

**FORM ADV, PART 2A**  
**FIRM BROCHURE**

**J.P. Morgan Private Investments Inc.**  
**Chase Strategic Portfolio**  
**Mutual Fund Advisory Portfolio**  
File No. 801-41088

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This brochure provides information about the qualifications and business practices of J.P. Morgan Private Investments Inc. If you have any questions about the contents of this brochure, please contact us at 212-464-1945. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about J.P. Morgan Private Investments Inc. is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

**ITEM 2 - Material Changes**

This is a new brochure and there are no material changes to report.

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## **ITEM 4 – Advisory Business**

### **A. General Description of Advisory Firm**

J.P. Morgan Private Investments Inc. (“JPMPI”), a Delaware corporation, is a registered investment adviser that acts as a sub-adviser to open-end and closed-end Registered Investment Companies (“RICs”) under the Investment Company Act of 1940, as amended (the “1940 Act”), provides investment advice and/or administrative functions for private investment funds organized as limited partnerships, limited liability companies or offshore companies (“Private Funds”), and provides discretionary investment management services to certain individuals as the manager of various wrap fee programs offered through an affiliate, J.P. Morgan Securities LLC (“JPMS”). For more information on these wrap programs, please see the JPMS Form ADV Part 2A Appendix 1 (Wrap Fee Program Brochure), SEC File No. 801-3702. JPMPI also sub-advises a portion of certain sub-funds that qualify as an Undertaking for Collective Investments in Transferable Securities (“UCITS”).

Effective September 2, 2014, JPMS will retain JPMPI, an affiliate, as the Sub-Adviser to the Chase Strategic Portfolio Program (“CSP”) and Mutual Fund Advisory Portfolio (“MFAP”), which are separately managed account programs sponsored by JPMS. CSP and MFAP are referred to collectively as the “Programs.”

JPMPI was incorporated on November 25, 1991. JPMPI is a wholly-owned subsidiary of J.P. Morgan Chase and Co.

### **B. Description of Advisory Services**

This brochure describes the services that JPMPI will provide to the Programs effective September 2, 2014. Additional information about the services JPMPI provides to its other clients is described in a separate brochure, which is available upon request or at the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

CSP is a discretionary unified managed account program and MFAP is a mutual fund managed account program that are managed and offered by JPMS. Through CSP, client assets are invested in a manner consistent with one of the multi-asset class investment strategies made available by JPMS (each an “Investment Strategy”). Assets within an Investment Strategy are invested across each asset class into one or more open-end mutual funds (each a “Fund”) or exchange traded funds (“ETFs”). For CSP accounts at higher asset levels, assets may be invested in one or more models (the “Manager Models”) that include individual securities. JPMPI acts as the sub-adviser in CSP and MFAP. JPMPI’s affiliate, JP Morgan Investment Management Inc. (“JPMIM”), serves as the overlay manager in CSP and arranges trading in client accounts.

For MFAP, JPMPI defines target asset allocation and applies consistent asset allocation ranges for the asset allocation models (the “Models” or “MFAP Models”) offered through MFAP.

Each Model consists of Fund and ETF choices in a number of asset classes and, depending upon the Model, clients may choose one or more Funds or ETFs in each asset class. Each asset class in

a Model has a specific allocation range, and a client designates the specific asset allocation percentage desired for each class.

C. Availability of Customized Services for Individual Clients

Clients may restrict the purchase of certain securities for their account. For more information, please see the JPMS Form ADV Part 2A Appendix 1 (Wrap Fee Program Brochure).

D. Wrap Fee Programs

Please refer to Items 4.A. of this brochure.

E. Assets under Management

CSP assets sub-advised by JPMPI are on a discretionary basis and are expected to be approximately \$45 billion on September 2, 2014, when JPMPI becomes the Sub-Adviser in CSP. In MFAP, JPMPI has discretion only to define the asset allocation targets and ranges for the Models and to, remove or replace Program Funds in the Models. MFAP assets sub-advised by JPMPI are on a non-discretionary basis and are expected to be approximately \$12 billion on September 2, 2014, when JPMPI becomes the Sub-Adviser in MFAP.

JPMPI manages approximately \$10.3 billion in assets outside of CSP and MFAP on a discretionary basis, as of December 31, 2013.

**ITEM 5 – Fees and Compensation**

A. Advisory Fees and Compensation

JPMS pays a portion of the fees its clients pay in CSP and MFAP to JPMPI. Those fees range from 0.03% to 0.07% of assets under management for MFAP and CSP Accounts. For CSP Accounts that include one or more Manager Models, JPMS also pays JPMIM a range of 0.32% to 0.37% depending on the selected Investment Strategy and the weighted average of the percentage of the portfolio's allocation to each Manager Model.

B. Payment of Fees

CSP and MFAP fees are deducted from client accounts by JPMS each calendar quarter in advance. Please see Form ADV Part 2A Appendix 1 (Wrap Fee Program Brochure) of JPMS discussing the Programs for additional information.

C. Additional Fees and Expenses

Clients pay their pro rata share of a mutual fund or ETF's fees for management fees, brokerage costs, administration, and custody.

D. Prepayment of Fees

See Item 5.B.

E. Additional Compensation and Conflicts of Interest

Neither JPMPI nor any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, in CSP or MFAP.

**ITEM 6 – Performance-Based Fees and Side by Side Management**

JPMPI does not charge CSP or MFAP clients a performance-based fee. Outside of CSP and MFAP, JPMPI manages accounts that are charged a performance-based fee. However, the advice JPMPI provides to those accounts is different from the advice JPMPI provides to accounts in CSP and MFAP. CSP and MFAP clients invest predominantly in mutual funds and ETFs or, in the case of CSP, in one or more Manager Models that include individual securities selected by other managers, while JPMPI's other clients invest predominantly in privately-offered funds and registered funds-of-funds. JPMPI believes that conflicts are mitigated because it does not allocate the same securities between its performance fee-paying clients, on the one hand, and CSP and MFAP clients, on the other hand. JPMPI utilizes JPMIM's trading desk and systems in order to participate in JPMIM's policies designed to achieve fair and equitable allocation of investment opportunities. JPMPI also has policies and procedures to manage conflicts and monitors a variety of areas, including compliance with fund guidelines, review of allocation decisions and compliance with its Code of Ethics and JPMorgan Chase & Co. ("JPMC") Code of Conduct.

**ITEM 7 – Types of Clients**

JPMS offers CSP and MFAP to individuals, trusts, estates, charitable organizations, and corporations and other business entities, and to certain types of retirement accounts. CSP and MFAP are not available to accounts governed by ERISA.

**ITEM 8 – Investment Strategies and Risks**

A. Method of Analysis and Investment Strategies

General descriptions of JPMPI's strategies are provided below; however, these descriptions are not intended to serve as fund or account guidelines. JPMPI's strategies are not generally intended to provide a complete investment program for a client. The descriptions of the strategies below are qualified in their entirety by the information included in a Fund or ETF's prospectus or other official offering documentation. For an MFAP account, prior to investing in any Fund or ETF, a client should review the relevant prospectus or offering memorandum for important information. Please note: **Investing in securities involves risk of loss that clients should be prepared to bear.**

**Asset Allocation of Investment Strategies**

JPMPI, as Sub-Adviser in CSP, is responsible for the asset allocation, manager selection, portfolio

construction, and evaluation of the Investment Strategies on an ongoing basis. As Sub-Adviser in MFAP, JPMPI is responsible for the target asset allocation and broad asset allocation ranges. JPMPI is responsible for Program Fund and ETF monitoring and the approval of Program Fund and ETF recommendations in the Programs. JPMPI's investment activities in the Programs are subject to the oversight of, and pursuant to an investment policy statement approved by JPMS.

In CSP, the strategic asset allocation process is the main driver of Fund selection and portfolio construction. JPMPI analyzes forward-looking expectations of returns and risks, and evaluates capital markets and the macroeconomic environment to determine strategic asset class allocations. JPMPI periodically reviews the portfolio composition (such as Fund additions, Fund allocations and asset allocation shifts) and performance of the Investment Strategies and Manager Models with JPMS. After a change in an Investment Strategy's composition, any client's Program account that falls outside of a modified asset class allocation may be re-balanced to conform to the revised Investment Strategy. JPMS notifies affected clients of the change to their Investment Strategy and the subsequent re-balancing after the account has been rebalanced. Senior members of JPMPI's portfolio management team and other control groups within Global Wealth Management (the "Forum") oversee JPMPI's investment activities in the Programs.

## **Selection and Ongoing Review of Program Funds and Manager Models**

### ***Overview of Selection and Review of Program Funds***

JPMPI's selection of Program Funds is based on the Global Wealth Management Due Diligence Team's (the "GWM Team") research. The GWM Team performs due diligence on Funds and ETFs and recommends Funds and ETFs for inclusion on or removal from the list of available Program Funds that JPMPI uses (the "Approved List"). The Approved List includes JPMorgan Funds and Non-JPMorgan Funds. The GWM Team evaluates and monitors JPMorgan Funds and Non-JPMorgan Funds using the same criteria. The GWM Team recommends the removal of Program Funds from the Approved List for reasons such as changes in people or process or performance outside of expectations for the manager's investment approach.

Currently, a substantial portion of the assets in CSP is invested in JPMorgan Funds, and all of the Manager-Models are managed by affiliates of JPMS. No non-affiliated Manager Models have been evaluated or selected for inclusion in CSP.

### ***Fund Selection and Investment Strategy Construction Process***

The GWM Team uses quantitative and qualitative elements to identify mutual funds that meet due diligence standards such as the mutual fund's track record, tenure of key portfolio managers and investment style. Generally no single factor determines whether a mutual fund passes the initial screening process, however, a single quantitative or qualitative factor may cause a mutual fund not to be considered.

The GWM Team then considers the mutual funds' risk-reward relationship, consistency of returns, investment style, and portfolio characteristics. For the mutual funds that pass this stage, the GWM Team typically meets with the mutual funds' portfolio managers or product specialists to further assess the mutual funds' team depth and stability and investment process. The GWM Team generally communicates with the Sub-Adviser during this process and the Sub-Adviser may

participate in meetings with mutual funds.

The GWM team presents the potential mutual fund to the Global Wealth Management Investment Review Committee (“IRC”), which then determines whether to add the GWM Team’s recommended mutual funds to the Approved List. The IRC approves mutual funds based on various factors such as the mutual fund’s investment approach, objectives and portfolio exposures, the mutual fund’s size and capacity and the liquidity of the mutual fund’s asset class. JPMPI notifies JPMS of the Program Funds that are added to the Approved List for CSP and MFAP.

JPMPI then constructs the Investment Strategies using Program Funds and Manager Models from the Approved List. Program Fund selection is not solely based on performance relative to peers or benchmarks within a calendar year or periods shorter than a market cycle.

#### ***Ongoing Monitoring of Program Funds***

The GWM Team periodically monitors the Program Funds on the Approved List. The GWM Team’s process includes a quarterly review of each Program Fund’s performance and portfolio characteristics, periodic discussions with a Program Fund’s portfolio manager or product specialist, questionnaires from a Program Fund, and on-site visits. Ongoing monitoring may lead to more frequent calls or meetings with Program Funds. The GWM Team provides JPMPI with quarterly reviews of the Program Fund and on the Approved List and informs JPMPI of any material concerns about the Funds.

JPMS, JPMPI and the GWM Team are not responsible for the performance of a Program Fund or a Program Fund’s compliance with its prospectus, laws or regulations, or other matters within the Program Fund’s control, including JPMorgan Funds. Each Program Fund’s adviser is solely responsible for the management of the Program Fund as disclosed in that Fund’s prospectus.

#### ***Removal and Replacement of Program Funds***

The GWM Team may recommend to the Global Wealth Management Investment Performance Governance Committee (“IPGC”) the removal of a Program Fund from the Approved List and therefore from CSP or MFAP. Reasons for a removal recommendation may include key investment personnel changes at the Fund, material changes to the Program Fund’s investment process and significant changes or risks to the Fund’s organization. JPMPI also may, for portfolio construction reasons, remove a Program Fund from CSP. The IPGC reviews all termination recommendations and Fund removals. If JPMPI removes a Program Fund from CSP, MFAP or the Approved List, it selects a replacement from the same asset class, notifies JPMS and terminates the Program Fund from the Investment Strategy.

#### ***Selection, Review and Termination of Manager Models in CSP***

The GWM Team’s quantitative and qualitative assessment of Manager Models is similar to that performed on mutual funds, and the Team meets with portfolio specialists or portfolio managers. The GWM Team also periodically monitors the performance of the Manager Models using similar criteria it uses for Program Funds.

If the GWM Team recommends that a Manager Model in CSP be terminated, the GWM Team employs a similar search process for a new Manager Model as it uses in selecting a Program Fund.

The account assets that were allocated to the terminated Manager Model may be invested in a Program Fund or ETF in the same asset class as the terminated Manager Model. The vehicle will be determined by JPMPI and communicated to JPMS. Manager Model termination and replacement recommendations will be presented to JPMPI and reviewed by IPGC.

Currently, all of the available Manager Models in CSP are managed by affiliates of JPMS. No non-affiliated Manager Models have been evaluated or selected for inclusion in CSP.

### **Use of JPMorgan Funds and Potential Conflicts of Interest**

When constructing Investment Strategies and Models using Funds from the Approved List, JPMPI may prefer to allocate a larger portion, or all, of the investment to the JPMorgan Fund due to its confidence in the firm's commitment to control, compliance and oversight. JPMPI may prefer JPMorgan Funds where the Non-JPMorgan Funds on the Approved List are not, from an investment perspective, substantially different from the JPMorgan Funds available. When determining whether several Program Funds from the Approved List are substantially different, JPMPI may consider factors including historical and expected excess return and tracking error, volatility and capacity and number of holdings. JPMPI may assign different weights to any factor and generally no single factor determines whether it selects a particular Program Fund for an Investment Strategy.

Affiliates of JPMS provide investment advisory and other services for compensation to the JPMorgan Funds. Where JPMorgan Funds are used in constructing Investment Strategies and Models, JPMS and JPMPI may have a conflict of interest by including JPMorgan Funds in the Programs because JPMS and its affiliates receive more overall revenue when JPMorgan Funds and/or Manager Models are included in an Investment Strategy or Model than if Non-JPMorgan Funds or Manager Models are used. The availability of JPMS-affiliated Manager Models in CSP may also create a conflict of interest because JPMS or its affiliates receive compensation for managing the Manager Models. JPMS manages these conflicts through disclosure to clients. JPMS and JPMPI also manage this conflict through various governance and oversight forums.

JPMPI may allocate a significant portion of the assets in CSP to JPMorgan Funds. That portion varies depending on market or other conditions. The prior composition of JPMorgan Funds in CSP is not intended to predict the future composition of JPMorgan Funds in CSP.

The following chart shows the allocation of JPMorgan Funds, third party funds and JPMorgan money market funds in the CSP Investment Strategies as of the dates indicated. As JPMPI will become the Sub-Adviser to CSP on September 2, 2014, it had no involvement in the selection of funds prior to that date.



	Year End 2013			Year End 2012		
Investment Strategy	J.P. Morgan Funds	3rd Party Funds	J.P. Morgan Cash	J.P. Morgan Funds	3rd Party Funds	J.P. Morgan Cash
Balanced	32.50%	65.50%	2.00%	40.00%	58.00%	2.00%
Conservative	31.00%	67.00%	2.00%	49.25%	48.75%	2.00%
Moderate Growth	30.00%	68.00%	2.00%	38.00%	60.00%	2.00%
Growth	27.50%	70.50%	2.00%	35.50%	62.50%	2.00%
Fixed Income Focused	30.25%	67.75%	2.00%	41.50%	56.50%	2.00%
Equity Focused	25.00%	73.00%	2.00%	35.00%	63.00%	2.00%

Manager allocations shown here are illustrative only, do not necessarily represent actual use of JPMorgan and third party issuers and managers in any particular client's portfolio, and may change without notice. JPMPI has full discretionary authority to select securities, investment vehicles, and managers and is not required to adhere to the illustrative allocations pictured here. Your periodic statement will show the actual investments you hold, which may vary from the illustration above for reasons such as your asset level, restrictions you may have given for the management of your Portfolio, and other reasons.

### **Investment Advisory Services for Other Clients**

JPMPI uses the GWM Team to perform due diligence on several JPMorgan Funds and on affiliated Manager Models that are in the portfolios that JPMPI manages or advises outside of CSP or MFAP. Please see Item 4.A for a full description of advisory services provided to other clients.

### **B. Material, Significant, or Unusual Risks Relating to Investment Strategies**

The Program Funds and ETFs in which clients may invest generally will invest in U.S. or foreign equity or fixed income securities. Please refer to a Program Fund or ETF's prospectus or other offering materials for a detailed discussion of risks.

### **Equity investments**

The prices 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 in the Program Fund or ETF or the securities market as a whole, such as changes in economic or political conditions. When the value of the Program Fund or ETF portfolio securities goes down, your investment in the Program Fund or ETF decreases in value.

### **Fixed income investments**

Fixed income investments are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (*i.e.*, credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (*i.e.*, market risk). Debt that is rated below investment- grade by

one or more nationally recognized statistical rating organizations (or is unrated but of comparable credit quality to obligations rated below investment-grade), has greater credit and liquidity risk than more highly rated debt obligations. The lower rating of high-yield debt reflects a greater possibility that adverse changes in the financial condition of the obligor or in general economic conditions (including, for example, a substantial period of rising interest rates or declining earnings) or both may impair the ability of the obligor to make payment of principal and interest, which would adversely affect the value of the Program Fund or ETF shares.

### **Foreign investments**

Program Funds may invest in foreign countries, some of which may prove to be unstable. With any investment in a foreign country, there exists risks relating to: adverse political developments, including nationalization, confiscation without fair compensation or war; fluctuation in currency exchange rates which may affect the value of investments in foreign securities or other assets; restrictions imposed to prevent capital flight which may make it difficult or impossible to exchange or repatriate foreign currency; the laws and regulations of foreign countries which may impose restrictions that would not exist in the U.S. and may require financing and structuring alternatives that differ significantly from those customarily used in the U.S.; and the imposition by foreign countries of taxes on the fund and/or its partners. Certain of the investments of the fund may be in currencies other than U.S. dollars. Accordingly, adverse exchange rate fluctuations may cause the value of the investments of a Program Fund or ETF to diminish.

### **General economic conditions; Highly volatile markets**

Various sectors of the global financial markets continue to experience an extended period of adverse conditions following serious disruptions in the U.S. residential mortgage market. These conditions have resulted in reduced liquidity, greater volatility, general widening of credit spreads and a lack of price transparency in some markets.

#### **C. Risks Associated With Particular Types of Securities**

Please see response to Item 8B.

### **ITEM 9 – Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of or the integrity of JPMPI or its management persons.

### **ITEM 10 – Other Financial Industry Activities and Affiliations**

#### **A. Broker-Dealer Registration Status**

JPMPI has management persons who are registered with FINRA as representatives of an affiliated broker-dealer.

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

JPMPI is registered as a commodity pool operator with the United States Commodities Futures Trading Commission (“CFTC”) and relies on CFTC Rule 4.14, exemption from registration as a commodity trading advisor. Further, JPMPI operates its commodity pools under three separate exemptions; CFTC Rules 4.7 (exemption from certain part 4 requirements), 4.13 (exemption from registration as a commodity pool operator), and CFTC Advisory 18-96 (relief from certain disclosure, reporting and recordkeeping requirements for offshore commodity pools).

C. Material Relationships or Arrangement with Industry Participants

**(1) broker-dealer, municipal securities dealer, or government securities dealer or broker**

JPMorgan Distribution Services, Inc. is the distributor for certain Program Funds offered to clients in CSP and MFAP. Certain directors and officers of JPMPI are also officers of JPMS.

**(2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)**

JPMPI serves as sub-advisor to four registered funds sponsored by an affiliated registered investment adviser.

**(3) other investment adviser or financial planner**

JPMPI has separate agreements to provide advisory and sub-advisory services to certain Funds.

**(4) Banking or thrift institution**

JPMPI is a wholly-owned subsidiary of JPMorgan Chase & Co. In addition, certain of the directors and officers of JPMPI are also officers of JPMorgan Chase Bank, N.A.

D. Material Conflicts of Interest Relating to Other Investment Advisers

JPMPI is part of a large financial services firm. In connection with providing investment advisory services to its clients, JPMPI may use the products or services of its affiliates or other related persons, as described below.

JPMPI and/or its affiliates may receive more compensation from certain accounts with similar investment objectives with the CSP investment strategies or the MFAP Models (“Similar Accounts”) than that received from the CSP investment strategies or MFAP Models or may receive compensation based in part on the performance of certain Similar Accounts. JPMPI or its affiliates could be viewed as having a conflict of interest to the extent that JPMPI or an affiliate has a proprietary investment in Similar Accounts, the portfolio managers have personal investments in Similar Accounts or the Similar Accounts are investment options in JPMPI’s or its

affiliates' employee benefit plans. Potential conflicts of interest may arise with both the aggregation and allocation of securities transactions and allocation of investment opportunities because of market factors or investment restrictions imposed upon JPMPI and its affiliates by law, regulation, contract or internal policies. Allocations of aggregated trades, particularly trade orders that were only partially completed due to limited availability and allocation of investment opportunities generally, could raise a potential conflict of interest, as JPMPI or its affiliates may have an incentive to allocate securities that are expected to increase in value to favored accounts. Initial public offerings, in particular, are frequently of very limited availability. JPMPI and its affiliates may be perceived as causing accounts they manage to participate in an offering to increase JPMPI's and its affiliates' overall allocation of securities in that offering. A potential conflict of interest also may arise if transactions in one account closely follow related transactions in a different account, such as when a purchase increases the value of securities previously purchased by another account, or when a sale in one account lowers the sale price received in a sale by a second account.

As an internal policy matter, JPMPI or its affiliates may from time to time maintain certain overall investment limitations on the securities positions or positions in other financial instruments JPMPI or its affiliates will take on behalf of its various clients due to, among other things, liquidity concerns and regulatory restrictions. Such policies may preclude the Program Funds from purchasing particular securities or financial instruments, even if such securities or financial instruments would otherwise meet the Program Funds' objectives.

JPMPI's fees may vary, particularly because for multiple accounts, JPMPI is paid based upon the performance results for those accounts. This could create a conflict of interest because the portfolio managers could have an incentive to favor certain accounts over others, resulting in other accounts outperforming a CSP investment strategy or MFAP Model. JPMPI believes that such conflicts are mitigated in part because the Programs will be investing predominantly in mutual funds, the prices of which are fixed at the close of the trading day for all investors. For other securities, JPMPI uses the JPMIM trading desk and systems to participate in JPMIM's policies designed to achieve fair and equitable allocation of investment opportunities. JPMPI also has policies and procedures that seek to manage conflicts and monitors a variety of areas, including compliance with fund guidelines, review of allocation decisions and compliance with its Code of Ethics and JPMC's Code of Conduct.

## **ITEM 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **A. Code of Ethics**

JPMPI has adopted a Code of Ethics and has implemented policies and procedures to detect certain violations thereof. The JPMPI Code of Ethics sets forth standards of conduct, requires compliance with federal securities laws and addresses personal trading by advisory personnel. All JPMC personnel (including JPMPI supervised personnel) are also required to comply with the provisions of the JPMC Code of Conduct. A copy of the Code of Ethics will be provided to any client or prospective client upon request.

**B. Securities in which You or a Related Person Has a Material Financial Interest**

JPMPI may purchase or sell for client accounts securities in which it, or related persons, has a financial interest. JPMPI's related persons may issue recommendations on securities held by JPMPI's client portfolios that may be contrary to investment activities of JPMPI. Additionally, employees of JPMPI, or its related persons, may hold the same or similar securities as client portfolios, and from time to time may recommend such securities for purchase or sale in clients' portfolios in the normal course of business. Similarly, employees of JPMPI and its related persons who maintain private equity interests may hold the same or similar interest as client portfolios. JPMPI has established informational barriers and has adopted various policies and safeguards in order to address conflicts of interest that may arise from such activities.

**C. Investing in Securities That You or a Related Person Recommends to Clients**

JPMPI and its related persons may recommend securities to clients that JPMPI and its related persons may also purchase or sell. As a result, positions taken by JPMPI and its related persons may be the same as or different from, or made contemporaneously or at different times than, positions taken for clients of JPMPI. As these situations may involve potential conflicts of interest, JPMPI 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 preclearance of employee trading, reporting requirements and supervisory procedures that are designed to address potential conflicts of interest with 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, JPMPI has implemented monitoring systems designed to ensure compliance with these policies and procedures.

JPMPI and its related persons may recommend securities to clients that JPMPI and its related persons may also purchase or sell. As a result, positions taken by JPMPI and its related persons may be the same as or different from, or made contemporaneously or at different times than, positions taken for clients of JPMPI. As these situations may involve potential conflicts of interest, JPMPI 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 preclearance of employee trading, reporting requirements and supervisory procedures that are designed to address potential conflicts of interest with 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, JPMPI has implemented monitoring systems designed to ensure compliance with these policies and procedures.

**D. Conflicts of Interest Created by Contemporaneous Trading**

JPMPI and/or its affiliates ("JPMorgan Chase") perform investment services, including

rendering investment advice, to varied clients. JPMorgan Chase and its directors, officers, agents, and/or employees may render similar or differing investment advisory services to clients and may give advice or exercise investment responsibility and take such other action for any of its other clients that differ from the advice given or the timing or nature of action taken for another client or group of clients. It is JPMPI's policy, to the extent practicable, to allocate, within its reasonable discretion, investment opportunities among clients over a period of time on a fair and equitable basis. One or more of JPMPI's other client accounts may at any time hold, acquire, increase, decrease, dispose, or otherwise deal with positions in investments in which another client account may have an interest from time-to-time.

JPMorgan Chase and any of its or their directors, partners, officers, agents or employees, may also buy, sell, or trade securities for their own accounts or the proprietary accounts of JPMorgan Chase. JPMorgan Chase, within their discretion, may make different investment decisions and other actions for their own proprietary accounts than those made for client accounts, including the timing or nature of such investment decisions or actions. Further, JPMPI is not required to purchase or sell for any client account securities that it, JPMorgan Chase, and any of its or their employees, principals, or agents may purchase or sell for their own accounts or the proprietary accounts of JPMorgan Chase or its clients.

## **ITEM 12 – Brokerage Practices**

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

JPMPI does not select or recommend broker-dealers for client transactions in the Programs.

#### **1. Research and Other Soft Dollar Benefits.**

JPMPI does not receive research or other soft dollar benefits in connection with client transactions in the Programs.

#### **2. Brokerage for Client Referrals.**

JPMPI does not compensate persons for client referrals to the Programs.

#### **3. Directed Brokerage.**

Clients are not permitted to direct brokerage in the Programs.

### **B. Order Aggregation**

JPMPI does not place orders for securities transactions in the Programs.

### **ITEM 13 – Review of Accounts**

A. Frequency and Nature of Review of Client Accounts or Financial Plans Review of Accounts

As most Program accounts are managed in a similar manner according to the Investment Strategy or Model selected by the client, JPMPI does not review individual trades or individual Program accounts. JPMPI periodically reviews the Investment Strategies, the Models and the Program Funds, ETFs and Manager Models available in the Programs to ensure that the Investment Strategies, MFAP Models, Manager Models, ETFs and Program Funds continue to meet CSP's requirements. For Program accounts that have requested investment restrictions, JPMS periodically monitors the accounts to ensure compliance with the requested restrictions.

B. Factors Prompting Review of Client Accounts Other than a Periodic Review

A client's Investment Adviser Representative may review a client account based on market conditions and his or her outlook, or upon a client's request. JPMS may review an account on more than a periodic basis to review it against certain investment restrictions or regulatory developments.

C. Content and Frequency of Account Reports to Clients

Clients receive written account statements from the custodian at least quarterly and also receive written quarterly performance reports from JPMS.

### **ITEM 14 – Client Referrals and Other Compensation**

A. Economic Benefits for Providing Services to Clients

No person who is not a client provides an economic benefit to JPMPI for providing investment advice or other advisory services to Program clients.

B. Compensation to Non-Supervised Persons for Client Referrals

Neither JPMPI nor any related person of JPMPI directly or indirectly compensates any person who is not its supervised person for client referrals to the Programs.

### **ITEM 15 – Custody**

JPMPI does not have custody of client assets in the Programs.

### **ITEM 16 – Investment Discretion**

In CSP, JPMPI has full discretionary authority, to be exercised in its exclusive judgment and consistent with the investment strategy selected by the client, to determine the allocation of assets among Program Funds and, at appropriate asset levels, among one or more Manager Models; to remove or replace Program Funds or Manager Models; and to purchase and sell Program Funds and other securities for the account.

In MFAP, JPMPI has discretion only to define the asset allocation targets and ranges for the Models and to, remove or replace Program Funds in the Models. JPMS is responsible for overseeing JPMPI's performance.

**ITEM 17 – Voting Client Securities**

A. Policies and Procedures Relating to Voting Client Securities

JPMPI does not vote the proxies of securities held in a client's account in the Programs.

**ITEM 18 – Financial Information**

JPMPI does not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance and, thus, has not included a balance sheet of its most recent fiscal year. JPMPI is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients, nor has JPMPI been the subject of a bankruptcy petition at any time during the past ten years.