



Report of Independent Accountants

To the Management and the Board of Managers of J.P. Morgan Securities LLC:

In accordance with Rule 17a-5(e)(4) of the Securities Exchange Act of 1934 and with the SIPC Series 600 Rules, we have performed the procedures enumerated below, which were agreed to by J.P. Morgan Securities LLC and the Securities Investor Protection Corporation ("SIPC") (collectively, the "specified parties") with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) of J.P. Morgan Securities LLC for the year ended December 31, 2019, solely to assist the specified parties in evaluating J.P. Morgan Securities LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Management is responsible for J.P. Morgan Securities LLC's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States) and in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and results thereof are as follows:

1. Compared the listed assessment payments on page 1, items 2A and 2C of Form SIPC-7 with the respective cash disbursement records entries, as follows:
 - a. Payment dated July 30, 2019 in the amount of \$9,510,202 reported on line 2B was compared to the wire payment confirmation for IL Checking Account #XXXXX-5633 provided by Berthe Joseph (JPMS Regulatory Reporting Group) as sent from Karen Glover (Global Finance Operations & Information System), noting no difference in the payment amount. The payment date per the wire settlement support provided by Berthe Joseph was August 1, 2019.
 - b. Payment dated February 27, 2020 in the amount of \$9,950,393 reported in item 2G was compared to wire payment, FED Reference #0227B1QGC08C008942, provided by Jennifer Loffredo (JPMS Regulatory Reporting Group), noting no differences.
2. Compared the Total Revenue amount reported on page 4 of the audited Form X-17A-5 for the year ended December 31, 2019 to the Total revenue amount of \$26,299,126,828 reported on page 2, item 2a of Form SIPC-7 for the year ended December 31, 2019, noting a difference of \$416,126,828. Per Matthew Gibson (JPMS Financial Reporting) the difference relates to revenue from a consolidated subsidiary which is assessed in a separate SIPC general assessment calculation. The revenue amount is included in the *Dec-19 JPMS-Prime-VIE with FSLI Consolidated* worksheet provided by Matthew Gibson (JPMS Financial Reporting), within tab "FSLI consolidation." The \$416,126,828 noted above is the sum of the column labeled "LE3106 Prime" of \$729,540,754 and column labeled "Eliminations" of (\$1,145,140,112). The difference after excluding these amounts from the audited Form X-17A-5 revenue amount is (\$527,470), due to rounding.
3. Compared any adjustments reported on page 2, items 2b and 2c of Form SIPC-7 with the supporting schedules and working papers, as follows:
 - a. Compared deductions on line 1 of item 2C, "Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products," of \$710,261,473 to the "Grand Total" reported on the JPMS SIPC Assessment 2019 worksheet, tab "2c(1) SIPC ACCTS check accts", column "New Line 2c(1)", provided by Berthe Joseph (JPMS Regulatory Reporting Group), noting no differences.
 - b. Compared deductions on line 2 of item 2c, "Revenues from commodity transactions" of \$981,700,255 to the Grand Total reported on the JPMS SIPC Assessment 2019 worksheet, tab "FCM PIVOT of IS", column "Total", provided by Berthe Joseph (JPMS Regulatory Reporting Group), noting no differences.



- c. Compared deductions on line 3 of item 2c, "Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions," of \$61,574,605 to the Grand Total reported on the JPMS SIPC Assessment 2019 worksheet, tab "2c(3) Flr Fee PD - Other SIPC M", column "MATCH", provided by Berthe Joseph (JPMS Regulatory Reporting Group), noting no differences.
 - d. Compared deductions on line 8 of item 2c, "Other revenue not related either directly or indirectly to the securities business," of \$1,061,353,325 to JPMS SIPC Assessment 2019 worksheet, the Grand Total per tab "2c(8) Loan Synd PIVOT of IS", column "Total", plus the Total Revenue per tab "VIE Whole Dollars", column "YTD-19", provided by Berthe Joseph (JPMS Regulatory Reporting Group), noting no differences.
 - e. Compared to the amount on line 9(i) of the item 2c, "Total interest and dividend expense but not in excess of total interest and dividend income," of \$10,510,507,203 to quarterly FOCUS Reports (Q1 of \$3,075,783,289; Q2 of \$2,646,418,520; Q3 of \$2,736,792,837; and Q4 of \$2,051,512,557), noting no differences.
4. Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers obtained in procedure 3, as follows:
- a. Recalculated the mathematical accuracy of the deduction on line 9(ii) of item 2c by taking 40% of the margin interest earned on customers' securities accounts of \$1,487,158,298 as reported on the quarterly FOCUS Reports (Q1 of \$584,353,401; Q2 of \$253,766,966; Q3 of \$331,874,684; and Q4 of \$317,163,246) less a topside adjustment of \$320,992,871 per the "Focus Tool System" screenshot provided by Berthe Joseph for the year ended December 31, 2019, for a total deduction of \$466,466,171, noting no differences.
 - b. Recalculated the greater of the deduction on line 9(i) of \$10,510,507,203 reported on page 2, item 2c and line 9(ii), of \$466,466,171, reported on page 2, item 2c, of Form SIPC-7, noting no differences.
 - c. Recalculated mathematical accuracy of total deductions of \$13,325,396,860 reported on page 2, of the Form SIPC-7, noting a difference of \$1.
 - d. Recalculated mathematical accuracy of SIPC Net Operating Revenues of \$12,973,202,498 reported on page 2, item 2d, of the Form SIPC-7, noting a difference of \$1.
 - e. Recalculated the mathematical accuracy of General Assessment @ .0015 on line 2e of the General Assessment by subtracting the Total Revenue on line 2a as sourced from the audited Form X-17A-5 from the Total Deductions on line 2d of the General Assessment and multiplying the result by .0015, noting no differences.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Company's preparation of Form SIPC-7 in accordance with the applicable instructions. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Management and the Board of Managers of J.P. Morgan Securities LLC and the Securities Investor Protection Corporation and is not intended to be and should not be used anyone other than these specified parties.

PricewaterhouseCoopers LLP

New York, NY
March 2, 2020