portfolio construction and strategic asset allocation. Investors in the Global Access Portfolios bear costs relating to the entity, and may pay performance fees to the Advisor in addition to an investment management fee. However, JPMC will not retain such additional revenue when the Client's account is an IRA or is governed by ERISA. Instead, the account advisory fees will generally be offset by an amount equal to the account's pro rata share of all such fees paid to JPMC. The Global Access Portfolios share certain characteristics with hedge funds. A "lock-up" of one year or more and an early redemption penalty may apply to investments in the Portfolios. Moreover, a withdrawing investor will not receive the withdrawal proceeds in their entirety until 45 days after completion of a Portfolio's audit, which will not begin until after the close of the fiscal year in which the redemption occurs. The audit generally takes eight months to

complete, but could take longer. Interest will not be paid on any proceeds. These restrictions on liquidity apply even if the investor's account at J.P. Morgan is closed. The Confidential Private Placement Memorandum and applicable Supplements contain other important information about the Global Access Portfolios and are available upon request.

#### **IMPORTANT INFORMATION ABOUT PUBLICLY TRADED PARTNERSHIPS/MASTER LIMITED PARTNERSHIPS**

A "publicly traded partnership" (a "PTP") is a partnership or limited liability company whose units trade on a stock exchange. PTPs sometimes are referred to as "master limited partnerships" or "MLPs." By law, PTPs must limit their businesses to designated industries, typically, energy, natural resources, and real estate, and therefore are subject to the risks of those industries. In particular, a decline in commodity prices could cause a sharp decline in a PTP's cash flow, which will affect distributions to investors. PTPs behave in an interest-rate-sensitive fashion similar to bonds. As interest rates rise, PTP unit prices decrease, and as interest rates decrease, PTP unit prices increase.

PTPs generally receive quarterly cash distributions. Such distributions are not guaranteed and investors run the risk that distributions may be adjusted downward or cancelled. Distributions are based on cash flow (generally net earnings plus depreciation minus certain expenses) and are not the same as the investor's share of the PTP's income.

PTP taxation is complex. A partnership is not a taxable entity and generally incurs no federal income tax liability. Instead, each partner of a partnership is required to take into account their share of income, gain, loss and deduction of the partnership in computing their federal income tax liability, regardless of whether cash distributions are made by the partnership. Distributions are generally not taxable to the investor when received, except to the extent the distributions exceed the investor's tax basis in the PTP units immediately prior to the distribution. However, distributions in excess of cumulative net taxable income decrease an investor's tax basis in the PTP units and thus may, effectively, increase taxable gains realized when the PTP units are sold. Some gains (such as those attributable to depreciation recapture and certain assets) are taxed as ordinary income, which may exceed net taxable gain realized upon the sale of a unit and may be recognized even if there is a net taxable loss realized on the sale. Investors in PTPs receive a tax statement on Schedule K-1 from the PTP and must be prepared to file for an extension of the deadline to file their tax returns in the event the Schedule K-1 is not distributed timely. In addition, investors in PTPs could be subject to state and local taxes in which the PTP does business or owns property or in which the investor is a resident. Investors therefore may be required to file income tax returns and pay income taxes in jurisdictions in which the PTP operates. State and local tax laws may differ from U.S. federal income tax laws with respect to the treatment of specific items of income, gain, loss, deduction and credit. You are urged to consult with your tax advisor concerning the effect of state and local income tax consequences of an investment in a PTP.

If the investor is a tax-exempt entity, such as an IRA, the investor's share of partnership income may be treated as UBTI and taxable to the investor. Distributions to non-U.S. persons will generally be subject to withholding taxes at the highest applicable marginal tax rate, and non-U.S. persons may be required to file federal, and potentially state, income tax returns and pay U.S. tax on their share of the PTP's taxable income.

Effective January 1, 2023, a new 10% U.S. withholding tax and reporting regulations under Internal Revenue Code Section 1446(f) apply to the transfer, by non-U.S. partners, of an interest in a PTP that conducts (or is deemed to conduct) a U.S. trade or business. A transfer includes any disposition of the interest, including a sale or an exchange, and certain PTP distributions that are treated as a disposition under U.S. tax principles. Generally, J.P. Morgan is required to have a U.S. TIN from you on file if you invest in, dispose of, or receive a distribution from a PTP that conducts (or is deemed to conduct) a U.S. trade or business.

Certain issuers may change their legal status to a PTP without notice. This could result in certain U.S. withholding tax and reporting obligations to investors. If you invest in a PTP, please contact your J.P. Morgan team, as there may be potential U.S. tax reporting requirements relating to your investment.

#### **IMPORTANT INFORMATION ABOUT MODEL DELIVERY/PORTFOLIOS**

The Advisor may engage one or more third-party investment advisors or a J.P. Morgan affiliate ("Model Managers") to provide non-discretionary investment advice and recommendations through the provision of model portfolios that include individual securities ("Model Portfolios") to the Advisor to implement, which may be used in the construction of the Portfolio.

Although the Advisor, acting as implementation manager, generally purchases and sells in the Portfolio investments that are consistent with the Model Portfolios

provided by the Model Manager, the Advisor does retain investment discretion over the Portfolio and may deviate from the model.

The opportunities available to Clients who use Model Managers differ from the opportunities available to clients who do not use Model Managers. As a result, performance of a Client's Portfolio with a Model Portfolio can differ from the performance of other portfolios without a Model Portfolio. Additionally, the asset allocation in a Model Portfolio provided by a third-party manager may be different from the asset allocation in a similar strategy managed directly by such third-party managers.

#### **Conflicts of Interest Created by Contemporaneous Trading**

Positions taken by a certain client account and the accounts of clients of Advisor's affiliates can be grouped together for purposes of trade execution and this can dilute or otherwise negatively affect the values, prices or investment strategies associated with positions held by a different client account. For example, this may occur when investment decisions for one client are based on research or other information that is also used to support portfolio decisions by the Advisor for a different client following different investment strategies or by an affiliate of the Advisor 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 the Advisor's 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.

#### **Model Manager Fees**

Additional fees are charged by Model Managers ("Model Manager Fees"). The Model Manager Fee is an annualized asset-based fee that covers the model management services provided by Model Managers. These Model Manager Fees are in addition to the advisory fees and vary depending on the Model Manager and the asset class. The Model Manager Fee is not included in the advisory fee. The Advisor collects the Model Manager Fee from clients and pays the Model Managers. Reductions, rebates and waivers of the advisory fee, including discounts or adjustments, are not applicable to the Model Manager Fee. Model Manager Fees will vary and are subject to change.

### **SECTION IV—ADDITIONAL RISKS AND IMPORTANT INFORMATION**

#### **IMPORTANT INFORMATION ABOUT TRADING**

##### **Conflicts Related to Allocation and Aggregation**

Potential conflicts of interest arise involving both the aggregation of trade orders and allocation of securities transactions or investment opportunities. Allocations of aggregated trades, particularly trade orders that were only partially filled due to limited availability, and allocation of investment opportunities raise a potential conflict of interest because we have an incentive to allocate trades or investment opportunities to certain accounts, clients or funds. For example, we have an incentive to cause accounts we manage to participate in an offering where such participation could increase our overall allocation of securities in that offering.

We have established policies, procedures and practices to manage the conflicts described above. Our allocation and order aggregation practices are designed to achieve a fair and equitable allocation and execution of investment opportunities among our client accounts over time, and these practices are designed to comply with securities laws and other applicable regulations. In addition to the aforementioned policies, procedures and practices, we also monitor a variety of areas, including compliance with account guidelines, fixed income new issue allocation decisions, and any material discrepancies in the performance of similar accounts.

##### **Different Trade Execution Prices**

We may manage a Portfolio or appoint another JPMC affiliate or an unaffiliated person or entity as a sub-advisor to provide advisory or investment management services. We, or the sub-advisor, also provides advice to one or more other JPMC affiliates. To the extent we or another JPMC affiliate receives investment advice outside of the normal business hours, we may not consider such advice until the next business day. Depending on the geographic location, or due to other reasons, the Advisor, the affiliated or unaffiliated sub-advisor or the other JPMC affiliate each may implement investment decisions at different times. This means that you may receive a different price for an underlying security than a client of another such person or entity invested in the same or a similar strategy.

##### **Conflicts Related to Trade Execution**

The Advisor is able to trade with J.P. Morgan Securities LLC, an affiliated broker-dealer, as a trading counterparty (but such practice does not apply to IRA accounts or accounts governed by ERISA). If we buy or sell securities from or to J.P. Morgan Securities LLC acting as a dealer or underwriter, we may buy or sell as principal such securities from or to such JPMC affiliate, or from or to a member of an underwriting

syndicate of which J.P. Morgan Securities LLC is a member. As such, there is a benefit to the affiliated broker-dealer since its overall revenues are increased. The Advisor manages this conflict through disclosure to clients as well as through various governance and oversight forums.

#### **Conflicts Related to Trading Systems**

The Advisor may effect trades on behalf of the account through exchanges, electronic communication networks, alternative trading systems and similar execution systems and trading venues (collectively, "Trading Systems"), including Trading Systems in which JPMC may have a direct or indirect ownership interest. JPMC may receive indirect proportionate compensation based upon its ownership percentage in relation to transaction fees charged by such Trading Systems in which it has an ownership interest. Such Trading Systems (and the extent of JPMC's ownership interest in any Trading System) may change from time to time. If you would like more information, please reach out to your J.P. Morgan team.

#### **IMPORTANT INFORMATION ABOUT RESEARCH AND OTHER SOFT DOLLAR BENEFITS**

Subject to its best execution policy, the Advisor can use a portion of clients' equity trading commissions to purchase eligible brokerage and research services ("soft dollar benefits"), in a manner consistent with the "safe harbor" requirements of Section 28(e) of the Securities Exchange Act of 1934, and provided that the commission is reasonable in relation to the value of the products or services provided by the broker-dealer. Best execution does not necessarily mean the lowest commission or price, but instead involves consideration of a number of factors.

The Advisor and its U.S. affiliates have an incentive to select a particular broker-dealer to obtain soft dollar benefits through client brokerage commissions because they do not need to produce or pay for the research or brokerage services. This conflict of interest is mitigated by the Advisor and U.S. affiliates' adherence to its respective best execution policy and oversight of trading practices.

#### **Allocation of Soft Dollar Benefits**

The research obtained from soft dollars can be used to benefit other JPMC clients and is not limited to the client accounts that generated the credits. Additionally, the research is not allocated to client accounts proportionately to the soft dollar credits that the accounts generate. The Advisor shares research reports, including those that have been obtained as soft dollar benefits, with its U.S. affiliates.

#### **IMPORTANT INFORMATION ABOUT INVESTMENT RESEARCH, OVERSIGHT AND OPERATIONAL DUE DILIGENCE**

The Advisor's Manager Solutions team provides a qualitative research process (the "Research Process") overseen by independent onboarding and ongoing monitoring committees to approve all third-party and affiliated funds and third-party and affiliated separately managed account managers, including Model Managers and Model Portfolios, that are available for investment in your Portfolio. The Research Process does not apply for any strategies that are internally managed by the Advisor's portfolio managers; however, those strategies are subject to separate oversight and ongoing monitoring of performance. As part of the Research Process, the Manager Solutions team conducts a qualitative analysis of the third-party and affiliated funds and managers on an ongoing basis. Specifically, the team reviews the portfolio manager's organization and personnel, investment process, investment philosophy and performance on an ongoing basis.

The Advisor's Operational Due Diligence ("ODD") team contributes to the Research Process overseen by independent onboarding and ongoing monitoring committees. ODD's focus is on the operational infrastructure and capabilities of all third-party and affiliated funds and third-party and affiliated SMA managers, including Model Managers and Model Portfolios, that are available for investment in your Portfolio. Strategies that are internally managed by the Advisor's portfolio managers are subject to separate oversight and ongoing monitoring of performance with input by and contribution from the ODD team. As part of the Research Process, the ODD team conducts a qualitative analysis of all third-party and affiliated funds and third-party and affiliated SMA managers, including Model Managers and Model Portfolios, on an ongoing basis. The focus of this review is specific to the investment manager's organization, personnel, trade life-cycle, systems infrastructure, and control framework. ODD does not consider investment philosophy or performance. As part of the due diligence process, the Manager Solutions team applies an ESG eligibility framework that establishes minimum criteria for determining the universe of funds and strategies to be considered for inclusion in ESG strategies.

#### **IMPORTANT INFORMATION ABOUT TAXES**

Unless otherwise indicated, any discussion of tax matters in this Risk Disclosure Booklet is limited to U.S. federal income taxes and applies solely to accounts held by "United States persons" as defined in Section 7701(a)(30) of the Internal Revenue Code.

If you are not a United States person or are subject to tax in any non-U.S. jurisdiction, you should consult with your own legal and tax advisors with regard to the U.S. tax and any foreign tax consequences applicable to your specific situation. Account transactions may give rise to tax liability for which Client is responsible.

Tax residents of Mexico and certain other jurisdictions may be subject to specific tax rules relating to capital gains or other income derived from investing, directly or indirectly, in equities listed on the International Quotation System ("IQS"). J.P. Morgan does not guarantee the tax treatment of the underlying securities in any Portfolio and does not provide tax advice, filing, reporting or withholding services.

Neither J.P. Morgan nor its representatives or affiliates offer tax or accounting advice or services, and you will not solicit or rely upon any such advice from them.

Client should consult his or her own tax advisor with respect to the federal, state and local tax consequences of investing in any Portfolio, including, without limitation, the potential application and impact of Section 1091 of the Internal Revenue Code and the corresponding Treasury regulations (the "wash sale rules") with respect to Client's Portfolio and Client's accounts with or outside of J.P. Morgan. Client agrees that Client is responsible for complying with all applicable tax rules, including, but not limited to, the wash sale rules, and clients are responsible for all tax consequences attributable to the disallowance of any losses under the wash sale rules.

Mutual funds and exchange-traded funds may make large distributions of income and capital gains to investors at various times in a calendar year, and Client will be liable for taxes on such distributions without regard to the date of Client's investment in a Portfolio.

Certain securities and strategies may not be suitable for tax-exempt investors. Clients should consult with their own tax and legal professionals regarding the potential that investments in certain securities (including, but not limited to, hedge funds, private equity funds, and real estate funds) and strategies may generate unwanted excise taxes, income taxes and penalties under the Internal Revenue Code including, without limitation, excise taxes on self-dealing under Section 4941, taxes on investments which jeopardize charitable purposes under Section 4944, and taxes on UBTI under Sections 511 and 512, any or all of which may affect the Client's return on investment and exempt tax status.

#### **Cost Basis Information and Reporting**

The Internal Revenue Code generally requires J.P. Morgan to report to you and the Internal Revenue Service ("IRS") cost basis and other relevant information (collectively "Cost Basis Information") concerning investments held in your non-retirement accounts. The Cost Basis Information can vary depending on the tax lot disposition method applicable to the investments within your account. The tax lot disposition method applied to your account determines the order in which shares are redeemed when you sell your investments.

You have the ability to select your tax lot disposition method during the opening of your account, however J.P. Morgan is authorized to choose and apply any legally permissible tax lot disposition method to sales of securities in your account.

#### **IMPORTANT INFORMATION ABOUT TAX MANAGED STRATEGIES**

Clients have the ability to select tax managed strategies, including, but not limited to, the "Tax Smart" strategies managed by our affiliate, J.P. Morgan Investment Management Inc. (JPMIM) (each such strategy, a "Tax Managed" strategy). There are risks and limitations associated with all Tax Managed 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 Client's 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 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 Portfolio may be subject to certain limitations depending on your particular circumstances, such as investments you make outside the Portfolio and the aggregate net capital losses you recognize during the year. Non-U.S. and tax-exempt investors may not realize an after-tax benefit from tax management. You should speak with your own tax advisor regarding the proper treatment of transactions in the Portfolio.

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.



## Tax Harvesting

As part of its investment management services, the Advisor has the ability to sell certain investments at a gain or loss to potentially offset your tax liability ("Tax Harvesting") at its discretion. Additionally, for certain strategies on certain platforms, you can request that the Advisor engage in Tax Harvesting on your behalf.

While utilizing Tax Harvesting, your account holdings can differ from those accounts that do not utilize Tax Harvesting, and therefore your performance will likely differ. There is no guarantee that Tax Harvesting will perform as expected or that specific benefits will be obtained for any particular client. The implementation of Tax Harvesting may have an adverse effect on investment performance and result in adverse tax consequences, including, but not limited to, gains derived from the sale of the security held during the wash sale period. Further, the tax consequences of Tax Harvesting may be challenged by the IRS or any other tax authority. In addition, Tax Harvesting may not achieve the intended reduction in tax liability for non-U.S. and tax-exempt investors.

The Advisor has limitations on the Tax Harvesting requests that it can accommodate and may or may not accept your request for Tax Harvesting, in whole or in part, at its discretion.

In a Tax Managed strategy, the manager can engage in Tax Harvesting from positions which have experienced a capital loss. In certain market conditions, or when Portfolio positions have not otherwise experienced capital losses during the relevant tax period, Tax Harvesting opportunities will be limited.

The manager of a Tax Managed strategy may change the strategy's parameters, including the manner and frequency of Tax Harvesting, at any time without notice. Generally, such strategy entails a repurchase of the sold security or vehicle after the "wash sale" (i.e., 30-day) period. Generally, under the wash sale rules, if a client sells a security for a loss and the client repurchases the same (or a substantially identical) security either 30 days before or 30 days after the date of the sale, the loss is disallowed. However, the wash sale rules apply to transactions in not only that account, but also to transactions in all other accounts held by you, your spouse and certain entities controlled by you and your spouse ("related parties"), whether these accounts are held with the Advisor and its affiliates or other financial institutions. Tax Managed strategies will not consider trading activity in all of these other securities accounts, and it is your responsibility to comply with the wash sale rules with respect to such accounts. 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.

Assets will generally be invested in an unaffiliated ETF or ETFs during the wash sale period. ETFs are investment companies and have certain embedded costs, including Portfolio management fees, of which the Client will bear a proportionate share while invested in the ETF. Such costs are in addition to other advisory or management fees charged to the Client. The Client is responsible for understanding the merits and consequences of Tax Harvesting.

## IMPORTANT INFORMATION ABOUT FUNDING YOUR PORTFOLIO WITH SECURITIES

Depending on the particular investment strategy, cash or securities can be used to fund your Portfolio. If you fund your Portfolio with securities, you direct the Advisor or an affiliate, unless otherwise directed as outlined below, to liquidate the securities on your behalf and allocate the proceeds in accordance with the investment strategy that you have selected. Generally, the Advisor on a best efforts basis will sell any securities that are not part of the current investment strategy that you have selected. Depending on the strategy and the account, liquidation can result in additional costs, taxable gains or losses. You should understand the costs involved in using securities to fund your Portfolio, as well as review the potential tax consequences of liquidations with your tax advisor, before funding your Portfolio with securities. The investment of assets in your Portfolio will only occur when all operational requirements have been met. The Advisor and its affiliates do not provide tax advice.

If you transfer securities into your Portfolio, you may request to have us work with you to transition such securities into your Portfolio in a more tax efficient manner ("Tax Transition Plan"). You will work with your J.P. Morgan team to discuss which securities (or any particular security or securities) can be held in your Portfolio and sold over an extended period of time, at the Advisor's sole discretion. You understand that the sale of these securities may generate taxable income and the Advisor does not make any guarantees regarding tax implications with respect to your Portfolio. Please discuss your specific Tax Transition Plan and Portfolio with your tax advisor. Requesting that any security be held for an extended period of time requires the Advisor to deviate from the model portfolio guidelines and/or from the investment strategy that you have selected. The longer the time period for transition, the longer the deviation from the model portfolio guidelines and/or from the investment strategy. As such, your performance will differ from the performance of other clients that are invested in the same model portfolio or investment strategy.

The Advisor will not verify the accuracy of any external account information, including account statements provided by you from third parties. The validity of recommendations provided by the Advisor and any analyses contained in any report provided by the Advisor is dependent upon the accuracy and thoroughness of the data and information provided by you. The use of incomplete or inaccurate data and information will result in different outcomes. The tax implications set forth in any report or any guidance provided by the Advisor pursuant to your Tax Transition Plan are not guaranteed and should not be viewed as tax advice. Actual tax incurred by you will vary from any illustrated projections provided by the Bank pursuant to your Tax Transition Plan. You should contact your tax advisor at least annually to review your Tax Transition Plan. Your plan can be modified at any point in time during discussion with your J.P. Morgan team.

## Foreign Issuers

Special tax rules may apply to investments in foreign issuers, including American Depositary Receipts (ADRs). For example, one or more issuers in the Portfolio may qualify as a passive foreign investment company or a controlled foreign corporation for U.S. tax purposes, and non-U.S. withholding tax may be imposed on distributions or gains. Also, in certain cases, additional U.S. tax reporting may be required.

ADRs can be traded on U.S. exchanges and Over-the-Counter markets, and are denominated in U.S. dollars; however, ADRs do not eliminate the risks involved in owning shares of foreign issuers. Since ADRs track the shares in the home country, their value will be affected by political and economic conditions in the home country. ADR dividends will be paid in the applicable foreign currency and may be subject to tax in the applicable foreign country. The ADR issuer will convert amounts received to U.S. dollars, subjecting you to currency risks and conversion costs.

If the investment in the Portfolio is made through an IRA, any foreign taxes incurred generally would not be creditable against your U.S. income tax liability.

You are urged to consult your tax advisor regarding investment in non-U.S. entities, including whether you may be eligible for a credit against your U.S. income tax liability for any foreign taxes paid and whether you may be eligible for a lower rate or partial refund of non-U.S. withholding taxes pursuant to one or more applicable income tax treaties.

## Statement Valuations

Asset values on periodic statements come from our proprietary pricing models or external pricing services that we select and may rest on estimates and assumptions we make about relevant future market conditions and other matters, all of which are subject to change without notice. Such changes may have a material impact on valuations, and valuations based on other models or different assumptions may yield materially different results. Statement valuations may not represent the actual or indicative terms for new transactions or for liquidation of existing transactions, and may vary from valuations used by us for other purposes. Accordingly, statements should not be used as the sole basis for valuing your assets, and you should seek advice from your accountant or attorney about using statements to prepare tax returns, financial statements, regulatory reports, or for other purposes.

## ADDITIONAL IMPORTANT INFORMATION ABOUT YOUR INVESTMENTS

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

**Emerging Markets Risk** International investing bears greater risk due to social, economic, regulatory and political instability in countries in "emerging markets." Emerging market securities can be more volatile and less liquid than developed market securities. Changes in exchange rates and differences in accounting and taxation policies outside the U.S. can also affect returns. Investments in foreign currencies and foreign issuers are subject to additional risks, including political and economic risks, greater volatility, civil conflicts and war, currency fluctuations, higher transaction costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, and less stringent investor protection and disclosure standards. These risks are magnified in countries in "emerging markets."

**Data Sources** 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 data 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.

**Cybersecurity Risk** As the use of technology has become more prevalent in the course of business, the Advisor 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 the Advisor and its clients, and compromises or failures to systems, networks, devices and applications relating to the operations of the Advisor and its service providers.

Cybersecurity risks can result in financial losses to the Advisor and its clients; the inability of the Advisor 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. The Advisor'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 the Advisor engages in portfolio or other transactions also may be adversely impacted by cybersecurity risks in their own businesses, which could result in losses to the Advisor 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 the Advisor 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.

**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 JPMorgan Chase & Co. publicly traded stock. This ownership interest presents a conflict of interest when the Advisor, J.P. Morgan Securities LLC, and J.P. Morgan Private Investments Inc. (collectively "JPM") recommends or purchases the publicly traded security of the asset manager or the separately managed accounts or funds that are managed or advised by the asset manager. JPM addresses this conflict by disclosing the ownership interest of the asset manager and by subjecting the asset manager's separately managed accounts and funds to a research process. Additionally, the financial advisers and portfolio managers that may purchase or recommend securities, separately managed accounts and funds of an asset manager that has an ownership interest in J.P. Morgan, do not receive any additional compensation for that purchase or recommendation. A fund ownership interest in J.P. Morgan can cause the fund and its affiliates to determine that they are unable to pursue a transaction or the transaction will be limited or the timing altered. J.P. Morgan monitors ownership interests in J.P. Morgan for regulatory purposes and to identify and mitigate actual and perceived conflicts of interest. As of February 23, 2024, the Vanguard Group, Inc. and BlackRock, Inc. hold more than a 5% interest in J.P. Morgan.

**Infectious Disease Risk** The outbreak of COVID-19 negatively affected economies, markets and individual companies throughout the world, including holdings in the Portfolio. The effects of any future pandemic or other global event to business and market conditions, may have a significant negative impact on the performance of the investments in the Portfolio, increase separately managed account and fund volatility, exacerbate pre-existing political, social and economic risks to investments in the Portfolio, 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 event that affect the investments in the Portfolio, or the issuers of such investments in ways that could have a significant negative impact on the Portfolio's investment performance. The ultimate impact of any pandemic or other global event and the extent to which the associated conditions and governmental responses impact the investments in the Portfolio will also depend on future developments, which are highly uncertain, difficult to accurately predict and subject to frequent changes.

**LIBOR Discontinuance or Unavailability Risk** The London Interbank Offering 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. On or before June 30, 2023, certain tenors and currencies of LIBOR ceased to be published or representative of the underlying market and economic reality they were intended to measure; current information about certain related risks is available at [https://www.jpmorgan.com/disclosures/interbank\\_offered\\_rates](https://www.jpmorgan.com/disclosures/interbank_offered_rates). New or alternative reference rates have since been used in place of LIBOR. 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, unavailability or replacement, all of 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. No assurances can be given as to the impact of the transition away from LIBOR on a fund or client account or their investments. These risks may also apply with respect to changes in connection with other interbank offering rates (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.

**Benchmark Reforms Risk** As described above, interest rates (such as LIBOR or EURIBOR) and a wide range of other index levels, rates and values are treated as "benchmarks" and are the subject of recent regulatory reform. There are certain risks associated with loans, derivatives, floating rate securities and other instruments or investments that rely on a benchmark that changes or is affected by benchmark reforms. While benchmark reforms are intended to make benchmarks more robust, the reforms may cause benchmarks to perform differently than in the past, to disappear entirely or have other consequences that cannot be predicted. This could have a material impact on any investments linked to or referencing such a benchmark. Such impact may include (i) reducing or increasing the volatility of the published rate or level of the benchmark, (ii) early redemption or termination of the investment or (iii) adjustments to the terms of the investment. Any of these impacts may be disadvantageous to investors. In particular, reforms may increase costs and risks associated with investments that use an affected benchmark.