

J.P. Morgan IN-DX LLC

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This brochure provides information about the qualifications and business practices of J.P. Morgan IN-DX LLC. If you have any questions about the contents of this brochure, please contact us at 844-656-5091. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about J.P. Morgan IN-DX LLC, also is available on the SEC's website at www.adviserinfo.sec.gov.

J.P. Morgan IN-DX LLC is registered as an investment adviser with the SEC. Such registration does not imply a certain level of skill or training.

Item 2
Material Changes

Not applicable – This is the initial brochure for J.P. Morgan IN-DX LLC.

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Item 4
Advisory Business

A. General Description of Advisory Firm

J.P. Morgan IN-DX LLC ("J.P. Morgan IN-DX," "Adviser," "we" or "us") is a Delaware limited liability company incorporated on February 3, 2005 and reconstituted under its current name as a new business in September 2014. J.P. Morgan IN-DX is a wholly owned subsidiary of JPMorgan Chase & Co. ("JPMC"), a publicly traded company, and is considered part of JPMC's Corporate & Investment Bank ("JPMorgan CIB" or the "CIB"). As of the date of this Brochure, the Adviser has not yet commenced advisory operations and does not have any assets under management. The Adviser expects to commence advisory operations in or about December 2014.

B. Description of Advisory Services

J.P. Morgan IN-DX expects to provide discretionary investment management services to domestic and foreign private pooled investment vehicles as well as commodity pools registered under the Securities Act of 1933 (the "Securities Act"). We refer to the private funds and commodity pools that we intend to offer as "Funds."

As described below under "Methods of Analysis, Investment Strategies and Risk of Loss—Investment Strategies," the Funds we sponsor and manage will seek to replicate the performance of certain indices that are calculated and sponsored by the CIB.

C. Availability of Customized Services for Individual Clients

Because J.P. Morgan IN-DX solely seeks to provide investment advice to Funds, J.P. Morgan IN-DX generally will not tailor investment objectives, guidelines or investment restrictions to any individual investor in a Fund. Rather, J.P. Morgan IN-DX will seek to replicate the performance of the index or indices described in the applicable offering document for such Fund. J.P. Morgan IN-DX may, however, establish a Fund for a prospective investor seeking to replicate a custom index, which is calculated and sponsored by the CIB based, in whole or in part, on criteria or input from such investor.

D. Wrap Fee Program

Not Applicable.

E. Assets Under Management

As of November 30, 2014, J.P. Morgan IN-DX had no assets under management.

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Fees and Compensation

The Adviser's fee schedule will vary depending on the type of account and investment strategy, and may, in certain circumstances, be subject to negotiation. Typically, the Adviser's annual investment advisory service fee will be calculated as a percentage of the market value of the assets it manages, which is referred to as an annual "asset-based fee." To the extent permitted under the Investment Advisers Act of 1940, as amended (the "Adviser's Act"), the Adviser may negotiate and charge performance-based fees, as well as asset-based fees. For an additional discussion of performance-based fees, please refer to Item 6.

The specific manner in which fees are charged by the Adviser will be established in each Fund's governing documents and/or the investment advisory agreement between the Fund and the Adviser. The Adviser generally will deduct its fees from Fund assets periodically (e.g., monthly or quarterly) and may do so in advance or arrears, depending upon the specific terms of the Fund. Unless otherwise agreed and set forth in a Fund's governing documents or investment advisory agreement, any fees paid in advance to the Adviser or any affiliate of the Adviser by such Fund will be refundable on a *pro rata* basis. The fees paid in advance to the Adviser or an affiliate of the Adviser by or on behalf of an investor in a Fund will be refundable on a *pro rata* basis if the investor withdraws prior to the end of a fiscal quarter (or other applicable period-end on which fees are calculated).

It is expected that each Fund will bear its own expenses, including, but not limited to investment expenses (i.e., expenses related to the investment of the Fund's assets, including, without limitation, brokerage commissions, expenses relating to permitted hedging transactions, interest expense, professional and consulting fees relating to particular investments and investment-related travel expenses), legal expenses, accounting, audit and tax preparation expenses, taxes, fees and expenses of third-party administrators, directors and other service providers, expenses relating to the offer, sale, transfer and withdrawal or redemption of interests, expenses of preparation and distribution of reports and other communications with investors, other expenses related to the operation of the Fund, and all extraordinary expenses.

Certain affiliates of the Adviser, including JPMC and J.P. Morgan Securities LLC ("JPMS"), as well as other U.S. and non-U.S. affiliates, may from time to time market and/or distribute interests in the Funds. Such affiliates and their related sales and marketing personnel may be compensated directly or indirectly by the Adviser, or in some circumstances the Funds or their investors, for distribution of Fund interests and the performance of related sales and marketing activities. Such sales and marketing personnel generally are not expected to be employees of the Adviser.

Item 6

Performance-Based Fees and Side-By-Side Management

As discussed above, the Adviser generally expects to charge a fixed asset-based fee and the Adviser may also charge a performance-based fee pursuant to which the Adviser receives a portion of the return of the Fund's portfolio. A performance-based fee may be conditioned on the Fund reaching a target level of return and/or assessed only on performance over such target return. The management of portfolios that are charged different types of fees and are managed by the same adviser can create a conflict of interest. While this could lead to situations in which the Adviser could favor a Fund that pays performance-based fees over a Fund that pays only asset-based fees, the Adviser will not knowingly or deliberately favor certain Funds over other Funds. The Adviser's rules-based investment methodology is expected to mitigate this risk. In addition, the Adviser has adopted and maintains policies and procedures that govern the allocation of investment opportunities among the Funds. These policies require, among other things, that the Funds aggregate orders for multiple Funds where possible, and that the allocation methodology generally must be on a *pro rata* basis based on order size, provided that the Adviser's Compliance Department may authorize the use of alternative allocation methodologies based on objective criteria to avoid inequitable or unfair allocations.

Item 7

Types of Clients

As described in "Item 4—Advisory Business" above, the Adviser will provide investment advice to the Funds. Investment advice is provided directly to a Fund and not to a Fund's investors individually.

Interests in the privately offered Funds will not be registered under the Securities Act or the Investment Company Act of 1940 (the "1940 Act"). Accordingly, interests in such Funds will be offered and sold exclusively to investors satisfying the applicable eligibility and suitability requirements for such private transactions.

Each privately offered Fund established by the Adviser generally will impose a minimum initial investment amount, which is expected to vary from \$2 to \$5 million, but which may be lower or subject to waiver in the discretion of the Adviser. Other Funds managed by the Adviser may also establish investment minimums. Any minimum initial and additional investment requirements will be disclosed in the offering documents for a Fund.

Item 8

Methods of Analysis, Investment Strategies and Risk of Loss

A. Investment Strategies

J.P. Morgan IN-DX LLC expects to sponsor and manage a number of Funds that will seek to replicate the performance of one or more of the indices sponsored by JPMorgan's CIB (each, a "JPMorgan Index" and collectively, the "JPMorgan Indices").

JPMorgan's CIB sponsors indices reflecting synthetic exposure to each of five major asset classes (commodities, credit, equities, fixed income and foreign exchange) as well as cross-asset indices that may include one or more of these asset classes. Many of the strategies are designed to achieve exposures uncorrelated to traditional benchmark indices or to achieve better performance (on a risk-adjusted or absolute basis), lower or targeted realized volatility and/or potential downside protection as compared to traditional benchmark indices.

Each JPMorgan Index is a rules-based proprietary index that operates on the basis of a pre-determined written methodology ("index rules"). These index rules determine, among other things: (i) the underlying index constituents, which may include equity securities, fixed income securities, options and futures contracts on different commodities and financial instruments (e.g., interest rates and equity indices) or other instruments, (ii) the appropriate investment signals, if any, that determine when an index invests or divests itself of certain assets or constituents and (iii) the step-by-step process by which the index level is calculated.

Typically, these processes and/or determinations are effectuated via non-discretionary mathematical formulas or algorithms described within the index rules. The index rules will only permit the index sponsor and/or calculation agent to exercise discretion in very limited circumstances such as determining market disruption events and extraordinary events.

J.P. Morgan IN-DX intends to sponsor and manage Funds that are each benchmarked to the performance of a JPMorgan Index. Although these JPMorgan Indices will actively rebalance their constituents based on the rules set forth in their respective index methodologies, J.P. Morgan IN-DX intends to employ a "passive" management approach, where changes in an index's constituents are reflected closely by the Fund that is managed by J.P. Morgan IN-DX and benchmarked to the relevant JPMorgan Index. Although J.P. Morgan IN-DX intends to follow a "passive" management approach for any Fund that tracks a JPMorgan Index, in certain instances, J.P. Morgan IN-DX may employ a representative sampling indexing strategy to manage a Fund that is benchmarked to a JPMorgan Index. "Representative sampling" is an indexing strategy that involves investing in a representative sample of financial instruments that on the whole have a similar investment profile to the relevant underlying index.

The financial instruments selected are expected to have, in the aggregate, investment characteristics (based on factors such as market capitalization and industry weightings), fundamental characteristics

(such as return variability, duration, maturity or credit ratings and yield) and liquidity measures similar to those of the JPMorgan Index. To the extent JPMorgan IN-DX employs a representative sampling strategy, the applicable Fund may or may not hold all of the financial instruments in the relevant JPMorgan Index.

In each case, information about the specific JPMorgan Index and the Fund's investment approach will be included in the Fund's offering memorandum, prospectus or equivalent offering document.

B. Significant Risks

J.P. Morgan IN-DX expects to use a variety of investment strategies depending on the requirements and investment guidelines associated with the Fund. The risk factors associated with each Fund's investment strategy will be disclosed in the prospectus, offering memorandum or other materials of the Fund.

Set forth below are certain material risk factors that are often associated with the investment strategies and types of investments relevant to certain of the Funds expected to be managed by J.P. Morgan IN-DX. The information included in this Brochure does not include every potential risk associated with each investment strategy. Investors in the Funds are urged to ask questions regarding risk factors applicable to a particular strategy or Fund, read all Fund-specific risk disclosures and determine whether a particular investment strategy or type of financial instrument is suitable for their account in light of their circumstances, investment objectives and financial situation.

Limited or No Operating History. J.P. Morgan IN-DX will commence operations shortly before or after the date of this Brochure and therefore has limited or no operating history upon which prospective investors may rely to evaluate their possible performance.

Investment Strategy Risk. J.P. Morgan IN-DX intends to use the investment strategies described above to seek to achieve a Fund's investment objective. No assurance can be given that the Fund will achieve its investment objective. Investment decisions made by J.P. Morgan IN-DX may not produce the expected results, and may cause a Fund to lose some or all of its value.

Risks Associated with Index-Based Strategies. Investing in strategies that are correlated to a JPMorgan Index involve certain risks, including without limitation the following:

General. The JPMorgan Indices generally follow proprietary strategies that operate on the basis of predetermined rules. No assurance can be given that the investment strategy on which any JPMorgan Index is based will be successful or that that JPMorgan Index will outperform any alternative strategy that might be employed with respect to the constituents underlying that JPMorgan Index. The methodologies underlying the JPMorgan Indices include complicated mathematical calculations. Accordingly, an investment in a Fund linked to a JPMorgan Index may not be appropriate for all investors.

Correlation of Performances among Index Constituents. Performances of JPMorgan Index constituents may become highly correlated from time to time, including, but not limited to, a period in which there is a substantial decline in JPMorgan Index constituents. High correlation during periods of negative returns among JPMorgan Index constituents could have an adverse effect on the value of a Fund.

Offsetting Changes in Value. Price movements between JPMorgan Index constituents may not correlate with each other. At a time when the value of one index constituent increases, the value of other index constituents may not increase as much or may decline. Therefore, in calculating the level of a JPMorgan Index, increases in the value of some of a JPMorgan Index constituents may be moderated, or more than offset, by lesser increases or declines in the value of other index constituents.

Index Tracking Error. Performance of a Fund may not accurately track the applicable JPMorgan Index during particular periods or over the long term. Reasons for such tracking error may include one or more of the following: transaction costs, fees and expenses of the Fund, delays in execution of trades relative to index changes, selection or availability of instruments to replicate performance of index constituents, trade errors, discretionary investment decisions about what instruments to trade, when to trade and in what quantities, limitations on trading systems, communications, algorithms, or software, and/or other investment or operational considerations or limitations. Any such tracking error may cause the Fund to underperform the JPMorgan Index such Fund tracks.

Limited or No Operating Histories. Some of the JPMorgan Indices will be established shortly before or after the date of this Brochure and therefore the JPMorgan Indices are expected to have limited or no operating histories when the Funds that are linked to such JPMorgan Index commence operations.

Market Risk. Market risk refers to the possibility that the market values of the underlying portfolios, financial assets or investment vehicles in which the Funds invest may rise or fall, sometimes rapidly or unpredictably. Values may fall because of factors affecting industries, sectors or markets as a whole, thereby reducing the value of an investment. Values can also be affected by changes or perceived changes in U.S. or foreign economies and financial markets. 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. An investment in a Fund can fluctuate and an investor could suffer a loss of their investment.

Foreign Securities and Emerging Markets Risks. Strategies that invest 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, liquidity risks, and less stringent investor protection and disclosure standards of foreign markets. These risks are magnified in countries in "emerging markets." These countries may have relatively unstable governments and less-established market economies than developed countries. Emerging markets may face greater social, economic, regulatory and political uncertainties. These risks make emerging market securities more volatile and less liquid than securities issued in more developed countries.

Short Strategy Risk. A primary risk of some strategies is to invest in a financial asset that is considered to be attractive and to sell short another financial asset considered to be unattractive. This strategy involves complex transactions that require the investment portfolio to borrow securities or sell short a financial asset. Losses on short sales are potentially unlimited because there is no upward limit on the price a financial asset could attain. Short sales are speculative transactions and involve special risks, including greater reliance on the index's ability to accurately anticipate the future value of a financial asset.

Commodity Risk. Certain strategies have exposure to commodities. Exposure to commodities, commodity-related securities and derivatives may subject an investment portfolio to greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity linked investments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity.

Certain Risks of Futures. The commodity futures contracts traded by the Funds as components of an investment program designed to replicate the return of a JPMorgan Index are subject to certain risk considerations. Market prices of the commodity futures contracts included in a Fund tend to be highly volatile and may fluctuate rapidly based on numerous factors, including the factors that affect the price of the commodities underlying the commodity futures contracts included in a Fund. Commodity futures contracts may have more volatile prices and are generally traded with greater leverage than traditional securities, such as stocks and bonds. The high volatility, greater leverage and cyclical nature of commodity markets may render such an investment inappropriate as the focus of an investment

portfolio. In addition, increases in margin requirements could negatively impact the Funds. If an exchange on which the futures contract underlying a JPMorgan Index are traded increases the amount of collateral required to be posted to hold positions in those futures contracts (*i.e.*, the margin requirements), market participants who are unwilling or unable to post additional collateral may liquidate their positions, which may cause the level of a JPMorgan Index (and in turn a Fund that seeks to replicate the performance of such JPMorgan Index) to decline significantly.

Certain Risks of Options. J.P. Morgan IN-DX may buy or sell (write) both call options and put options as components of the Funds' investment programs. Option transactions constitute a form of leverage in which the investing Fund has exposure to price movements in a large number of securities with a small commitment of capital. These activities involve risks that can be substantial depending on the circumstances. When the Fund buys an option, a decrease (or inadequate increase) in the price of the underlying security in the case of a call, or an increase (or inadequate decrease) in the price of the underlying security in the case of a put, could result in a total loss of the Fund's investment in the option (including commissions). When the Fund sells (writes) an option, the risk can be substantially greater than when it buys an option. The seller of an uncovered call option bears the risk of an increase in the market price of the underlying security above the exercise price. The risk is theoretically unlimited (unless the option is "covered" which generally will not be the case for the Funds).

Other Derivatives Risk. J.P. Morgan IN-DX may use swaps and other "over-the-counter" derivatives in the Funds' investment programs. The use of such instruments entails various risks, including liquidity and leverage risks. These derivative instruments may be purchased or sold by a Fund in privately negotiated principal-to-principal transactions in which performance is the responsibility of the individual counterparty and not an organized exchange or clearinghouse. The risk of nonperformance by the counterparty in such transactions may be greater and the ease with which the investing Fund can dispose of or enter into offsetting positions with respect to such transactions may be less than in the case of exchange-traded instruments. Other risks include the risk of mispricing or improper valuation of such derivatives and the inability of such derivatives to correlate perfectly with underlying assets, rates and indices. Many derivatives, in particular privately negotiated derivatives, are complex and may be valued subjectively. Improper valuations can result in increased payments to counterparties or a loss of value to the Fund. Such transactions are also not subject to the same type of government regulation as exchange-traded instruments, and therefore many of the protections afforded to participants in a regulated environment may not be available. Derivative products are highly specialized instruments that require investment techniques and risk analyses different from those associated with other types of securities, and therefore also present certain operational risks.

Dodd-Frank Risk. Pending and ongoing regulatory reform may have a significant impact on J.P. Morgan IN-DX's investment advisory business. On July 21, 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") was signed into law in the United States. Dodd-Frank is expansive in scope and requires the adoption of extensive regulations and numerous regulatory decisions in order to be implemented fully. Dodd-Frank may significantly change J.P. Morgan IN-DX's operating environment and the financial markets in general in unpredictable ways. It is not possible to predict the ultimate effects that Dodd-Frank, or subsequent implementing regulations and decisions, will have upon J.P. Morgan IN-DX's business and results of operations. Among the potential impacts of Dodd-Frank, provisions of Dodd-Frank referred to as the Volcker Rule will likely impact the method by which J.P. Morgan IN-DX seeds, invests in and operates its Funds. The impact of the Volcker Rule on liquidity and pricing in the broader financial markets is unknown at this time. The Volcker Rule became effective on July 21, 2012, and banking entities (including JPMC and its subsidiaries, including J.P. Morgan IN-DX) have until July 2015 to conform their activities into compliance with the Volcker Rule. Among other things, the Volcker Rule generally prohibits pooled investment vehicles from engaging in transactions that would cause a banking entity or its affiliates to have credit exposure to a pooled investment vehicle managed by its affiliates, that would involve or result in a material conflict of interest between the banking entity and its clients, customers or counterparties, or that would result, directly or indirectly, in a material exposure by the banking entity to high-risk assets or high-risk trading strategies. These restrictions could materially adversely affect accounts that are, or are invested in, pooled investment vehicles, because the

restrictions could limit a pooled investment vehicle from obtaining seed capital, loans or other commercial benefits from the Adviser or its affiliates.

In addition, speculative position limits which are expected to be proposed under Dodd-Frank could, if adopted, impose limitations on the combined position in futures, options and swaps on the same underlying commodity held by a person or entity (or in certain cases a group of related entities). New aggregation standards have been proposed, that if adopted, may affect the overall size of positions that the funds may hold in certain commodity interest contracts. The rules, if adopted, may have an unpredictable effect on the markets, such as reducing overall liquidity in the exchange-traded markets, in turn having an effect on the performance of a Fund that utilizes futures, options and/or swaps. Moreover, the rules, if adopted, may adversely affect performance of a Fund by impeding its ability to carry out certain trading strategies. Final regulations adopted under Dodd-Frank, relating to regulation of swaps and derivatives, may impact the manner by which J.P. Morgan IN-DX-advised funds and accounts use and trade swaps and other derivatives, and may increase the costs of derivatives trading.

Potential Conflicts Related to the Role of the Adviser and its Affiliates. The Adviser and its affiliates are expected to play a variety of roles in connection with the offering of each Fund. In performing these duties, the Adviser's economic interests and the economic interests of the calculation agent and sponsor of each JPMorgan Index and other affiliates are potentially adverse to the interests of an investor in the Fund.

An affiliate of the Adviser may act as the index sponsor for a JPMorgan Index that is responsible for maintaining such JPMorgan Index and developing the guidelines and policies governing its composition and calculation. In addition, an affiliate of the Adviser may also act as the index calculation agent for a JPMorgan Index that is responsible for calculating such JPMorgan Index. The index sponsor and/or the index calculation agent of each JPMorgan Index is entitled to exercise discretion in good faith and in a commercially reasonable manner in relation to that JPMorgan Index, including, but not limited to:

- the interpretation of the rules governing that JPMorgan Index;
- the calculation of the level of that JPMorgan Index in the event of certain market disruptions and the determination of the values of one or more constituents in the event of market disruptions or as a result of manifest errors in, or unavailability of, certain values;
- the removal or replacement of a constituent of that JPMorgan Index upon the occurrence of certain extraordinary events, including changes in law, relating to that constituent; or
- the cancellation of that JPMorgan Index.

The index sponsor of a JPMorgan Index may also amend the rules governing that JPMorgan Index in its discretion. Although the relevant index sponsor and index calculation agent will make all determinations and take all action in relation to the relevant JPMorgan Index acting in good faith, it should be noted that the policies and judgments for which the index sponsor and/or the index calculation agent are responsible could have an impact, positive or negative, on the level of the relevant JPMorgan Index and the value of the applicable Fund. For example, the changing of a constituent may affect the performance of the relevant JPMorgan Index, and therefore, the value of the Fund, as the replacement constituent may perform significantly better or worse than the affected constituent.

The index sponsor and index calculation agent of each JPMorgan Index have no obligation to consider an investor's interests in taking any actions that might affect the value of a Fund. Furthermore, the inclusion of any constituent in a JPMorgan Index is not an investment recommendation by the Adviser, the index sponsor or the index calculation agent of that constituent, or any of the securities or futures contracts underlying that constituent.

In addition, the Adviser and its affiliates publish research from time to time on security markets, commodity markets and other matters that may influence the value of a Fund, or express opinions or provide recommendations that are inconsistent with purchasing an interest in a Fund. The Adviser and its affiliates may have published research or other opinions that call into question the investment view implicit in an investment in a Fund. Any research, opinions or recommendations expressed by the Adviser or its affiliates may not be consistent with each other and may be modified from time to time without notice. Investors should make their own independent investigation of the merits of investing in a Fund, JPMorgan Index constituent and the futures contracts underlying a JPMorgan Index.

Item 9 Disciplinary Information

A. Criminal or Civil Proceedings

The Adviser has no material civil or criminal actions to report.

B. Administrative Proceedings Before Regulatory Authorities

The Adviser has no material administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority to report.

C. Self-Regulatory Organization (SRO) Proceedings

The Adviser has no material SRO disciplinary proceedings to report.

Item 10 Other Financial Industry Activities and Affiliations

A. Broker-Dealer Registration Status

Certain of the Adviser's personnel are registered with the Financial Regulatory Authority ("FINRA") as representatives of JPMS, an affiliated broker/dealer, if necessary to perform their responsibilities.

B. Futures Commission Merchant, Commodity Pool Operator or Commodity Trading Adviser Registration Status

The Adviser applied for membership with the National Futures Association ("NFA") and for registration with the Commodity Futures Trading Commission ("CFTC") as a Commodity Pool Operator and Commodity Trading Adviser in December 2014. The NFA and CFTC each administer a comparable regulatory system covering futures contracts, swaps and various other financial instruments in which certain Funds advised by the Adviser may invest.

In accordance with CFTC Rule 4.7, the Adviser must prominently display the following CFTC-specified disclosure statement in this Brochure.

PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE PERSONS, THIS BROCHURE IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE COMMODITY FUTURES TRADING COMMISSION. THE COMMODITY FUTURES TRADING COMMISSION DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A TRADING PROGRAM OR UPON THE ADEQUACY OR ACCURACY OF COMMODITY TRADING ADVISOR DISCLOSURE.

CONSEQUENTLY, THE COMMODITY FUTURES TRADING COMMISSION HAS NOT REVIEWED OR APPROVED THIS TRADING PROGRAM OR BROCHURE.

C. Material Relationships or Arrangements with Industry Participants

The Adviser is part of a large financial services firm. In connection with providing investment advisory services to the Funds, the Adviser may use or recommend the use of the products or services of its affiliates or other related persons, including those described below.

J.P. Morgan Securities LLC. The Adviser's affiliate JPMS is dually registered as a broker-dealer and an investment adviser with the SEC. JPMS is also registered as a futures commission merchant with the CFTC. JPMS is a wholly owned subsidiary of JPMC. The Adviser expects to use JPMS for various services, which may include one or more of the following:

- For execution and clearing of securities transactions and futures and other commodities transactions on behalf of the Funds, subject in each case to applicable laws and regulations and the policies and procedures of the Adviser and JPMS.
- To facilitate the distribution of interests in certain Funds to prospective eligible U.S. investors through private placements.
- To act as a distributor for the sale of interests in certain of the Funds.
- To act as sponsor and/or calculation agent of each JPMorgan Index.

J.P. Morgan Clearing Corp. ("JPMCC"). JPMCC is also registered with the SEC as a broker-dealer and acts as a commodity pool operator and commodity trading advisor. The Adviser may use JPMCC for various services, including for clearing of securities transactions on behalf of the Funds, subject to applicable laws and regulations and the policies and procedures of the Adviser and JPMS.

JPMorgan Chase Bank, NA ("JPM Chase Bank"). The Adviser's affiliate JPM Chase Bank is a banking institution that may provide various banking, custody and administrative services to the Adviser and the Funds. JPM Chase Bank and/or other affiliates of JPM Chase Bank may also share personnel (including legal, compliance, investor relations, marketing, technology, accounting, back office and administrative personnel), with the Adviser and provide other investment and non-investment resources to the Adviser. A substantial number of the Adviser's employees may also have duties and obligations outside of the Adviser to JPM Chase Bank and/or its other affiliates. Personnel sharing can result in conflicts of interest to the extent such personnel have substantive responsibilities outside of the Adviser. For example, the resources available to the Adviser may be impacted by such personnel's other responsibilities to JPM Chase Bank or its affiliates. In addition, it may be more difficult for the Adviser to supervise such personnel and to monitor the communications and activities of such personnel. To the extent JPM Chase Bank or its affiliates share personnel with the Adviser, such personnel generally will be treated as employees of the Adviser for compliance purposes with respect to that portion of their roles and responsibilities that directly relates to the Adviser's business.

The use of affiliates to provide services to the Funds and the Adviser creates certain conflicts of interest for the Adviser. Among other things, there are financial incentives for the Adviser's affiliates, including its parent company JPMC, to favor affiliated service providers over non-affiliated service providers, and compensation of employees of the Adviser may be directly or indirectly related to the financial performance of JPMS. However, the Adviser believes there may also be advantages to using affiliated service providers in certain situations, and the Adviser will engage such affiliated service providers only in a manner consistent with applicable laws, regulations and the Adviser's policies and procedures.

Item 11
Code of Ethics, Participation or Interest
in Client Transactions and Personal Trading

A. Code of Ethics

The Adviser has adopted a Code of Ethics (the “Code of Ethics”) pursuant to Rule 204A-1 under the Advisers Act. The Code of Ethics is designed to ensure that the Adviser, its employees and other supervised persons comply with applicable federal securities laws and place the interests of the Funds first in conducting personal securities transactions. The Code of Ethics imposes certain restrictions on securities transactions in the personal accounts of covered persons to help avoid conflicts of interest, as described more fully below. A copy of the Code of Ethics is available free of charge to any client of the Adviser upon request by contacting your client service representative or financial adviser.

Additionally, all the Adviser employees are subject to the JPMC firmwide policies and procedures found in the JPMC Code of Conduct (the “Code of Conduct”). The Code of Conduct sets forth restrictions regarding confidential and proprietary information, information barriers, private investments, outside business activities and personal trading. All JPMC employees, including the Adviser employees, are required to comply with the Code of Conduct’s terms as a condition of continued employment.

(i) General

The Code of Ethics requires employees and other supervised persons to place the interests of the Adviser’s clients (*i.e.*, the Funds) before their own personal interests at all times and to avoid any actual or potential conflicts of interest. All actual or potential conflicts of interest must be disclosed to the Compliance Department, including those resulting from an employee’s business or personal relationships with customers, suppliers, business associates, competitors of JPMC or with other JPMC employees. Certain transactions or activities may be restricted by the Code of Conduct, the Code of Ethics or Compliance policies. The Code of Ethics contains policies and procedures relating to:

- Personal trading, including certain reporting and pre-clearance requirements for all employees of the Adviser
- Confidentiality obligations to clients and compliance and training with respect to securities laws, privacy, the Bank Secrecy Act, anti-money laundering and related matters
- Conflicts of interest, including policies relating to restrictions on trading in securities of clients and suppliers, gifts and entertainment, political and charitable contributions and outside business activities

In general, the personal trading rules under the Code of Ethics require that accounts of employees and associated persons be maintained with a designated broker and that all trades in reportable securities for such accounts be pre-cleared and monitored by compliance personnel. The Code of Ethics also prohibits certain types of trading activity, such as short-term and speculative trades. Employees of the Adviser generally must obtain approval prior to engaging in most security transactions, including those issued in private placements. In addition, employees of the Adviser may be restricted from buying or selling securities issued by JPMC during certain periods throughout the year. Certain “Access Persons” (generally defined as persons with access to non-public information regarding the Adviser’s recommendations to clients, purchases, or sales of securities for client accounts and advised funds) are generally restricted from engaging in personal trades in a security or similar instrument while in possession of information that a Fund is holding such security or considering investment in such security or a similar instrument, absent a waiver or pre-clearance.

(ii) Information Barrier Policies

JPMC is a global financial services firm that provides a variety of services for, and advice to, many types of clients. Accordingly, some divisions of JPMC, such as investment banking and the Adviser's Funds' business, routinely have access to confidential information, which may include material, non-public information, (i.e., "inside information"). In order to prevent the flow of inside information from a so-called "insider" area (e.g., investment banking business) to a "public" area of JPMC (e.g., the Adviser), JPMC has established informational barriers that seek to prohibit anyone in an insider area from communicating or distributing any non-public information, to anyone in a public area. Employees in insider areas are generally physically separated from employees in public areas.

Under certain circumstances, the Adviser and/or its affiliates may decide that transactions in a particular security need to be restricted and therefore the Adviser and/or its affiliates may determine that the security should be placed on a "restricted list" and/or "watch list." While the security is on the restricted list and/or watch list, the Adviser may prohibit purchases, sales or all transactions in the security. The reasons for placing a security on the restricted list and/or watch list include, but are not limited to: (i) preventing the Adviser from exceeding regulatory investment limitations with respect to the securities of companies in certain regulated industries, such as insurance companies and public utilities; (ii) avoiding a concentration in any particular security; (iii) buttressing an information barrier by preventing the appearance of impropriety in connection with trading decisions or recommendations; and (iv) preventing the use or appearance of the use of inside information.

(iii) Policies on Gifts & Entertainment, Political Contributions and Charitable Contributions

Gifts & Entertainment. The Adviser has policies and procedures in place in connection with employees' acceptance and giving of gifts and entertainment, including guidelines that are designed to limit or restrict employees from (i) accepting gifts and entertainment of significant value that create a material conflict of interest or (ii) offering gifts and entertainment of significant value that create undue influence on the decision making or objectivity of any client or other business partner. In general, the policies dictate that the giving and receiving of gifts or participating in entertainment cannot occur if the value and/or the frequency of the gift or entertainment is deemed excessive or extravagant. The policies impose certain restrictions and require the Compliance Department approval of certain gifts and entertainment. Additional restrictions apply to gifts or entertainment provided to government agencies and officials.

Charitable Contributions. Charitable contributions on behalf of JPMC must adhere to the JPMC Global Philanthropy Policy (the "Philanthropy Policy"). The Philanthropy Policy prohibits JPMC and its employees from making any charitable contributions for the purpose of influencing a current or potential client.

Political Contributions. The Adviser has a policy against covered employees making political contributions on behalf of the Adviser, unless pre-approved by the Compliance Department. While such employees may make personal political contributions in accordance with requirements and restrictions of applicable law, they are prohibited from making contributions for the purpose of obtaining or retaining business with government entities. To help ensure compliance with SEC rules and state and local pay-to-play rules, all political contributions by a covered employee or his or her spouse require pre-approval from the Compliance Department with certain exceptions.

B. Securities in which the Adviser or a Related Person has a Material Financial Interest

The Adviser may purchase or sell for the Funds' securities or other instruments in which it, or related persons, has a financial interest. The Adviser's related persons may issue recommendations on securities or instruments held by the Funds' portfolios that may be contrary to investment activities of the Adviser. Additionally, employees of the Adviser or its related persons may hold the same or similar securities as one or more of the Funds' portfolios, and from time to time may recommend such securities or instruments for purchase or sale in the Funds' portfolios in the normal course of business. The Adviser has established informational barriers and has adopted various policies and safeguards in order to address conflicts of interest that may arise from such activities.

When permitted by applicable law and the Adviser's policy, the Adviser, acting on behalf of its advisory accounts, may enter into transactions in securities and other instruments with or through JPMC and its affiliates and related persons, and may cause Funds to engage in principal transactions, cross transactions and agency cross transactions. There may be potential conflicts of interest or regulatory issues relating to these transactions which could limit the Adviser's decision to engage in these transactions for the applicable Funds. Principal and agency transactions create the potential for advisers to engage in self-dealing. When an adviser engages in an agency transaction on behalf of a client (such as a Fund), it is primarily the incentive to earn additional compensation that creates the adviser's conflict of interest. The Adviser has developed policies and procedures which address such conflicts of interest and any principal, cross or agency cross transaction will be effected in accordance with fiduciary requirements, applicable law and internal policy.

(i) Principal Transactions

In a "principal transaction," the Adviser or its related person, acting as principal on behalf of its advisory accounts, buys a security from, or sells a security to, the account of a Fund. The Adviser or its related persons may, from time to time, and subject to applicable laws and internal policy, engage in a principal transaction with a Fund if the Adviser reasonably believes that the transaction will be in the best interests of the participating Fund. Section 206(3) of the Adviser's Act requires that the Adviser obtain consent prior to entering into a principal transaction with a client. Accordingly, the Adviser will provide the Fund with notice that the trade will be conducted on a principal basis with the Adviser or a related person and obtain the Fund's consent prior to the completion of the transaction.

If permitted by a Fund and in the Fund's best interest, the Adviser or its related persons may on occasion, lend securities held in a Fund's portfolio to a related person, subject to applicable law and the disclosure and consent policies described above.

(ii) Cross and Agency Cross Transactions

A "cross transaction" occurs when the Adviser or its related person arranges a transaction between different Funds where they buy and sell securities or other instruments from each other. For example, in some instances a security to be sold by one Fund may independently be considered appropriate for purchase by another Fund's portfolio. In such cases, the Adviser or its related person may, but is not required to, cause the security to be "crossed" or transferred directly between the relevant accounts at an independently determined market price and without incurring brokerage commissions, although customary custodian fees and transfer fees may be incurred, no part of which will be received by the Adviser. No such transactions will be effected unless the Adviser determines that the transaction is in the best interest of each participating Fund and permitted by applicable law.

An "agency cross transaction" occurs if JPMC or another related person of the Adviser acts as broker for, and receives a commission from, a Fund on one side of the transaction and a brokerage account on the other side of the transaction in connection with the purchase or sale of securities by a Fund. If permitted by a Fund, from time to time the Adviser may effect Fund transactions on an agency basis in securities, futures and options through affiliated broker-dealers when, in the Adviser's judgment, the transactions are consistent with its duty of best execution. As aforementioned, the Adviser's affiliate may be entitled to receive a commission for effecting such transactions. These transactions may be effected through affiliated firms even though the total commission for the transaction may exceed the commission charged by another unaffiliated firm for the same transaction.

(iii) Trading Practices and Research

The Adviser's related persons may provide futures execution and/or clearing services for a fee.

(iv) Potential Conflicts Related to the Adviser's Activities

In the ordinary course of business, and subject to compliance with applicable regulations, the Adviser or related persons may provide the initial funding necessary to establish new funds for the purpose of developing new investment strategies and products. These "seeded" funds may be in the form of private funds such as partnerships, limited liability companies or separate accounts and may invest in the same securities as other client accounts, including those of the Funds. The Adviser expects that such investments will be redeemed from time to time as permitted by the governing documentation of such funds and applicable regulations. As a result of the infusion of seed capital from the Adviser or related person, the manager may be precluded from buying or selling certain securities. These funds and accounts may, and frequently do, invest in the same securities as the Funds. The Adviser's policy is to treat such accounts in the same manner as the Funds for purposes of trading allocation.

From time to time, the Adviser or its affiliates may engage in transactions that may be deemed investments in an affiliate. For example, the Adviser may purchase on behalf of the Funds securities offered by a company in which the Adviser is a current investor, or in which an employee and/or an affiliate of the Adviser may serve as a director, officer or in another similar capacity. Depending on the percentage of the issuer company's securities held by the Adviser, and the type of investment vehicle holding the securities, the Adviser or its affiliate may become an affiliate of the issuer company. Such transactions may cause the Adviser or its affiliates to receive a direct or indirect benefit (e.g., the Adviser may receive advisory fees on the portion of a Fund's holdings invested in such affiliated issuers).

Purchases involving affiliated broker-dealers, or other affiliates of the Adviser, must comply with the Advisers Act, the 1940 Act, any other applicable laws (such as the Employee Retirement Income Security Act ("ERISA") with respect to Funds that are subject to ERISA), and any prohibited transaction exemptions.

When permitted by applicable law and a Fund's investment guidelines, and when considered by the Adviser to be in the Fund's best interest, the Adviser may invest the assets of the Fund in various collective investment vehicles and other securities' investment vehicles with respect to which the Adviser or its affiliates may receive compensation for advisory, administration, trust or other services. When required by law, consent will be obtained with respect to these investments. Also, the Adviser may waive its investment advisory fee with respect to assets invested in such investment vehicles.

As part of a global financial services firm, the Adviser may be precluded from effecting or recommending certain investments or transactions as a result of applicable law and/or other conflicts of interest. As a result, the Funds may be precluded from acquiring, or disposing of, certain securities or instruments from time to time. This includes, but is not limited to, the securities issued by JPMC. However, with respect to voting proxies on behalf of the Adviser's clients, the Adviser, as a fiduciary, will vote proxies independently and in the best interests of the Funds, as described below.

C. Investing in Securities that the Adviser or a Related Person Recommends to Clients

The Adviser or one of its related persons may, for its own account, buy or sell securities or other instruments that the Adviser has purchased or sold for one or more Funds. The Adviser has established informational barriers and has adopted various policies and safeguards in order to address conflicts of interest that may arise from such activities. For additional information regarding such informational barriers, policies and safeguards, please see Item 11.A.

D. Conflicts of Interest Created by Contemporaneous Trading

The Adviser and its related persons may purchase or sell securities or other instruments to the Funds that the Adviser and its related persons may also purchase or sell. As a result, positions taken by the Adviser and its related persons may be the same as or different from, or made contemporaneously or at different times than, positions taken for the Funds. As these situations may involve potential conflicts of interest, the Adviser has adopted policies and procedures relating to personal securities transactions, insider trading and other ethical considerations. These policies and procedures are intended to identify and

mitigate actual and perceived conflicts of interest with clients and to resolve such conflicts appropriately if they do occur. The policies and procedures contain provisions regarding pre-clearance of employee trading, reporting requirements and supervisory procedures that are designed to address potential conflicts of interest with respect to the activities and relationships of related persons that might interfere or appear to interfere with making decisions in the best interest of clients, including the prevention of front-running. In addition, the Adviser has implemented monitoring systems designed to ensure compliance with these policies and procedures.

The Adviser and its affiliates (as well as their directors, partners, officers, agents and employees) may render similar or differing investment advisory services to clients and may give advice or exercise investment responsibility and take such other actions with respect to a client that differs from the advice given or the timing or nature of actions taken with respect to another client or group of clients. It is the Adviser's policy, to the extent practicable, to allocate, within its reasonable discretion, investment opportunities among the Funds over a period of time on a fair and equitable basis. One or more of the Funds may at any time hold, acquire, increase, decrease, dispose or otherwise deal with positions in investments in which another Fund may have an interest from time to time.

The Adviser and its affiliates (as well as their directors, partners, officers, agents and employees) may also buy, sell or trade securities for their own accounts or the proprietary accounts of the Adviser and/or its affiliates. The Adviser and its affiliates and their directors, partners, officers, agents and employees may make investment decisions and take actions for their own proprietary accounts that are different from the investment decisions made or actions taken for the Funds and their other client accounts, including the timing or nature of such investment decisions or actions. Further, the Adviser is not required to purchase or sell for any Fund or other client account securities that it or its affiliates or their employees, principals or agents may purchase or sell for their own accounts or the proprietary accounts of the Adviser, its affiliates or any of their clients.

E. Certain Other Trading-Related Conflicts of Interest

Generally, Funds or client portfolios with similar strategies are managed by portfolio managers in the same portfolio management group using the same or similar objectives, approach and philosophy. Therefore, portfolio holdings, relative position sizes, industry and sector exposures tend to be similar across similar portfolios, which may reduce the potential for conflicts of interest. Nonetheless, conflicts of interest may potentially arise when the Adviser's portfolio managers manage accounts with similar investment objectives and strategies. For example, a potential conflict of interest includes the allocation of investment opportunities for similar Funds or accounts. The Adviser has controls in place to monitor and mitigate against these potential conflicts of interest.

Potential conflicts of interest may arise involving the allocation of securities transactions and allocation of limited investment opportunities. Allocations of aggregated trades, particularly trade orders that were only partially completed due to limited availability, could raise a potential conflict of interest because the Adviser may have an incentive to allocate such securities to favored accounts. For example, the Adviser may receive more compensation from one account than it does from a similar account or may receive compensation based in part on the performance of one account, but not a similar account, which could incentivize the Adviser to allocate opportunities of limited availability to the account that generates more compensation for the Adviser. In addition, it may be perceived as a conflict of interest when activity in one account closely correlates with the activity in a similar account, such as when a purchase by one account increases the value of the same securities previously purchased by another account, or when a sale in one account lowers the sale price received in a sale by a second account. If the Adviser manages accounts that engage in short sales of securities in which similar accounts invest, the Adviser could be seen as harming the performance of one account for the benefit of the account engaging in short sales if the short sales cause the market value of the securities to fall.

The Adviser has established policies and procedures designed to manage the conflicts described above. The Adviser has allocation and order aggregation practices in place designed to achieve fair and equitable allocation and execution of investment opportunities among the Funds over time and these

practices are designed to comply with securities laws and other applicable regulations. See Item 12.B for a description of these practices. The Adviser monitors a variety of areas, including compliance with account guidelines, compliance with the Code of Ethics and any material discrepancies in the performance of similar accounts.

From time to time, the Funds and other clients of related persons of the Adviser, through the normal course of the investment process, may own different classes of securities by the same issuer. Consequently, in the event of default or bankruptcy by the issuer, the Adviser and its related persons may be involved in negotiations on behalf of holders of different classes of securities.

The Adviser may utilize the services of affiliated pricing vendors for assistance with the pricing of certain securities. In addition, securities for which market quotations are not readily available or are deemed to be unreliable, are fair valued in accordance with established policies and procedures. Fair value situations could include, but are not limited to:

- A significant event that affects the value of a security;
- Illiquid securities;
- Securities that have defaulted or are de-listed from an exchange and are no longer trading; or
- Any other circumstance in which it is determined that market quotations do not accurately reflect the value of the security.

Item 12 Brokerage Practices

A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions

It is expected that the Adviser will have complete authority over the selection of the brokers, securities dealers, futures commission merchants and other parties used to execute and clear portfolio transactions on behalf of the Fund and custody assets of a Fund.

The Adviser's policy is to place portfolio transactions with broker-dealers who will execute transactions at the most advantageous terms reasonably available under the circumstances. The Adviser will seek to obtain best execution taking into account all factors they deem relevant. If the Adviser determines in good faith that the amount of transaction costs charged by a brokerage firm is reasonable in relation to the value of the products or services such brokerage firm provides, the Adviser may incur transaction costs in an amount greater than the lowest cost available.

As described above, the Adviser may utilize one or more of its affiliated broker-dealers and futures commission merchants, including JPMS and JPMCC, for the execution and/or clearing of brokerage transactions, consistent with applicable laws and regulations and the Adviser's policies and procedures.

The Adviser expects to periodically review its brokerage practices, including its practices relating to best execution. In reviewing its best execution practices, the Adviser expects to compare services, commissions and execution quality of brokers and dealers, taking into account the factors that the Adviser deems relevant to overall quality of execution and service. The Adviser may also take into consideration counterparty credit risk. In making its counterparty assessments, the Adviser may rely heavily on proprietary research performed by credit and research analysts of one or more of the Adviser's affiliates. The Adviser may adjust limitations on exposure to counterparties as circumstances change.

Research and Other Soft Dollar Benefits

While the Adviser currently has no material soft dollar arrangements, it may in the future enter into such arrangements. The Adviser intends that any use of soft dollar arrangements will be in accordance with Section 28(e) of the Securities Exchange Act of 1934. Where more than one broker-dealer is believed to be capable of providing the best combination of price and execution with respect to a particular portfolio transaction, the Adviser may select a broker-dealer that furnishes products and/or research services. In addition, if the Adviser determines in good faith that the commission charged by a broker-dealer is reasonable in relation to the value of brokerage and research services provided by such broker-dealer, the Adviser may cause a Fund account to pay such a broker-dealer an amount of commission greater than the amount another broker-dealer may charge, but generally within a competitive range for full service brokers. Research products and/or services may include: research reports on particular industries and issuers, economic surveys and analyses, services that provide market, economic and company data, recommendations as to specific securities and other products or services (e.g., quotation services, trade analytics software and related costs and expenses), as well as execution services and products (e.g., trading-related software used to execute and route trades and communicate with broker-dealers), as well as other products or services consistent with Section 28(e) of the Securities Exchange Act of 1934.

The Adviser may also enter into arrangements with brokers regarding the allocation of amounts of brokered transactions to such brokers. In exchange, the Adviser may receive from such brokers research products and/or services and research-related software. A transaction will be placed with such brokers only if consistent with the best execution policies described above (which would take into account the provision of research and related services) and the Adviser will terminate any such arrangement or compensate the broker in cash for such research or software to the extent it could not fulfill the arrangement consistent with such policies.

Some "mixed-use" products or services could be used by the Adviser for both research/execution and non-research purposes, such as administration. If these products or services were obtained with soft dollars, the Adviser would allocate their cost between research and non-research uses. The Adviser would use its own hard dollars to pay that part of the cost that is attributable to non-research uses.

The Adviser's use of brokerage commissions to obtain research or other products or services, benefits the Adviser because the Adviser does not have to produce or pay for the research, products or services it receives in such arrangements. This may create an incentive for the Adviser to select or recommend a broker-dealer based on the Adviser's interest in receiving the research or other products or services, rather than on the interests of its Funds in receiving the most favorable execution. Brokerage and research services received by the Adviser could benefit a Fund other than the Fund generating the soft dollar credits. The Adviser's receipt of research services will not reduce any Fund's fees, including any asset-based fee (e.g., the Management Fee paid by the Funds) or any performance-based compensation.

Brokerage for Client Referrals

The Adviser does not select broker-dealers in order to receive client referrals. The factors used by the Adviser in selecting broker-dealers in order to execute trades are described in Item 12.A.

Directed Brokerage

The Adviser does not have any directed brokerage arrangements. If it were to engage in such arrangements, there is no assurance that best execution could be achieved.

B. Order Aggregation

The Adviser has practices in place that are designed to promote fair and equitable allocation and execution of investment opportunities among the Funds over time and that are designed to comply with the securities laws and other applicable regulations. In general, orders involving the same investment opportunity are aggregated on a continual basis throughout each trading day, consistent with the Adviser's duty of best execution for the Funds. If aggregated trades are fully executed, participating accounts will be allocated their requested allotment on an average price basis.

The similarity of guidelines and objectives for many accounts in combination with thin markets, price volatility or lack of liquidity in the market may require that a block order be filled in multiple executions extending over several days. In certain circumstances, the portfolio manager or trader may override the individual amounts which would be automatically allocated to each account. Examples of these are where a limit order applies, or to avoid a mismatch with a contingent trade. The Adviser's policy regarding securities allocations requires portfolio managers and traders to use reasonable judgment consistent with fiduciary duties to the Funds in making any non-*pro rata* allocations that are in the best interest of the affected Funds.

The Adviser may coordinate portfolio management or trading activities among the Funds and certain clients of its affiliates and related persons that utilize or share trading facilities and systems. These activities will be monitored in accordance with the Adviser's trading policies and procedures. These procedures cover best execution, aggregation of orders, trade allocations, cross trading, directed brokerage and soft dollar activities. As a result, the Funds may receive a smaller allotment of securities where there is participation by clients of affiliates and related persons in such securities.

From time to time, the Adviser may execute various trading strategies for certain Funds that may conflict with the trading activities of other Funds or other clients of related persons of the Adviser. For example, these trading strategies may involve buying versus selling the same security or separating orders of the same security which would otherwise be executed on an aggregated basis. The Adviser will attempt to minimize such delays and costs and not systematically favor one mandate over another.

**Item 13
Review of Accounts**

The Adviser will perform reviews of Fund accounts on an ongoing basis. These reviews will be conducted by the Chief Investment Officer or another officer of the Adviser and the Adviser's investment personnel.

It is expected that investors in the Funds will receive, at a minimum, written (i) quarterly reports (for the first three quarters of each year) containing unaudited summary financial information for the relevant Fund and (ii) annual audited financial statements of the relevant Fund.

**Item 14
Client Referrals and Other Compensation****A. Economic Benefits for Providing Services to Clients**

In connection with providing investment advisory services to the Funds, the Adviser does not expect to receive sales awards, prizes or other economic benefits from someone who is not a client (*i.e.*, from someone other than the Funds). Employees may, however, from time to time, as permitted in limited circumstances, accept certain nominal non-cash gifts, as well as meals, refreshments and entertainment

provided in the course of a host-attended business-related meeting or other occasion.

B. Compensation to Non-Supervised Persons for Client Referrals

From time to time, the Adviser or its related persons may compensate affiliated and non-affiliated entities for distribution arrangements in accordance with Rule 206(4)-3 under the Advisers Act. The compensation paid would generally consist of a cash payment computed as a percentage of the Adviser's investment management fee, although other methods of computation or payment may be used.

Item 15 Custody

The Adviser generally does not maintain physical custody of the Funds' assets. The assets of a Fund typically are held by a qualified custodian pursuant to a separate custody agreement. However, an affiliate of the Adviser may serve as qualified custodian to one or more Funds. In addition, the Adviser or an affiliate of the Adviser may in certain circumstances be deemed to have custody of the assets of a Fund as a result of its role as general partner, manager or equivalent. Investors in each such Fund will receive financial statements of the Fund, audited by an independent public accounting firm, at least annually, as well as periodic investor statements. Upon receipt, investors should carefully review the statements.

Item 16 Investment Discretion

As described in Item 4, the Adviser expects to provide discretionary investment advisory services. An investment advisory agreement for each Fund will set forth such discretion. The Adviser makes investment decisions, without consultation with a Fund or such Fund's investors, regarding which securities are bought and sold, the total amount of the securities to be bought and sold, the broker-dealers with which orders are placed for execution and (as applicable) the commission rates at which securities transactions are effected.

Item 17 Voting Client Securities

The Adviser has adopted Proxy Voting Policies and Procedures that are designed to ensure that the Adviser votes proxies with respect to securities held by a Fund in the best interests of the Fund. These procedures apply to consents and other solicitations that may be made by various portfolio companies in which the Funds may be invested.

The portfolio manager will generally vote in accordance with the recommendation of the portfolio company's management unless, in the portfolio manager's opinion, such recommendation is not in the best interest of the applicable Fund.

The procedures also require the Adviser to identify and address conflicts of interest between the Adviser and the Funds. If the Adviser determines that a conflict is present, it will make a case-by-case determination of the voting action that is in the best interest of the Fund.

**Item 18
Financial Information**

Information required by this item is not applicable to J.P. Morgan IN-DX.