

FORM ADV, PART 2A
FIRM BROCHURE

J.P. Morgan Private Investments Inc.

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.

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

Material Changes

This brochure is dated January 15, 2016 and amends J.P. Morgan Private Investments Inc.'s prior brochure, dated March 31, 2015.

This brochure was previously revised to include that: (i) in February 2014, J.P. Morgan Private Investments Inc. ("JPMPI" or the "Adviser") began acting as adviser to the Focused Tactical Equity ("FTE") strategy offered through the J.P. Morgan Securities Strategic Investment Services Program ("STRATIS"), a wrap fee program offered through an affiliate, J.P. Morgan Securities LLC ("JPMS"); and (ii) JPMPI acts as adviser to a number of private equity fund of fund vehicles.

This brochure is being revised to, among other things: (i) disclose in Item 9.B below certain disciplinary events involving affiliates of JPMPI; (ii) remove reference to the JPMorgan Private Bank Funds I, an umbrella investment vehicle registered in Luxembourg that qualifies as an Undertaking for Collective Investments in Transferable Securities ("UCITS"), in respect of which JPMPI no longer serves as sub-delegated investment manager to a portion of certain sub-funds of the UCITS; and (iii) clarify certain conflicts of interest related to the selection and review of JPMPI as discretionary investment manager to the Focused Dividend Growth strategy and Focused Tactical Equity strategy offered through STRATIS.

TABLE OF CONTENTS

1. Cover Page.....	1
2. Material Changes.....	2
3. Table of Contents.....	3
4. Advisory Business	5
A. General Description of Advisory Firm.....	5
B. Description of Advisory Services.....	5
C. Availability of Customized Services for Individual Clients	7
D. Wrap Fee Programs	7
E. Assets Under Management	8
5. Fees and Compensation	9
A. Advisory Fees and Compensation.....	9
B. Payment of Fees	9
C. Additional Fees and Expenses.....	10
D. Prepayment of Fees	10
E. Additional Compensation and Conflicts of Interest	11
6. Performance-Based Fees and Side-by-Side Management.....	12
7. Types of Clients	13
8. Method of Analysis, Investment Strategies and Risk of Loss	14
A. Methods of Analysis and Investment Strategies	14
B. Material, Significant, or Unusual Risks Relating to Investment Strategies	16
C. Risks Associated With Particular Types of Securities	22
9. Disciplinary Information	23
10. Other Financial Industry Activities and Affiliations.....	25
A. Broker-Dealer Registration Status	25
B. Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Adviser Registration Status.....	25
C. Material Relationships or Arrangement with Industry Participants	25
D. Material Conflicts of Interest Relating to Other Investment Advisers.....	27
11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	30

A. Code of Ethics	30
B. Securities That You or a Related Person Has a Material Financial Interest.....	32
C. Investing in Securities That You or a Related Person Recommends to Clients	32
D. Conflicts of Interest Created by Contemporaneous Trading.....	32
E. Certain Other Trading Related Conflicts of Interest.....	33
12. Brokerage Practices	34
A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions.....	34
B. Order Aggregation.....	34
13. Review of Accounts.....	37
A. Frequency and Nature of Review of Client Accounts or Financial Plans.....	37
B. Factors Prompting Review of Client Accounts Other than a Periodic Review.....	37
C. Content and Frequency of Account Reports to Clients	37
14. Client Referrals and Other Compensation.....	38
A. Economic Benefits for Providing Services to Clients.....	38
B. Compensation to Non-Supervised Persons for Client Referrals	38
15. Custody.....	39
16. Investment Discretion.....	40
17. Voting Client Securities	41
18. Financial Information	43

ITEM 4

Advisory Business

A. General Description of Advisory Firm

J.P. Morgan Private Investments Inc. (“JPMPI” or the “Adviser”), 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 in various wrap fee programs offered through an affiliate, J.P. Morgan Securities LLC (“JPMS”), including acting as the manager of the Focused Dividend Growth (“FDG”) strategy and Focused Tactical Equity (“FTE”) strategy offered through the J.P. Morgan Securities Strategic Investment Services Program (“STRATIS”) and acting as the sub-adviser to the Chase Strategic Portfolio (“CSP”) program and the Mutual Fund Advisory Portfolio (“MFAP”) program. For more information on STRATIS, please see the JPMS Form ADV Part 2A, Appendix 1 (Consulting Services Program Brochure) (SEC File No. 801-3702). For more information on CSP and MFAP, please see the applicable JPMS Form ADV Part 2A brochure (SEC File No. 801-3702). Additional information about the advisory services JPMPI provides to CSP and MFAP is described in a separate brochure, which is available upon request or at the SEC’s website at www.adviserinfo.sec.gov.

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

B. Description of Advisory Services

This brochure describes the services that JPMPI provides to RICs, Private Funds, and in managing FDG and FTE for the STRATIS program. For the purposes of this Part 2A of Form ADV, the RICs and Private Funds will be collectively referred to as the “Funds.” JPMPI acts in an administrative capacity on behalf of privately-offered pooled investment vehicles. However, JPMPI provides investment advisory services in the capacities listed below. Additional information about the advisory services JPMPI provides to CSP and MFAP is described in a separate brochure, which is available upon request or at the SEC’s website at www.adviserinfo.sec.gov.

Advisory Services to Private Funds

JPMPI provides advisory services to two types of Private Funds:

- (i) conduit vehicles formed solely to invest in a designated underlying fund, typically a private equity fund, hedge fund or real estate fund (“Conduits”), and

(ii) other private investment funds, such as hedge funds, funds of private equity funds and real estate funds, as described more fully below (“Hedge Funds,” “Private Equity Fund of Funds,” or “Real Estate Funds”).

Conduit Vehicles:

Each Conduit is a special purpose entity (typically a limited partnership or limited liability company) formed by JPMPI for the sole purpose of investing its assets in a designated underlying fund, which is typically a private equity fund, hedge fund or real estate fund formed and managed by an affiliated or unaffiliated third party. Conduits may also participate in co-investment opportunities at the discretion of JPMPI. In certain instances, JPMPI has retained J.P. Morgan Investment Management Inc. (“JPMIM”) to provide investment advisory services to certain Conduits for the purposes of evaluating co-investment opportunities. JPMIM is under common control with JPMPI and is a registered investment adviser.

After JPMIM evaluates each co-investment opportunity and makes its recommendation to JPMPI, JPMPI either accepts or declines JPMIM’s decision. JPMPI generally serves as the Conduit’s administrator, general partner, managing member, or manager. Where JPMPI is acting as investment adviser, JPMPI deems the Conduit, and not the master fund or each of the Conduit’s investors, to be its client.

Hedge Funds:

For certain of the Hedge Funds and Conduits, JPMPI identifies certain investment strategies and retains either affiliated or unaffiliated investment advisers to act as sub-advisers to implement such investment strategies through direct investments or investments in other funds. In this capacity, JPMPI does not make day-to-day investment decisions.

Private Equity Fund of Funds:

JPMPI acts as adviser to a number of private equity fund of fund vehicles.

Real Estate Funds:

In September 2013, JPMPI began advising several real estate funds that were previously advised by JPMIM. In 2014, JPMPI began advising several new real estate funds managed by the same investment team (collectively, the “Junius Funds”).

Advisory Services to RICs

JPMPI also acts as a sub-adviser to two open-end RICs and two closed-end RICs. JPMIM is the investment adviser to each RIC and JPMPI is the investment sub-adviser. JPMPI makes the day-to-day investment decisions for each RIC.

Advisory Services to Certain Individuals Through STRATIS

The J.P. Morgan Securities division of J.P. Morgan Securities LLC (“JPMS”) offers clients the discretionary management services of third-party and affiliated portfolio managers and provides

January 15, 2016

consulting services to clients through STRATIS, a wrap fee program. Clients pay an asset-based wrap fee that covers JPMS's consulting services, the portfolio managers' services, and execution of transactions and custody through JPMS and its affiliates.

In July 2011, JPMS identified the FDG strategy as an investment strategy for its individual clients. The FDG strategy aims to achieve capital appreciation by investing in a concentrated long-only equity portfolio that focuses on high-quality companies with a demonstrated history of consistent dividend growth.

In February 2014, JPMS identified the FTE strategy as an investment strategy for its individual clients. The FTE strategy aims to achieve capital appreciation by investing in a concentrated long-only equity portfolio that focuses on stock trading at reasonable valuations with identifiable catalysts.

The STRATIS program offers clients the ability to choose managers based on their investment objectives and suitability. For more information, please see the JPMS Form ADV Part 2A Appendix 1 (Consulting Services Program Brochure) for STRATIS.

C. Availability of Customized Services for Individual Clients

JPMPI provides advisory services to individuals through STRATIS, a JPMS-offered wrap fee program providing clients with access to a variety of investment strategies. If clients select the FDG or FTE strategy, JPMPI serves as investment adviser for that individual client. Clients may place reasonable restrictions on the purchase or sale of certain securities for their STRATIS account, subject to JPMS's acceptance. Any restrictions on the management of an account may cause the account to perform differently than similar unrestricted accounts.

For more information, please see the JPMS Form ADV Part 2A Appendix 1 (Consulting Services Program Brochure) for STRATIS.

D. Wrap Fee Programs

JPMPI's investment advisory services for FDG and FTE are also available through the STRATIS "wrap fee" program sponsored by JPMS. A wrap fee program generally is an investment advisory program under which a client pays a single, all-inclusive (or "wrap" or "bundled") fee to JPMS for investment advisory services, custody services, and the execution of client transactions. JPMS will then provide the client with a list of investment managers whose investment strategies are consistent with the client's goals and objectives. Wrap fee program clients may select JPMPI from a list of investment managers presented to the client by registered representatives of JPMS.

JPMS has primary responsibility for client communications and services, notifying JPMPI of client selections and restrictions, arranging for payment of JPMPI's advisory fees on behalf of the client, monitoring and evaluating JPMPI's performance, and in some cases, providing custodial services for the client's assets for a single fee paid by the client to JPMS. JPMPI receives a portion of the wrap fee for its services. For more information, please see the JPMS Form ADV Part 2A Appendix 1 (Consulting Services Program Brochure) for STRATIS.

JPMPI is responsible for making investment decisions regarding the selection of investments for wrap fee accounts and the total amount of securities bought and sold for such accounts, and may do so without consultation with the client. However, investment decisions may be limited by certain reasonable restrictions provided by the client, as discussed in Item 4.C above.

While the same investment personnel manage other accounts following the same or a substantially similar strategy to the FDG and FTE strategies under STRATIS, FDG and FTE accounts may not be handled identically to other advisory accounts. Purchases may be implemented in other accounts that follow the same or a substantially similar strategy to FDG and FTE on behalf of clients of J.P. Morgan Chase Bank, N.A. (“JPMCB”), but that may not actually be implemented in FDG and FTE in STRATIS. See Items 10 and 11 for more information on material conflicts of interest relating to JPMPI’s advisory services.

E. Assets Under Management

Assets managed and sub-advised by JPMPI are on a discretionary and nondiscretionary basis.

Private Equity assets managed on a discretionary basis as of 9/30/14 (cash adjusted to 12/31/2014): \$1,832,769,565

Hedge Fund assets managed on a discretionary basis as of 12/31/14: \$1,647,956,315

Junius Fund assets managed on a discretionary basis as of 12/31/2014: \$384,077,467

Open-end RIC sub-advised assets managed on a discretionary basis as of 12/31/2014: \$2,142,501,033

Closed-end RIC sub-advised assets managed on a discretionary basis as of 12/31/2014: \$3,562,025,400

Individual client assets via STRATIS for the FDG strategy managed on a discretionary basis as of 12/31/2014: \$64,961,027

Individual client assets via STRATIS for the FTE strategy managed on a discretionary basis as of 12/31/2014: \$10,473,736

ITEM 5

Fees and Compensation

A. Advisory Fees and Compensation

Private Funds

JPMPI may be paid a fee based on net asset value or capital commitments with respect to the Hedge Funds, Real Estate Funds, Private Equity Fund of Funds and Conduits. JPMPI may pay a portion of such fee to the affiliated or unaffiliated sub-adviser. The fees are not negotiable and are charged to each fund and are generally allocated among the capital accounts of the investors; however, for certain funds, such fee may not be charged to investors who have commitments of a certain size, as more fully disclosed in the offering and organizational documents of such fund. Since such fees are payable in arrears, compensation is not payable until after services are provided. The master funds in which the funds invest also charge fees that are assessed to investors in the funds as described more fully in their respective offering materials.

For certain Private Funds, JPMPI is entitled to receive or share a performance fee contingent upon the funds' realizing a predetermined rate of return.

The fees for Private Funds range from 1.5% to 2% of assets per year, and performance fees, if any, range from 17% to 20% per year. Additional information regarding advisory and related fees is available in the offering and organizational documents of the Private Funds.

RICs

For its sub-advisory services to the RICs, JPMPI receives an annual fee ranging from 0.90% to 1.10% per year as a percentage of average daily net assets. The performance fee for certain closed-end RICs is 10% per year. Additional information regarding sub-advisory and management fees, and any applicable waivers, is available in the prospectuses of these funds and the Statement of Additional Information for the JPMorgan Funds.

STRATIS

JPMS pays a portion of the fees paid to it by STRATIS clients to JPMPI. JPMPI receives 0.50% per annum for the first \$100 million in assets and 0.45% per annum for amounts in excess of \$100 million. There is no performance fee.

B. Payment of Fees

Fees for the Private Funds are deducted from client accounts. Certain fees are deducted on a one-time start-up basis, and other fees are deducted on an ongoing basis (monthly, quarterly, annually). Additional information regarding advisory and related fees is available in the offering and organizational documents of the Private Funds.

January 15, 2016

Fees for STRATIS are deducted from client accounts by JPMS each calendar quarter in advance. Please see the JPMS Form ADV Part 2A Appendix 1 (Consulting Services Program Brochure) of JPMS discussing the STRATIS program for additional information.

C. Additional Fees and Expenses

Clients pay the following types of fees in connection with JPMPI's advisory services to Private Funds and the RICs:

One-time fee (start up): Clients pay their pro rata share of a Private Fund's or RIC's origination fees, placement fees, organizational costs, and offering costs.

Ongoing fees: Clients pay their pro rata share of a Private Fund's or RIC's fees for administration, custody, audit and tax, and printing and mailing. Clients also pay their pro rata share of a Private Fund's or RIC's management fees, incentive or performance fees, and brokerage costs.

Where JPMPI has recommended or invested client assets in pooled investment vehicles, clients generally will pay all fees and expenses applicable to an investment in the pooled investment vehicle, including asset-based, performance-based, carried interest, incentive allocation, and other compensation payable to the managers of those pooled investment vehicles. Clients generally will also pay any fees paid for advisory, administration, distribution, 12b-1, shareholder servicing, sub-accounting, sub-transfer agency, and other services, which may be paid to JPMPI or its affiliates. A client that is invested in a fund of funds vehicle will also bear a proportionate share of the fees and expenses of each investment fund in which the fund of funds invests. All fees and expenses of underlying investment vehicles are generally in addition to the advisory fees clients pay to JPMPI. Additional information about fees and expenses is available in the offering documents, organizational documents, prospectuses, and other documents for the Private Funds and RICs.

In managing the FDG and FTE strategies available through STRATIS, JPMPI will generally place orders for client accounts with JPMS for execution because commissions for transactions executed by JPMS are covered by the fee the client pays to JPMS. If JPMPI places orders with a broker-dealer other than JPMS, the client may incur brokerage commissions or other charges that are not covered by the fee paid to JPMS. There are no additional fees and expenses payable to JPMPI with respect to STRATIS. Please see the JPMS Form ADV Part 2A Appendix 1 (Consulting Services Program Brochure) for STRATIS for additional information.

D. Prepayment of Fees

As discussed in Item 5.B above, fees for STRATIS are deducted from client accounts by JPMS each calendar quarter in advance. Please see the JPMS Form ADV Part 2A Appendix 1 (Consulting Services Program Brochure) for STRATIS for additional information.

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.

ITEM 6

Performance-Based Fees and Side-by-Side Management

JPMPI manages accounts that are charged a performance-based fee and accounts that are charged an asset-based fee. JPMPI's management fees may vary, particularly because for multiple accounts, JPMPI is paid based upon the performance results for those accounts. In addition, some of the portfolio managers have personal investments in other accounts. This could create a conflict of interest because the portfolio managers could have an incentive to favor certain accounts over others, resulting in some accounts outperforming others. JPMPI believes that such conflicts are mitigated in part because the open-end RICs that charge asset-based fees invest predominantly in mutual funds and structured notes, the prices of which are fixed at the close of the trading day for all investors, while the Funds that charge performance fees predominantly invest in alternative strategies. With respect to other securities, 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. Further, JPMPI also has adopted policies and procedures designed, 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. JPMPI's policies and procedures also address management of other conflicts of interest and monitoring a variety of areas, including compliance with fund guidelines, review of allocation decisions, and compliance with JPMPI's Code of Ethics (the "Code of Ethics") and the JPMorgan Code of Conduct (the "Code of Conduct").

ITEM 7

Types of Clients

JPMPI provides investment advice to RICs, Private Funds, and certain individual clients under the STRATIS program. Investors who open accounts for the Private Funds and RICs generally must be clients of JPMorgan Private Bank or employees of JPMCB. There are minimum account sizes for each fund, as disclosed in the respective fund's prospectus or offering memorandum.

In addition, investors in the privately-offered pooled investment vehicles must generally be "Accredited Investors" as defined in Regulation D under the Securities Act of 1933, as amended (the "Securities Act"), and "Qualified Purchasers" as defined in the 1940 Act.

Individual clients invested in a strategy on the STRATIS program must have a brokerage account with JPMS. For more information, please see the JPMS Form ADV Part 2A Appendix 1 (Consulting Services Program Brochure) for STRATIS.

Additional information about the services JPMPI provides in CSP and MFAP is described in a separate brochure, which is available upon request or at the SEC's website at www.adviserinfo.sec.gov.

ITEM 8

Method of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis and Investment Strategies

JPMPI utilizes different methods of analysis that are tailored for each of the investment strategies it offers its clients. Set forth below are the primary methods of analysis that JPMPI utilizes for its significant investment strategies. JPMPI cannot assure that a given investment strategy's investment objective will be attained.

This Item 8 includes a discussion of the primary risks associated with these investment strategies. However, it is not possible to identify all of the risks associated with investing and the particular risks applicable to a client account will depend on the nature of the account, its investment strategy or strategies and the types of securities held. While JPMPI seeks to manage accounts so that risks are appropriate to the strategy, it is often not possible or desirable to fully mitigate risks. Any investment includes the risk of loss and there can be no guarantee that a particular level of return will be achieved. Clients should understand that they could lose some or all of their investment and should be prepared to bear the risk of such potential losses. Clients should read carefully all applicable informational materials and offering/governing documents prior to retaining JPMPI to manage an account or investing in any JPMPI fund. See Item 8.B for additional information regarding investment risks.

General descriptions of JPMPI's strategies are provided below. These descriptions are not intended to serve as fund or account guidelines. The strategies described below are not generally intended to provide a complete investment program for a client. Please note: **Investing in securities involves risk of loss that clients should be prepared to bear. The investment performance and success of any particular investment cannot be predicted or guaranteed, and the value of a client's investments will fluctuate due to market conditions and other factors. Investments are subject to various market, liquidity, currency, economic, and political risks, and will not necessarily be profitable. Past performance of investments is not indicative of future performance.**

JPMPI provides advice to, or offers its clients the ability to invest in, private equity funds, real estate funds, and hedge funds, as well as open-end and closed-end RICs. The descriptions of the investment strategies below are qualified in their entirety by the information included in a Private Fund's offering memorandum or a RIC's prospectus or other official offering documentation. Prior to investing in any Private Fund or RIC, an investor should review the relevant prospectus or offering memorandum for important information.

Private Equity Fund of Funds

Private equity fund of funds seek to invest in private equity funds which in turn invest in private and public companies through the purchase of distressed securities or through direct equity infusions (*i.e.*, buyouts). Some private equity funds invest in, or invest alongside of, other private equity funds.

Real Estate Funds

Private funds that invest primarily in real estate hold and dispose of a specified interest in real estate.

Hedge Funds

Hedge Funds typically use a variety of trading strategies and instruments, often including short-selling, derivatives and leverage. Some funds invest in debt securities, such as leveraged loans and mortgage-backed securities. Others may invest in managed futures in the interest rate, commodity and currency futures markets. Some Hedge Funds invest in, or alongside of, other Hedge Funds.

RICs

Open-End RICs

The open-end RICs invest in a combination of domestic and international equity, fixed income, and alternative assets. The Funds invest in mutual funds in the same group of investment companies (*i.e.*, JPMorgan Funds), unaffiliated open-end and closed-end investment companies (which may or may not be registered under the 1940 Act, as amended), exchange traded funds (“ETFs”), and directly in individual securities. When permitted by applicable law or exemptive relief obtained from the SEC, the Funds invest directly in other financial instruments, including derivatives, such as futures, swaps, and structured investments, to gain exposure to or overweight or underweight allocations among various sectors or markets.

Closed-End RICs

The closed-end RICs allocate assets primarily among other investment funds that use a range of investment techniques and strategies. The investment funds generally pursue “absolute return” strategies in that they seek to achieve positive returns, by taking long and short positions and by engaging in various hedging strategies, regardless of the performance of the traditional equity and fixed income markets. The closed-end RICs generally invest in investment funds that fall into the following categories: long/short equity, relative value, opportunistic/macro, event-driven or diversified strategies. The closed-end RICs may use derivative instruments, such as total return swaps, structured notes or other structured products, to gain exposure to the returns of investment funds or otherwise seek to replicate exposure to investment funds or investment fund strategies. The closed-end RICs may invest, to a limited extent, in registered investment companies, including ETFs.

FDG and FTE

FDG is a strategy that is offered on the STRATIS wrap-fee platform. JPMS clients may choose to invest based on their investment objectives and suitability. The FDG strategy aims to achieve income growth and capital appreciation by investing in a concentrated long-only equity portfolio that focuses on U.S.-listed equities over a longer term investment horizon. The strategy seeks to focus on high-quality companies with a demonstrated history of consistent dividend growth.

January 15, 2016

FTE is a strategy that is offered on the STRATIS wrap-fee platform. JPMS clients may choose to invest based on their investment objectives and suitability. The FTE strategy aims to achieve capital appreciation by investing in a concentrated long-only equity portfolio that focuses on U.S.-listed equities over a longer-term investment horizon. The strategy seeks to focus on stocks trading at reasonable valuations versus their historical averages, peer universe and potential earnings power, with identifiable catalysts. The strategy is designed to be opportunistic as investment themes and sectors move in and out of favor and fundamentals change.

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

Please refer to a Private Fund's offering memorandum, a RIC's prospectus, or other relevant disclosure documents for other strategies for a detailed discussion of risks.

Private Funds - General Risks

An investment in a Private Fund involves a high degree of risk. There can be no assurance that a Private Fund's return objectives will be realized or that there will be any return of capital. An investor may lose part or all of its capital. **Past performance provides no assurance of future success.**

Illiquidity; Restrictions on transfer and withdrawal; Default

An investment in a Private Fund will be an illiquid investment that requires a long-term commitment. Interests may not be transferred or pledged without prior written consent, which may be withheld. There will be no market for the interests. Investors may not withdraw capital. A default by an investor in making a required capital contribution may result in forfeiture of all or a substantial part of the investor's investment, as well as other remedies. The investments to be made by a Private Fund also are likely to be illiquid and, if successful, may not produce a realized return for a number of years. Investors should not subscribe unless they are prepared to bear the risks of owning the investment for an extended period of time and can readily bear the consequences of partial or total loss of capital.

Dependence on key personnel

A manager's ability to identify investments and successfully manage a Private Fund's affairs depends on the manager's personnel and their experience, relationships and expertise. There can be no assurance that these individuals will remain in the employ of the manager, or that they will otherwise continue to be able to carry on their current duties throughout the term of the Private Fund. In addition, certain manager personnel are and will continue to be involved in the investment activities of other investment vehicles and business activities.

No participation by investors in management

Investors will have no right or power to participate in the management or control of the business of the Fund and thus must depend solely upon the ability of the administrator, the board of directors and the Fund manager with respect to the management and control of the Fund. In addition, investors will not have an opportunity to evaluate the specific investments made by the

Fund or the terms of any such investments and thus must depend solely upon the ability of the parties managing the Fund. As a result, the returns of an investment in the Fund will primarily depend on the performance of the manager of the Fund and could be substantially adversely affected by unfavorable performance of such manager.

Delayed Schedule K-1s

A Fund may not be able to provide Schedule K-1s (or their equivalents) to investors who are subject to U.S. taxes for any given fiscal year until after April 15 of the following year. Investors subject to U.S. taxes may be required to obtain extensions of the filing date for their federal, state, and local income tax returns.

Potential conflicts of interest

The universe of potential investments and other activities of a Private Fund's business could overlap with the investments and activities of other Private Funds and may create conflicts of interest. A Private Fund's offering memorandum discusses certain of these conflicts in more detail, for example, those associated with the allocation of investment opportunities among the Private Funds or other activities and interests of management that may restrict or compete with a Private Fund.

All Funds - Business and market risks

A Fund's investments may involve a high degree of business and financial risk that can result in substantial losses. In particular, these risks could arise from changes in the financial condition or prospects of the entity in which the investment is made; changes in national or international economic and market conditions; and changes in laws, regulations, fiscal policies or political conditions of countries in which investments are made, including the risks of war and the effects of terrorist attacks.

Changing Market and Economic Conditions

Changing market and economic conditions and other factors, such as changes in U.S. federal or state tax laws, securities or bankruptcy laws or accounting standards, may make the Fund less profitable or unprofitable.

Competition

There is currently, and will likely continue to be, competition for investment opportunities by investment vehicles and others with investment objectives and strategies identical or similar to a Private Fund's investment objectives and strategies as well as by strategic investors, hedge funds and others. Over the past several years, many private funds have been formed and many such existing funds have grown substantially in size, resulting in an unprecedented amount of capital available for private investment.

Derivatives

A Fund may use derivatives as a tool in the management of its assets. The use of derivatives for hedging, risk management or to increase income or gain may not be successful and could result in losses. Derivatives also expose the Fund to the credit risk of the derivative counterparty.

Diversification

There is no assurance as to the degree of diversification that will actually be achieved in a Fund's investments. If a material portion of a Fund's assets is invested in a single portfolio company, a loss in that investment could have a significant adverse impact on the Fund's performance.

Dodd-Frank Risk

Pending and ongoing regulatory reform may have a significant impact on JPMPI'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 JPMPI'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 JPMPI's business and results of operations. Among the potential impacts of Dodd-Frank, provisions of Dodd-Frank referred to as the Volcker Rule restricts the ability of a "banking entity" (including JPMorgan and its affiliates and subsidiaries, including JPMPI) to acquire or retain an equity, partnership or other ownership interest in, or sponsor a "covered fund" (which is defined to include certain pooled investment vehicles) and prohibits certain transactions between such funds and JPMorgan. Among other things, the Volcker Rule generally prohibits covered funds from engaging in transactions that would cause a banking entity or its affiliates to have credit exposure to a covered fund 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, covered funds, because the restrictions could limit a covered fund from obtaining seed capital, loans or other commercial benefits from JPMPI or its affiliates. As a result, the Volcker Rule impacts the method by which JPMPI 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 the final regulations became effective on April 1, 2014, subject to a conformance period. Other than with respect to certain "legacy" investments in and relationships with covered funds and foreign funds that were in place prior to December 31, 2013 ("legacy covered funds"), all of a banking entity's activities, investments and transactions with or involving a covered fund (other than an investment in or a relationship with a legacy covered fund) must be in conformance with the Volcker Rule after July 21, 2015. On December 18, 2014, the Federal Reserve Board granted an extension of the conformance period with respect to legacy covered funds until July 21, 2016, and indicated that it would

likely grant a final further extension of the conformance period for legacy covered funds until July 21, 2017.

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 JPMPI-advised funds and accounts use and trade swaps and other derivatives, and may increase the costs of derivatives trading.

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.

Foreign investments

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 the Fund to diminish.

General Economic Conditions; Highly Volatile Markets

Various sectors of the global financial markets have been experiencing 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.

Hedging Policies/Risks

A fund may employ hedging techniques designed to reduce the risks of adverse movements in interest rates, securities prices and currency exchange rates. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks.

Portfolio Valuation

Valuations of a Fund's portfolio, which will affect the amount of the management fee, may involve uncertainties and judgment determinations. Third-party pricing information may at times not be available regarding certain of the Fund's securities and other assets. A disruption in the secondary markets for the Fund's investments may limit the ability of the manager to obtain accurate market quotations for purposes of valuing the Fund's investments and calculating the net asset value of the Fund.

Private Equity Fund Risks

Investments made in connection with acquisition transactions are subject to a variety of special risks, including the risk that the acquiring company has paid too much for the acquired business, the risk of unforeseen liabilities, the risks associated with new or unproved management or new business strategies and the risk that the acquired business will not be successfully integrated with existing businesses or produce the expected efficiencies. Private equity funds may invest in restructurings that involve portfolio companies that are experiencing or are expected to experience severe financial difficulties, some that may never be overcome and may cause them to become subject to bankruptcy proceedings.

A private equity fund will typically leverage its investments with debt financing at the portfolio company level. Although the manager will seek to use leverage in a manner it believes is prudent, the use of leverage may substantially increase the risk of loss. A decrease in availability of financing (or an increase in the interest cost) for leveraged transactions would impair, potentially materially, a Fund's ability to consummate transactions and to make similar leveraged distributions.

Real Estate Fund Risks

Because a real estate fund invests in a specific property, the Fund will not be able to diversify risk, and investors will be exposed to higher risks than they would for an investment in a diversified portfolio of assets. The value of real estate is subject to declines, risks related to general and economic conditions, changes in the value of the underlying property owned by the trust and defaults by the borrower.

Hedge Fund Risks

A Hedge Fund may invest in futures and options. Futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events and changes in interest rates. In addition, because of the low margin deposits normally required in futures trading, a high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to the Hedge Fund .

A Hedge Fund may engage in short selling. In selling short, the fund bears the risk of an increase in the value of the instrument sold short above the price at which it was sold. Such an increase could lead to a substantial loss. A Hedge Fund may incur additional costs in covering short positions.

Portfolio turnover may vary greatly from year to year, as well as within a particular year. High rates of portfolio turnover may result in short-term capital gain that will generally be taxable to shareholders as ordinary income.

FDG and FTE Risks

Equities Securities Risk

The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries in the portfolio or the securities market as a whole, such as changes in economic or political conditions. When the value of the portfolio's securities goes down, your investment in the portfolio decreases in value.

Key Personnel Risk

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

Focused Portfolio Risks

The portfolio may have more volatility and is considered to have more risk than a portfolio that invests in securities of a greater number of issuers because changes in the value of a single issuer's security may have a more significant effect, either negative or positive on the portfolio's value. To the extent that the portfolio invests its assets in the securities of fewer issuers, the portfolio is subject to greater risk of loss if any of those securities lose value.

General Economic Conditions; Highly Volatile Markets

Various sectors of the global financial markets have been experiencing an extended period of adverse conditions following serious disruptions in the U.S. residential mortgage market. These

January 15, 2016

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 question to Item 8.B.

ITEM 9

Disciplinary Information

A. Criminal or Civil Proceedings

JPMPI has no material civil or criminal actions to report.

B. Administrative Proceedings Before Regulatory Authorities

JPMPI 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.

On December 18, 2015, JPMS and JPMCB (together “Respondents”), affiliates of JPMPI, entered into a settlement with the SEC, resulting in the SEC issuing an order (the “SEC Order”), and JPMCB entered into a settlement with the United States Commodity Futures Trading Commission (“CFTC”), resulting in the CFTC issuing an order. The Respondents consented to the entry of the SEC Order that finds that JPMS violated Sections 206(2), 206(4), and 207 of the Investment Advisers Act of 1940 (“Advisers Act”) and Rule 206(4)-7 and JPMCB violated Sections 17(a)(2) and 17(a)(3) of the Securities Act. The SEC Order finds that JPMCB negligently failed to adequately disclose (a) from February 2011 to January 2014, a preference for affiliated mutual funds in certain discretionary investment portfolios (the “Discretionary Portfolios”) managed by JPMCB and offered through J.P. Morgan’s U.S. Private Bank (the “U.S. Private Bank”) and the Chase Private Client lines of business; (b) from 2008 to 2014, a preference for affiliated hedge funds in certain of those portfolios offered through the U.S. Private Bank; and (c) from 2008 to August 2015, a preference for retrocession-paying third-party hedge funds in certain of those portfolios offered through the U.S. Private Bank. With respect to JPMS, the SEC Order finds, that from May 2008 to 2013, JPMS negligently failed to adequately disclose, including in documents filed with the SEC, conflicts of interest associated with its use of affiliated mutual funds in the CSP program, specifically, a preference for affiliated mutual funds, the relationship between the discounted pricing of certain services provided by an affiliate and the amount of CSP assets invested in affiliated products, and that certain affiliated mutual funds offered a lower-cost share class than the share class purchased for CSP. In addition, the SEC Order finds that JPMS failed to implement written policies and procedures adequate to ensure disclosure of these conflicts of interest. Solely for the purpose of settling these proceedings, the Respondents consented to the SEC Order, admitted to the certain facts set forth in the SEC Order and acknowledged that certain conduct set forth in the SEC Order violated the federal securities laws. The SEC Order censures JPMS and directs the Respondents to cease-and-desist from committing or causing any violations and any future violations of the above-enumerated statutory provisions. Additionally, the SEC Order requires the Respondents to pay a total of \$266,815,000 in disgorgement, interest and civil penalty.

On December 18, 2015, JPMCB also reached a settlement agreement with the CFTC to resolve its investigation of JPMCB’s disclosure of certain conflicts of interest to discretionary account clients of the U.S. Private Bank’s U.S.-based wealth management business. In connection with the settlement, the CFTC issued an order (the “CFTC Order”), finding that JPMCB violated Section 4o(1)(B) of the Commodity Exchange Act (“CEA”) and Regulation 4.41(a)(2) by failing

January 15, 2016

to fully disclose to certain clients its preferences for investing certain discretionary portfolio assets in certain commodity pools or exempt pools, namely (a) investment funds operated by JPMorgan Asset Management and (b) third-party managed hedge funds that shared management and/or performance fees with an affiliate of JPMCB. The CFTC Order directs JPMCB to cease-and-desist from violating Section 4o(1)(B) of the CEA and Regulation 4.41(a)(2). Additionally, JPMCB shall pay \$40 million as a civil penalty to the CFTC and disgorgement of \$60 million satisfied by disgorgement to be paid to the SEC by JPMCB and JPMS in the related and concurrent settlement with the SEC.

C. Self-Regulatory Organization (“SRO”) Proceedings

JPMPI has no material SRO disciplinary proceedings to report.

ITEM 10

Other Financial Industry Activities and Affiliations

A. Broker-Dealer Registration Status

JPMPI has management persons who are registered with the Financial Industry Regulatory Authority (“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 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 RICs offered to its clients.

JPMS is dually registered as a broker-dealer and an investment adviser with the SEC. JPMS is a wholly owned subsidiary of JPMorgan. JPMS and its affiliates serve as placement agent for the Private Funds and the RICs. Additionally, JPMS and/or its affiliates will serve as placement agent for, and will provide other ongoing services to issuers of, certain securities (including private equity fund or hedge fund interests), purchased by one or more of the Private Funds and/or the RICs. These affiliates will earn fees from the fund sponsors or the funds for providing placement and other ongoing services to such funds. The fees earned are a percentage of the fund’s management fees and, in some instances, a percentage of the fund’s performance fees, and will be received by the relevant affiliate only where permitted for a particular Private Fund. (Notwithstanding the foregoing, no fees will be paid to JPMS or its affiliates with respect to purchases by the RICs.) To the extent invested in private equity funds or hedge funds, JPMPI generally chooses to invest the Private Funds and the RICs in such funds that are also available for other JPMorgan Private Bank accounts, which typically are only funds who pay or whose sponsors pay such fees to JPMS or its affiliates. JPMPI also may invest the Private Funds and the RICs in funds that do not use JPMS or its affiliates as placement agent or to provide ongoing services. The investments in funds that compensate a broker-dealer or other affiliate of JPMPI directly or by their sponsor for providing placement and other ongoing services involves a conflict of interest because JPMC receives more overall fees when funds that make such payments are included. Certain directors and officers of JPMPI are also officers of JPMS.

J.P. Morgan Clearing Corp. (“JPMCC”) is registered with the SEC as a broker-dealer. JPMPI 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 JPMPI and 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-adviser to four registered investment companies for which JPMIM, an affiliated registered investment adviser, serves as investment adviser.

JPMIM is under common control with JPMPI and has a separate investment advisory agreement to provide advisory services to certain Advisory Clients. JPMPI has separate agreement(s) with affiliated or unaffiliated managers to provide investment advice to certain Hedge Funds or certain Conduits.

Please see Section D of this Item and Item 11.

(3) other investment adviser or financial planner

JPMPI is under common control with JPMIM and Highbridge Capital Management (“HCM”). JPMPI has separate agreements to provide advisory and sub-advisory services to certain private funds and registered investment companies, respectively. Additionally, JPMPI has agreements with HCM and unaffiliated managers to provide advisory services to certain Hedge Funds or Private Equity Funds.

For Private Funds or certain Conduits, JPMPI identifies certain investment strategies and retains either affiliated or unaffiliated sub-advisers to implement such investment strategies through direct investments or investments in other funds. From time to time, JPMPI or its related persons may act as a general partner of a limited partnership, or managing member of a limited liability company to which JPMPI serves as an adviser or otherwise. JPMPI and related persons may solicit the Private Bank’s clients to invest in such limited partnerships or limited liability companies, for which JPMPI or a related person may receive compensation.

Please see Section D of this Item and Item 11.

(4) Banking or thrift institution

JPMPI’s affiliate, JPMCB, is a banking institution that may provide various banking, custody, and administrative services to JPMPI and the Funds. JPMCB and/or other affiliates of JPMCB may also share personnel (including investment advisory, legal, compliance, investor relations, marketing, technology, accounting, back office and administrative personnel) with JPMPI and provide other investment and non-investment resources to JPMPI. A substantial number of JPMPI’s supervised persons may also have duties and obligations outside of JPMPI to JPMCB and/or JPMCB’s affiliates. Personnel sharing can result in conflicts of interest to the extent such personnel have substantive responsibilities outside of JPMPI. For example, the resources available to JPMPI may be impacted by such personnel’s other responsibilities to JPMCB or its affiliates. In addition, it may be more difficult for JPMPI to supervise such personnel and to

January 15, 2016

monitor the communications and activities of such personnel. To the extent JPMCB or its affiliates share personnel with JPMPI, such personnel generally will be treated as supervised persons of JPMPI for compliance purposes with respect to that portion of their roles and responsibilities that directly relates to JPMPI's business.

While the same investment personnel manage other accounts following the same or a substantially similar strategy to the FDG and FTE strategies under STRATIS, FDG and FTE accounts offered on STRATIS may not be handled identically to other advisory accounts. Please see Item 11.

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

D. Material Conflicts of Interest Relating to Other Investment Advisers

RICs

JPMPI has entered into sub-advisory arrangements with JPMIM, in order to provide the day-to-day investment decisions for the RICs. 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 with respect to certain accounts with similar investment objectives with the RICs ("Similar Accounts") than that received with respect to the RICs or may receive compensation based in part on the performance of certain Similar Accounts. This may create a potential conflict of interest for JPMPI and its affiliates or the portfolio managers by providing an incentive to favor these Similar Accounts when, for example, placing securities transactions. In addition, JPMPI or its affiliates has 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 initial public 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. If JPMPI or its affiliates manage accounts that engage in short sales of securities of the type in which the RICs invest, JPMPI or its affiliates could be seen as harming the performance of the RICs for the benefit of the accounts engaging in short sales if the short sales cause the market value of the securities to fall.

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 JPMPI or its affiliates from purchasing for the RICs particular securities or financial instruments, even if such securities or financial instruments would otherwise meet the RICs' objectives.

JPMPI's fees may vary, particularly because for certain accounts, JPMPI is paid based upon the performance results for those accounts. In addition, some of the portfolio managers have personal investments in other 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 the RICs. JPMPI believes that such conflicts are mitigated in part because the open-ended RICs will be investing predominantly in mutual funds and structured notes, the prices of which are fixed at the close of the trading day for all investors. For other securities, JPMPI uses JPMIM's trading desk and systems to participate in JPMIM's policies designed to achieve fair and equitable allocation of investment opportunities. Further, JPMPI also has adopted policies and procedures designed, 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. JPMPI's policies and procedures also address management of other conflicts of interest and monitoring a variety of areas, including compliance with fund guidelines, review of allocation decisions and compliance with its Code of Ethics and JPMorgan's Code of Conduct. Please see Item 11.

STRATIS

STRATIS is a wrap fee program offered by JPMS, an entity under common control with JPMPI. Currently, JPMPI's STRATIS strategies are reviewed within a JPMorgan due diligence framework that is distinct from that in which other portfolio managers and strategies in the STRATIS wrap fee program are offered. Unlike the review of the other managers and strategies, the due diligence currently applied to JPMPI and its strategies in the STRATIS wrap fee program does not include a formal process for the removal of JPMPI or its strategies from the STRATIS wrap fee program.

JPMS may have a conflict of interest in selecting JPMPI for the STRATIS program. In conducting reviews of JPMPI and FDG and FTE, and in identifying JPMPI and FDG and FTE to specific clients, JPMS will receive greater aggregate compensation than if the client selected an unaffiliated STRATIS portfolio manager. Because the persons responsible for the initial and periodic review of portfolio managers and their investment strategies for inclusion into STRATIS and the advisory representatives of JPMS who identify specific managers and

strategies to clients do not receive any direct financial benefit from the investment of STRATIS assets with JPMPI instead of other STRATIS portfolio managers, JPMPI believes that this conflict is mitigated.

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 pursuant to Rule 204A-1 under the Advisers Act. The Code of Ethics is designed to ensure that JPMPI, 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 JPMPI upon request by contacting your client service representative or financial adviser.

Additionally, all JPMPI personnel are subject to the JPMorgan firmwide policies and procedures found in the JPMorgan 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 JPMorgan employees, including JPMPI personnel, are required to comply with the Code of Conduct's terms as a condition of continued employment.

(i) General

The Code of Ethics requires supervised persons to place the interests of JPMPI's clients 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, and competitors of JPMorgan or with other JPMorgan 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 personnel of JPMPI; and
- Conflicts of interest, including policies relating to restrictions on trading in securities of clients and suppliers.

In general, the personal trading rules under the Code of Ethics require that accounts of personnel 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. JPMPI personnel generally must obtain approval prior to engaging in most security transactions, including those issued in private placements. In addition, JPMPI personnel may be restricted from buying or selling securities issued by JPMorgan during certain periods throughout the year. Certain "Access Persons" (generally defined as persons with access to non-public information regarding JPMPI'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

JPMorgan is a global financial services firm that provides a variety of services for, and advice to, many types of clients. Accordingly, some divisions of JPMorgan, such as investment banking, 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 JPMorgan, JPMorgan 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, JPMPI and/or its affiliates may decide that transactions in a particular security need to be restricted and therefore JPMPI 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, JPMPI 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 JPMPI 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 and Entertainment, Charitable Contributions, and Political Contributions

Gifts & Entertainment. JPMPI has policies and procedures in place, including the JPMorgan Code of Conduct, 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’s 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 JPMorgan must adhere to the JPMorgan Global Philanthropy Policy (the “Philanthropy Policy”). The Philanthropy Policy

January 15, 2016

prohibits JPMorgan and its employees from making any charitable contributions for the purpose of influencing a current or potential client.

Political Contributions. JPMPI has a policy against covered employees making political contributions on behalf of JPMPI, 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 You or a Related Person Has a Material Financial Interest

JPMPI may purchase or sell for client accounts securities in which JPMPI, or its 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 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, 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. JPMPI, JPMorgan Chase and its or their 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

January 15, 2016

action with respect to any of its other clients that differs from the advice given or the timing or nature of action taken with respect to 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 of, or otherwise deal with positions in investments in which another client account may have an interest from time to time.

JPMPI, 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 JPMPI and/or JPMorgan Chase. JPMPI and/or JPMorgan Chase, within their discretion, may make different investment decisions and other actions with respect to 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 JPMPI, or JPMorgan Chase or its 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, and 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 JPMPI'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. Trade orders that were only partially completed due to limited availability could raise a potential conflict of interest because JPMPI may have an incentive to allocate such securities to favored accounts. For example, JPMPI 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 JPMPI to allocate opportunities of limited availability to the account that generates more compensation for JPMPI. 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.

JPMPI has established policies and procedures designed to manage the conflicts described above. JPMPI has allocation 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.

ITEM 12

Brokerage Practices

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

Broker Selection

In connection with portfolio transactions, the overriding objective is to obtain the best execution of purchase and sales orders. In making this determination, JPMPI considers a number of factors including, but not limited to: the price per unit of the security, the broker's execution capabilities, the commissions charged, the broker's reliability for prompt, accurate confirmations and on-time delivery of securities, the broker-dealer firm's financial condition, the broker's ability to provide access to public offerings, as well as the quality of research services provided. If JPMPI 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, JPMPI may incur transaction costs in an amount greater than the lowest costs available.

Brokerage Activities – Advisory Affiliate

One part of obtaining best execution is minimizing counterparty risk. JPMorgan's Risk Management & Control Group is responsible for:

- (1) setting risk policies and procedures worldwide;
- (2) monitoring implementation of these policies and procedures;
- (3) reviewing and approving all proposed trading counterparties;
- (4) setting credit limits for certain activities with an approved counterparty; and
- (5) monitoring credit exposures to counterparties.

The Risk Management & Control Group communicates the list of approved counterparties to the trading desks globally. To make its counterparty assessments, the Risk Management & Control Group relies heavily on proprietary research performed by JPMorgan's global team of credit and research analysts. Monitoring credit exposures is an ongoing responsibility. Limits are adjusted as counterparty circumstances change.

1. Research and Other Soft Dollar Benefits.

For certain securities in the open-end RICs, JPMPI sends trade instructions to the JPMIM trading desk. JPMPI receives certain benefits from JPMIM's soft dollar arrangements, as described below.

January 15, 2016

JPMIM's primary objective in broker-dealer selection is to comply with its duty to obtain best execution of orders for clients. Best execution does not necessarily mean the lowest commission, but instead involves consideration of a number of factors.

One important factor is the quality and availability of useful research, execution-related products, and other services that a broker may provide in connection with executing trades. JPMIM may pay the broker-dealer with "soft" or commission dollars in exchange for access to statistical information and research, which is offered without any commitment to engage in any specific business or transaction.

With respect to fixed income transactions, JPMIM does not have any soft dollar arrangements with broker-dealers and does not direct client trades to particular broker-dealers in exchange for research or other soft dollar benefits. With respect to effecting brokerage transactions for client investments in U.S. equity securities, JPMIM utilizes client commission arrangements ("CCAs") whereby JPMIM's trading partners agree to allocate a portion of eligible commissions into a pool that can be used to pay for research from providers that JPMIM does not have a brokerage relationship with. CCAs provide JPMIM's traders maximum flexibility in accessing liquidity at the lowest total cost of implementation. Most often the research obtained with CCA credits is third-party research (*i.e.*, research not produced by the executing broker). However, JPMIM may allocate a portion of the CCA credits to the value that it assigns to the executing broker's proprietary research, where the broker does not assign a hard dollar value to the research it provides, but rather bundles the cost of such research into the commission structure. Clients that do not participate in the soft dollar program pay the same commission rate as all other accounts, however no portion of their commissions are credited to the CCA pool at the executing broker-dealer.

When JPMIM uses client brokerage commissions to obtain research or other services, JPMIM (and indirectly, JPMPI) receives a benefit because it does not have to produce or pay for the research, products or services itself. As a result, JPMIM may have an incentive to select a particular broker-dealer in order to obtain the research, products or other services from that broker-dealer, rather than to obtain the lowest price for execution. However, JPMIM's practice is to establish CCAs only with those broker-dealers with whom it has established strong trading relationships, with whom it has negotiated favorable terms, and who have demonstrated a commitment to providing best execution. JPMIM believes such arrangements are useful in its investment decision-making process by, among other things, ensuring access to a variety of high quality research, individual analysts, and resources that JPMIM might not otherwise be provided absent such arrangements.

Under JPMIM's soft dollar policy, the services obtained must fall within the safe harbor requirements of Section 28(e) of the Securities Exchange Act of 1934. Section 28(e) provides a safe harbor that protects a money manager from liability for a breach of fiduciary duty solely because it pays more than the lowest available commission rate. Section 28(e) requires that the research services obtained with client brokerage commissions provide lawful and appropriate assistance in the decision-making process, and that the amount of the client commission is reasonable in relation to the value of the products or services provided by the broker-dealer.

January 15, 2016

As a result, while JPMIM generally seeks the most favorable price in placing its orders, an account may not always pay the lowest price available, but generally orders are executed within a competitive range. JPMIM may select brokers who charge a higher commission than other brokers if JPMIM determines in good faith that the commission is reasonable in relation to the brokerage and research services the broker provides. Additionally, while adhering to its duties of good faith and best execution, JPMIM's equity group regularly reviews the soft dollar benefits it receives from each of its broker-dealers and establishes a target amount to spend on services from each broker-dealer.

The type of research services that JPMIM receives with client brokerage commissions include:

- Research as to the value of securities
- The advisability of investing in, purchasing, or selling securities
- The availability of securities or purchasers or sellers of securities
- Analyses and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy, and the performance of accounts

Research services are received electronically and also in the form of seminars, written reports, telephone contacts, and personal meetings with sell-side security analysts, economists and senior issuer representatives.

The brokerage services JPMIM receives include not only the execution of trades but also incidental functions that may include post-trade matching, exchange of messages among broker-dealers, custodians and institutions, and routing settlement instructions to custodian banks and broker-dealers' clearing agents.

The research obtained from CCA credits is used to benefit all of JPMIM's clients, not only for the client accounts that generated the credits. Additionally, the research is not allocated to client accounts proportionately to the credits the accounts generate. Also, JPMIM may share research reports, including those that have been obtained as soft dollar benefits, with advisory affiliates and related persons, including offshore affiliated advisers.

2. Brokerage for Client Referrals.

JPMPI does not select broker-dealers in order to receive client referrals.

3. Directed Brokerage.

JPMPI 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

JPMPI does not aggregate client orders.

ITEM 13

Review of Accounts

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

JPMPI's portfolio managers are generally responsible for the daily management and review of the portfolio accounts under their supervision. JPMPI periodically reviews these accounts utilizing product-specific review processes and supervisory personnel. Accordingly, account reviews may differ across various product groups.

Each product group conducts performance reviews of its portfolio manager's accounts through various Risk oversight committees. Such reviews examine portfolio adherence to investment guidelines, portfolio account performance, and JPMPI's current investment processes and practices. An account review is formal in nature and is conducted by a team of portfolio managers and individuals from other appropriate functional areas. The information in this brochure does not include all the specific review features associated with each investment strategy or applicable to a particular client account. Clients are urged to ask questions regarding JPMPI's review process applicable to a particular strategy or investment product, read all product-specific disclosures and determine whether a particular investment strategy or type of security is suitable for their accounts in light of their circumstances, investment objectives and financial situation.

For FDG and FTE, it is the responsibility of JPMS to review client accounts on an ongoing basis. For more information, please see the JPMS Form ADV Part 2A Appendix 1 (Consulting Services Program Brochure).

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

In addition to periodic reviews, JPMPI may perform reviews as it deems appropriate or otherwise required. Additional reviews of accounts may be triggered by compliance monitoring, industry factors, market developments, statutory and regulatory changes, and any issues that may have been identified.

C. Content and Frequency of Account Reports to Clients

JPMPI provides annual reports to investors in Private Funds containing the Private Fund's (i) audited balance sheet for the most recent fiscal year, (ii) audited income statement for such fiscal year and (iii) a statement of capital for such fiscal year. JPMPI's obligations in these respects are more fully specified in each of the limited partnership and limited liability company agreements.

All clients receive, at least quarterly, a statement of the assets held in their account(s) that contains a complete description of each asset together with cost and current market values. Many clients receive these statements monthly. Also, all clients receive a monthly statement of transactions, detailing all activity within their accounts. Upon request, performance reports are sent quarterly to clients on their account(s).

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 JPMPI's clients.

B. Compensation to Non-Supervised Persons for Client Referrals

JPMPI may compensate, and may continue to compensate, affiliated and non-affiliated persons for client referrals in accordance with Rule 206(4)-3 under the Advisers Act. The compensation to be paid will generally consist of a cash payment computed as a percentage of JPMPI's advisory fee, although other methods of computation may be used.

ITEM 15

Custody

JPMPI generally does not maintain physical custody of client assets. The assets of a Fund are typically held by a qualified custodian pursuant to a separate custody agreement. However, an affiliate of JPMPI may serve as qualified custodian to one or more Funds. In addition, JPMPI or an affiliate of JPMPI 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.

JPMPI may be deemed to have custody of a wrap program client's assets if JPMPI contracts directly with the wrap program client for services. In such cases, the program sponsor or a qualified custodian will send required periodic account statements to the wrap program client. The wrap program client should carefully review and reconcile the custodian statements to ensure that they reflect appropriate activity in the wrap program account.

ITEM 16

Investment Discretion

JPMPI accepts discretionary authority to manage securities accounts on behalf of the Private Funds that are clients. Clients place limits on this discretionary authority via the investment advisory agreement between JPMPI and the client, as well as the prospectus/offering memorandum, which sets forth the investment parameters for JPMPI.

The investment advisory agreement grants JPMPI the authority to manage securities accounts on behalf of clients. The prospectus/offering memorandum details, and places limits on, the investment strategies that JPMPI will pursue for the client. Before JPMPI assumes this authority, the investment advisory agreement must be executed by JPMPI and the client, and the prospectus/offering memorandum must be distributed to the client.

JPMPI accepts discretionary investment authority to manage the RICs through a sub-advisory agreement with JPMIM, which grants JPMPI the authority to manage accounts on behalf of clients. The prospectus/offering memorandum details, and places limits on, the investment strategies that JPMPI will pursue for the client.

JPMPI also accepts discretionary authority to manage securities on behalf of the individual clients through the STRATIS program. JPMPI exercises its discretionary authority through a Separate Account Program Agreement between JPMPI and JPMS, and clients execute a Client Agreement with JPMS to participate in the STRATIS program and select FDG or FTE as a strategy. Clients may place reasonable restrictions on the purchase or sale of certain securities for their STRATIS account, subject to JPMS's acceptance. Any restrictions on the management of an account may cause the account to perform differently than similar unrestricted accounts.

ITEM 17

Voting Client Securities

A. Policies and Procedures Relating to Voting Client Securities

If JPMPI has been appointed as discretionary investment manager for a client, the agreement between JPMPI and the client will usually grant JPMPI the authority to vote the proxies of the securities held in the client's portfolio. As a fiduciary, JPMPI must act in the best interest of the client including with respect to proxy voting activities. JPMPI has delegated proxy voting authority to J.P. Morgan Asset Management ("JPMAM"). To ensure that the proxies are voted in the best interests of its clients, JPMAM has adopted detailed proxy voting procedures ("Procedures") pursuant to Rule 206(4)-6 under the Advisers Act that incorporate detailed proxy guidelines ("Guidelines") for voting proxies on specific types of issues.

Most routine proxy matters will be voted in accordance with the Guidelines, which have been developed with the objective of encouraging corporate action that enhances shareholder value. Because proxy proposals and individual company facts and circumstances may vary, JPMAM may not always vote proxies in accordance with the Guidelines.

JPMAM has retained an independent proxy voting services to vote in situations where a material conflict may exist. This includes voting any JPMorgan securities and shares of JPMorgan mutual funds held in any JPMAM client accounts.

In situations in which the Guidelines recommend a case-by-case analysis or where a vote contrary to the independent proxy voting services recommendation is considered appropriate, the Procedures require a certification and review process to be completed by appropriate investment professionals. That process is designed to identify actual or potential material conflicts of interest and ensure that the proxy vote is cast in the best interests of clients.

To oversee and monitor the proxy-voting process, JPMAM has established a proxy committee and appointed a proxy administrator in each global location where proxies are voted. The proxy committee is composed of a representative of the Proxy Administrator, senior business officers of JPMAM and representatives of each of the Legal, Compliance and Risk Management Departments. The proxy committee will meet periodically to review general proxy-voting matters, review and approve the Guidelines annually, and provide advice and recommendations on general proxy-voting matters as well as on specific voting issues.

In order to maintain the integrity and independence of JPMPI's investment processes and decisions, including proxy voting decisions, and to protect JPMPI's decisions from influences that could lead to a vote other than in the clients' best interests, JPMorgan (including JPMPI) adopted a Safeguard Policy, and established formal informational barriers designed to restrict the flow of information from JPMorgan's securities, lending, investment banking and other divisions to JPMAM investment professionals. Material conflicts of interest are further avoided by voting in accordance with JPMAM's predetermined Guidelines. Examples of material conflicts of interest that could arise include without limitation circumstances in which: (i) management of a JPMPI client or prospective client, distributor or prospective distributor of its

January 15, 2016

investment management products, or critical vendor is soliciting proxies and failure to vote in favor of management may harm JPMPI's relationship with such company and materially impact JPMPI's business; or (ii) a personal relationship between a JPMPI officer and management of a company or other proponent of a proxy proposal could impact JPMPI's voting decisions.

Depending on the nature of the conflict of interest, JPMAM, in the course of addressing the conflict, may elect to take one or more of the following measures, or other appropriate action:

- Removing certain JPMAM personnel from the proxy voting process;
- "Walling off" personnel with knowledge of the conflict to ensure that such personnel do not influence the relevant proxy vote;
- Voting in accordance with the applicable Guidelines, if any, if the applicable Guidelines would objectively result in the casting of a proxy vote in a predetermined manner; or
- Deferring the vote to the Independent Voting Service, if any, that will vote in accordance with its own recommendation.

The resolution of all potential and actual material conflict issues will be documented in order to demonstrate that JPMPI acted in the best interests of its clients.

Clients may obtain a copy of JPMAM's Proxy Voting Procedures and information about how JPMAM voted the client's proxies by contacting their client service representative or financial advisor.

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.