

## COMMODITY FUTURES TRADING COMMISSION RULE 1.55(k) AND 1.55(o): FCM-SPECIFIC DISCLOSURE DOCUMENT

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The Commodity Futures Trading Commission (“Commission” or “CFTC”) requires each futures commission merchant (“FCM”), including **J.P. Morgan Securities LLC** (“JPMS LLC”), to provide the following information to a customer prior to the time the customer first enters into an account agreement with the FCM or deposits money or securities (funds) with the FCM. Except as otherwise noted below, the information set out is as of **September 24<sup>th</sup>, 2021**

J.P. Morgan Securities LLC will update this information annually and as necessary to take account of any material change to its business operations, financial condition or other factors that J.P. Morgan Securities LLC believes may be material to a customer’s decision to do business with it. Nonetheless, the business and financial data of J.P. Morgan Securities LLC is not static and will change in non-material ways frequently throughout any 12-month period.

NOTE: J.P. Morgan Securities LLC (“JPMorgan”) is a subsidiary of JPMorgan Chase & Co. Information that may be material with respect to J.P. Morgan Securities LLC for purposes of the Commission’s disclosure requirements may not be material to JPMorgan Chase & Co. for purposes of applicable securities laws.

### FIRM AND ITS PRINCIPALS

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1.55(k)(1) FCM’s name, address of its principal place of business, phone number, fax number and email address.

- **J.P. Morgan Securities LLC**
  - Name – J.P. Morgan Securities LLC
  - Address – 383 Madison Avenue, New York, NY 10179
  - Phone number – 212-834-6271 or 212-270-6000
  - Fax number – 212-622-0076
  - Email – CFTC\_Disclosure\_Information@JPMorgan.com

1.55(k)(6) FCM’s DSRO and DSRO’s website address

- **J.P. Morgan Securities LLC** – Commodity Exchange, Inc. (CEI or COMEX)  
Division of the CME Group <http://www.cmegroup.com/>

1.55(k)(2) The name, title, business address, business background, areas of responsibility and the nature of the duties of each principal as defined in § 3.1(a).

- **J.P. Morgan Securities LLC** – See <http://www.nfa.futures.org/basicnet/welcome.aspx>

This link will take you to the Welcome Page of the NFA’s Background Affiliation Status Information Center (“BASIC”). At this page, there is a box where you can enter the NFA ID of J.P. Morgan Securities LLC (0000815) and then click “Go”. You will be transferred to the NFA’s information specific to either firm. Under the heading “Listed Principals” is a list of the firm’s Principals and their titles. See additional information in the table below.

<b>Name and Title</b>	<b>Business Address</b>	<b>Background, Areas of Responsibility and Nature of Duties (note that tenure may include heritage banks)</b>
MARC KARIM BADRICHANI  Managing Director	383 Madison Avenue  New York, NY 10179	Head of Americas Sales & Marketing  J.P. Morgan employee since 2005
JOSEPH A. CERULLO  Managing Director	383 Madison Avenue  New York, NY 10179	Chief Compliance Officer – Futures Commission Merchant and NA Swap Dealers  J.P. Morgan employee since 2003
JAMES MICHAEL COLLINS  Managing Director	4 Chase Metrotech Center  Brooklyn, NY 11245-	Chief Financial Officer  J.P. Morgan employee since 2008
PAUL DAVIDSON  Managing Director	383 Madison Avenue New York, NY 10179	Americas Head of Clearing  J.P. Morgan employee since 1998
JEREMY ROSS GELLER  Managing Director	390 Madison Ave,  New York, NY 10017	CEO – U.S. Private Bank  J.P. Morgan employee since 2001
CHRISTOPHER HARVEY  Member of the Board of Managers	277 Park Avenue  New York, NY 10172	Head of Latin America Private Bank  J.P. Morgan employee since 1984

CLAUDIA JURY Managing Director	383 Madison Avenue New York, NY 10179	Global Head of Platform Sales J.P. Morgan employee since 1991
ROGER JAY KLION Managing Director	575 Washington Blvd Jersey City, NJ 07310	Chief Operating Officer J.P. Morgan employee since 1982 (started at Bear Stearns, transferred to J.P. Morgan in 2008)
NICHOLAS P. RUSTAD Managing Director	Canary Wharf, 25 Bank Street, London, E145JP,	Global Head of Clearing J.P. Morgan employee since 2001
JASON EDWIN SIPPEL Member of the Board of Managers	25 Bank Street London, E14 5JP	CEO of J.P. Morgan Securities LLC Head of Equities and Prime Services J.P. Morgan employee since 2002
JOHN EATON SIMMONS Managing Director	383 Madison Avenue New York, NY 10179	Head of Middle Market Banking & Specialized Industries
ERIC J. STEIN Member of the Board of Managers	383 Madison Avenue New York, NY 10179	Global Investment Banking J.P. Morgan employee since 1989
ERIC D. TEPPER Member of the Board of Managers	390 Madison Ave New York, NY, 10017	Head - Chase Wealth Management J.P. Morgan employee since 1997 (started with Bear Stearns, transferred to J.P. Morgan in 2008)
AMANDA D. WINKELMAN Managing Director	500 Stanton Christiana Rd Newark, DE, 19713	North America Derivatives and Currency Operations

## FIRM'S BUSINESS

1.55(k)(3) The significant types of business activities and product lines engaged in by the FCM, and the approximate percentage of FCM's assets and capital that are used in each type of activity.

- See Statement of Financial Condition Note 1 at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/statements->

[financial-condition](#)

- The approximate percentage of the FCM’s assets and capital that are used in each type of activity is located in the Supplemental Financial Disclosures in Monthly Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

**FCM CUSTOMER BUSINESS**

1.55(k)(4) FCM’s business on behalf of its customers, in its capacity as such, including:

- Types of customers: Institutional (asset managers, pension funds, insurance companies, banks, hedge funds); Private Bank (individuals); Commercial (corporates, agricultural, energy); Proprietary (HFT, family offices)
- Markets cleared: Futures & Options (commodities, equity, fixed income, foreign exchange); OTC Derivatives (interest rate, credit & foreign exchange derivatives eligible for clearing)
- International businesses: Europe, Asia, Latin America
- Clearinghouse memberships: JPMorgan, through its affiliates, offers futures and options and OTC clearing services at over 30 clearinghouses globally. Below please find a list of a clearing organizations where J.P. Morgan Securities LLC, as an FCM, is member:

<b>Clearing Organization</b>
CME Clearing (F&O)
CME Clearing – IRS Derivative Rates Clearing (OTC Clearing)
ICE Clear Europe (F&O)
ICE Clear US (F&O)
ICE Clear Credit LLC (OTC Clearing)
Minneapolis Grain Exchange (F&O)
The Options Clearing Corporation (F&O)
LCH Clearnet Limited – SwapClear (OTC Clearing)
LCH Clearnet Limited – ForexClear (OTC Clearing)
Nodal Clear (F&O)

- carrying brokers used: affiliates, non-affiliates

**J.P. Morgan Securities LLC:**

<b>Carrying Brokers US/Non-US</b>	<b>Affiliated with FCM Y/N</b>
J.P. Morgan Securities plc	Y
J.P. Morgan AG	Y

J.P. Morgan Securities LLC permits certain customers to establish and maintain separate accounts with JPMorgan. Such separate accounts may be: (i) managed by different asset management firms, introducing brokers or associated persons; (ii) managed as separate investment portfolios by the same asset management firm, introducing broker or associated person; (iii) subject to liens in

connection with operating loans that contractually obligate an FCM to treat the accounts separately; or (iv) otherwise required for regulatory or appropriate business purposes. Subject to the terms and conditions of CFTC Letter No. 19-17, JPMorgan treats such separate accounts as accounts of separate entities. Among other things, JPMorgan may calculate the margin requirements for each separate account independently from all other separate accounts of the same customer and may disburse excess funds from one separate account notwithstanding that another separate account is under margined.

Among other terms and conditions set out in CFTC Letter No. 19-17, JPMorgan is required to advise its customers that are permitted to maintain separate accounts that, in the unlikely event of JPMorgan's bankruptcy, the customer will be treated no differently from other customers, as a result of having maintained separate accounts with JPMorgan. In particular, all separate accounts maintained for or on behalf of any such customer will be combined in determining such customer's rights and obligations under the applicable provisions of the U.S. Bankruptcy Code and Part 190 of the Commodity Futures Trading Commission's Regulations.

CFTC Letter No. 19-17 also clarified CFTC Regulation 1.56, stating that any agreement containing provisions limiting an FCM's recourse to less than all assets of the beneficial owner of an account is an express violation of Regulation 1.56. In accordance with the subsequent CFTC Letter No. 20-28, with respect to any agreement containing such provision, JPMorgan (as an FCM) is required to provide a written disclosure to the beneficial owner that (a) Regulation 1.56 provides that the FCM may not represent that it will (1) guarantee the beneficial owner against loss, (2) limit the loss of the beneficial owner, or (3) prohibit the FCM from calling for or attempting to collect initial and maintenance margin as established by the rules of the applicable board of trade, and (b) explains any reliance upon the operation of applicable law and severability contractual provisions of such agreement with regard to compliance with Regulation 1.56.

## PERMITTED DEPOSITORIES AND COUNTERPARTIES

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FCM's policies and procedures concerning the choice of bank depositories, custodians and counterparties to permitted transactions under § 1.25.

**J.P. Morgan Securities LLC** exercises due care in the selection of bank depositories, custodians and counterparties to permitted transactions under CFTC Regulation 1.25.

JPMorgan conducts extensive due diligence during the depository selection process. As part of the selection process, JPMorgan considers numerous factors within its due diligence criteria including, but not limited to, the financial strength of the entity, concentrations of expected asset deposits, the clearing and/or custody operational environment, volume capacity, depository, regulatory and supervisory coverage, internal/external audit coverage, contingency plans, and applicable insurance coverage. Initial due diligence assessments by professionals in the JPMorgan Credit and Network Management teams form an essential part of the selection process.

Additionally, before a new market is offered, or a new clearing house or broker relationship is established, JPMorgan conducts a thorough review that includes due diligence, internal

governance, and senior management approval to determine whether or not a specific market will be offered and if a counterparty meets our criteria and standards for consideration. Careful consideration is also given to how the market will be proactively managed with respect to regulatory requirements.

## MATERIAL RISKS

1.55(k)(5) The material risks, accompanied by an explanation of how such risks may be material to its customers, of entrusting funds to FCM, including, without limitation:

(i) the nature of investments made by FCM (including credit quality, weighted average maturity and weighted average coupon);

- Information about the JPMorgan CFTC 1.25 Investment Guidelines as well as the current average weighted maturity of CFTC Rule 1.25 investments and the average weighted coupon is located in the Supplemental Financial Disclosures in Monthly Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>
- See Statement of Financial Condition Notes 3, 4, & 6 at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/statements-financial-condition>

(ii) FCM's

- creditworthiness,

See Statement of Financial Condition

1 at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/statements-financial-condition>

- capital,

See Statement of Financial Condition Note 15 at

<https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/statements-financial-condition>

- leverage,

Information on leverage is located in the Supplemental Financial Disclosures – Other disclosures section in Monthly Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

- liquidity,

See the Firmwide Risk Management section of Annual Report at

<https://www.jpmorganchase.com/ir/annual-report>

- principal liabilities,

See Statement of Financial Condition Balance Sheet at

<https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/statements-financial-condition>

- balance sheet leverage and other lines of business;

See Supplemental Financial Disclosures in Monthly Reports at

<https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

(iii) risks to FCM created by its affiliates and their activities, including investment of customer funds in an affiliated entity; and

**J.P. Morgan Securities LLC** – Risks to the FCM created by its affiliates are addressed by the Futures Industry Association, FAQ on Protection of Customer Funds, available at <https://fia.org/articles/fia-issues-fourth-version-guide-customer-fund-protections>. The below text is based on the FIA's FAQ response:

The use of affiliates to carry and clear foreign transactions provides benefits but also presents risks. Provided the affiliate meets the criteria the FCM has established for depositories holding Customer Funds, an FCM may use one or more affiliates to carry and clear transactions on foreign boards of trade, including in major markets such as the United Kingdom, Hong Kong and Singapore. A customer is encouraged to consider the risks as well as the benefits of effecting transactions on foreign boards of trade through the FCMs' affiliates.

Many FCMs believe customers receive significant benefits if trades are executed through affiliated foreign brokers. FCMs will necessarily have far more information about an affiliated foreign broker, e.g., its internal controls, investment policies, customer protection regime, finances and systems, and are better able to exert influence over an affiliated foreign broker. Customers, for their part, often prefer to deal with one integrated company, whose unified balance sheet and financial statement permit the customers to more easily assess the potential risk of trading through that FCM.

In addition, an FCM generally is able to provide services to its customers more efficiently and more effectively if trades are executed and cleared through one or more affiliates. An FCM and its affiliates customarily use the same systems, which permit straight-through processing of trades, thereby enhancing certainty of execution (including give-up transactions), facilitating reconciliations and reducing errors (or the time necessary to resolve errors). Straight-through processing also facilitates an FCM's ability to (i) manage the risks of carrying its customers' positions, and (ii) comply with position limit and large trader reporting requirements, both in the US and in foreign jurisdictions. Moreover, an FCM that executes transactions on foreign boards of trade through an affiliate may be able to offer certain value-added services, including a platform for direct access to certain markets and single currency margining.

Nonetheless, the use of affiliates also poses certain risks. Because the activities of a US FCM and its affiliates are integrated, the failure of one such entity may cause all of the affiliated companies to fail or be placed in administration within a relatively brief period of time. As is the case if an unaffiliated foreign broker were to fail, each of these companies would be liquidated in accordance with the bankruptcy laws of the local jurisdiction. CFTC Regulation 30.7 Customer Secured Amount Funds held with such entities in support of foreign futures and options trading would not receive the same protections afforded Customer Funds under the Commodity Exchange Act and the US Bankruptcy Code. If, on the other hand, a defaulting US FCM had cleared its 30.7 Customers' foreign futures and foreign options transactions through unaffiliated foreign



brokers, the foreign broker likely would not have failed as a result of the FCM's failure, and the defaulting FCM's trustee in bankruptcy could have directed the foreign broker to liquidate all customer positions and return the balance to the trustee for distribution to customers.

In either case, however, in the event of the failure of a foreign broker, return of 30.7 Customer Funds to the US will be delayed and likely will be subject to the costs of administration of the failed foreign broker in accordance with the law of the applicable jurisdiction, as well as possible other intervening foreign brokers, if multiple foreign brokers were used to process the US customers' transactions on foreign markets.

- **J.P. Morgan Securities LLC** – See Statement of Financial Condition Note 5 at <https://jpmorganchaseco.qcs-web.com/ir/sec-other-filings/statements-financial-condition>

(iv) any significant liabilities, contingent or otherwise, and material commitments.

- **J.P. Morgan Securities LLC** – See Statement of Financial Condition Note 16 at <https://jpmorganchaseco.qcs-web.com/ir/sec-other-filings/statements-financial-condition>

1.55(k)(6) The location where **J.P. Morgan Securities LLC** annual audited financial statements are made available.

- The most recent audited financial statement for **J.P. Morgan Securities LLC** is available electronically at <https://jpmorganchaseco.qcs-web.com/ir/sec-other-filings/statements-financial-condition>

## MATERIAL COMPLAINTS OR ACTIONS

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1.55(k)(7) Any material administrative, civil, enforcement or criminal complaints or actions filed against FCM where such complaints or actions have not concluded, and any enforcement complaints or actions filed against FCM during the last three years.

- **J.P. Morgan Securities LLC** – Find concluded actions at <https://brokercheck.finra.org/firm/summary/79>. Follow this link and click on “Detailed Report” on the upper right corner and go to the section entitled “Disclosure Events” (the page # is listed on the first page of this report) for the full list of regulatory, criminal and judicial proceedings.

Additional concluded actions can be found at <http://www.nfa.futures.org/basicnet/welcome.aspx>

This link will take you to the Welcome Page of the NFA's Background Affiliation Status Information Center (“BASIC”). At this page, there is a box where you can enter the NFA ID of J.P. Morgan Securities LLC (0000815) and then click “Go”. You will be transferred to the NFA's information specific to J.P Morgan Securities LLC. Under the heading “Regulatory Actions”, click “View all actions” and you will be directed to the full list of regulatory actions brought by the CFTC and exchanges.

- **J.P. Morgan Chase & Co**– Material actions that have not been concluded can be found in the Annual Report Note 30 – “Litigation”. Annual Report can be found at <https://www.jpmorganchase.com/ir/annual-report>
- **J.P. Morgan Securities LLC**– Material actions that have not been concluded - See Statement of Financial Condition Note 16 (“Litigation”) at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/statements-financial-condition>

## CUSTOMER FUNDS SEGREGATION

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1.55(k)(8) A basic overview of customer fund segregation, FCM management and investments, FCMs and joint FCM/broker dealers.

- **J.P. Morgan Securities LLC**– The Futures Industry Association has created a Frequently Asked Question document which provides a basic overview of customer fund segregation, FCM collateral management and investments, as well as a number other topics. This document is available at <https://fia.org/articles/fia-issues-fourth-version-guide-customer-fund-protections>

## FILING A COMPLAINT

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1.55(k)(9) Information on how a customer may obtain information regarding filing a complaint about an FCM with the Commission or with FCM’s DSRO.

A customer may file a complaint about **J.P. Morgan Securities LLC** or one of its employees with the Commission by contacting the CFTC’s Division of Enforcement either electronically at <https://forms.cftc.gov/fp/complaintform.aspx> or by calling the Division of Enforcement toll-free at 866-FON-CFTC (866-366-2382).

A customer may file a complaint about the **J.P. Morgan Securities LLC** or one of its employees with the National Futures Association electronically at <http://www.nfa.futures.org/basicnet/Complaint.aspx> or by calling NFA directly at 800-621-3570.

A customer may file a complaint about **J.P. Morgan Securities LLC** or one of its employees with **J.P. Morgan Securities LLC’s** DSRO, Commodity Exchange, Inc. (CEI or COMEX) Division of the CME Group, electronically at <http://www.cmegroup.com/market-regulation/file-complaint.html> or by calling the CME Group at 312-341-7970.

## RELEVANT FINANCIAL DATA

1.55(k)(10) Financial data as of the most recent month-end when the Disclosure Document is prepared.

(i) the FCM's total equity, regulatory capital, and net worth, all computed in accordance with U.S. Generally Accepted Accounting Principles and Rule 1.17, as applicable;

- **J.P. Morgan Securities LLC** – See Statement of Financial Condition for the total equity and net worth at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/statements-financial-condition> and the Monthly Reports for regulatory capital at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

(ii) the dollar value of the FCM's proprietary margin requirements as a percentage of the aggregate margin requirement for futures customers, cleared swaps customers, and 30.7 customers;

- **J.P. Morgan Securities LLC**  
See Supplemental Financial Disclosures in Monthly Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

(iii) the number of futures customers, cleared swaps customers, and 30.7 customers that comprise 50 percent of the FCM's total funds held for futures customers, cleared swaps customers, and 30.7 customers, respectively;

- **J.P. Morgan Securities LLC**  
See Supplemental Financial Disclosures in Monthly Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

(iv) the aggregate notional value, by asset class, of all non-hedged, principal over-the-counter transactions into which the FCM has entered;

- **J.P. Morgan Securities LLC**  
See Supplemental Financial Disclosures in Monthly Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

(v) the amount, generic source and purpose of any unsecured lines of credit (or similar short-term funding) the FCM has obtained but not yet drawn upon.

- **J.P. Morgan Securities LLC** – See Supplemental Financial Disclosures in Monthly Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

(vi) the aggregated amount of financing the FCM provides for customer transactions involving illiquid financial products for which it is difficult to obtain timely and accurate prices;

- **J.P. Morgan Securities LLC**  
See Supplemental Financial Disclosures in Monthly Reports at

<https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

(vii) the percentage of futures customer, cleared swaps customer, and 30.7 customer receivable balances that the FCM had to write-off as uncollectable during the past 12-month period, as compared to the current balance of funds held for futures customers, cleared swaps customers, and 30.7 customers.

- **J.P. Morgan Securities LLC**  
See Supplemental Financial Disclosures in Monthly Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

1.55(o)(4) Additional financial information on all FCMs.

Additional financial information on all FCMs is also available on the Commission's website at <https://www.cftc.gov/MarketReports/financialfcmdata/index.htm>

1.55(o)(3) Financial information regarding the FCM, including how the FCM invests and holds customer funds.

Customers should be aware that the National Futures Association ("NFA") publishes on its website certain financial information with respect to each FCM. The FCM Capital Report provides each FCM's most recent month-end adjusted net capital, required net capital, and excess net capital. (Information for a twelve-month period is available.) In addition, NFA publishes twice-monthly a Customer Segregated Funds report, which shows for each FCM: (i) total funds held in Customer Segregated Accounts; (ii) total funds required to be held in Customer Segregated Accounts; and (iii) excess segregated funds, *i.e.*, the FCM's Residual Interest. This report also shows the percentage of Customer Segregated Funds that are held in cash and each of the permitted investments under Commission Rule 1.25. Finally, the report indicates whether the FCM held any Customer Segregated Funds during that month at a depository that is an affiliate of the FCM.

The report shows the most recent semi-monthly information, but the public will also have the ability to see information for the most recent twelve-month period. A 30.7 Customer Funds report and a Customer Cleared Swaps Collateral report provides the same information with respect to the 30.7 Account and the Cleared Swaps Customer Account.

The above financial information reports can be found by conducting a search for a specific FCM in NFA's BASIC system (<http://www.nfa.futures.org/basicnet/>) and then clicking on "View Financial Information" on the FCM's BASIC Details page.

1.55(k)(11) A summary of FCM's current risk practices, controls and procedures.

- See the Firmwide Risk Management section of the Annual Report by following the below link and downloading the Annual Report <https://www.jpmorganchase.com/ir/annual-report>

**J.P. Morgan Securities LLC** – The FCM, J.P. Morgan Securities LLC, has created Risk Management Programs in accordance with CFTC Rule 1.11. This program, which has been sent to the CFTC, is comprised of internal JPMorgan policies and takes into account market, credit, liquidity, foreign currency, legal, operational, settlement, segregation, technological, capital, and other applicable risks. These policies are designed to address requirements found

in the Commodity Exchange Act and CFTC Rules including Parts 1, 22, and 30, as well as the rules of our Designated Self-Regulatory Organizations, NFA and Commodity Exchange, Inc., Division of the CME Group.

Where applicable these policies provide a description of the risk tolerance limits set by the FCM and the underlying methodology in the written policies and procedures.

The Risk Management Programs contain policies to address each of the risk categories listed above. Below you can find a summary of the types of policies that have been included in the Risk Management Program. The information below is not exhaustive and is designed to illustrate the FCMs' risk practices, controls and procedures.

- **Segregation Risk** – The firm maintains policies and controls to ensure that customer funds are treated in accordance with the maintenance, reporting and recordkeeping requirements pursuant to Section 4d of the Commodity Exchange Act and the related regulations. These policies include the determination, maintenance, monitoring and reporting of the firm's residual interest deposited in segregation for the benefit of the FCMs' customers. Related policies cover the firm's due diligence program for all depository locations where client funds or assets are placed and the firm's investment guidelines for investment of customer funds pursuant to CFTC Regulation 1.25.
- **Capital Risk** – Policies that document the regulatory & financial reporting processes.
- **Credit Risk** – Policies that cover onboarding, margin, risk monitoring and escalation procedures, monitoring of concentration/liquidity risk of open positions, limits management, and risk management. Additionally, the credit risk policies contain the approval principles and outline the periodic credit reviews required to maintain a current risk assessment of the firm's credit exposures as part of its ongoing credit risk management process.
- **Legal Risk** – Policies that set forth the minimum record retention requirements that apply to an FCM and its personnel, internal guidelines with respect to documenting transactions with new futures and options and OTC clearing clients, and the review process for determining netting and collateral enforceability rights of the FCM under relevant master agreements based on counterparty jurisdiction and institution type.
- **Liquidity Risk** – The firm maintains procedures for managing liquidity through actual stress events, as well as delineating roles and responsibility with respect to liquidity management versus risk oversight. Additionally, the liquidity risk policies seek to ensure that the FCMs' core businesses are able to operate in support of client needs, and meet contractual and contingent obligations through normal cycles as well as during market and idiosyncratic stress events.
- **Market Risk** – Policies that govern the management of market related risks associated with F&O and OTC cleared derivative activities.
- **Operational Risk** – The firm maintains an overall framework that includes oversight and governance, policies and procedures, consistent practices across the lines of business, and firmwide risk management tools intended to provide a sound and well-controlled operational environment. The goal is to keep operational risk at appropriate levels, in light of the firm's financial strength, the characteristics of its businesses, the markets in which it operates, and the competitive and regulatory environment to which

it is subject.

- **Settlement Risk** – Policies cover onboarding and margin procedures, risk monitoring and escalation procedures, monitoring of concentration/liquidity risk of open positions, limits management, and FCM risk management.
- **Technological Risk** – Technological Risk establishes control requirements designed to prevent, detect, and react to conditions that could adversely impact the confidentiality, integrity, and availability of the firm’s information resources.

1.55(o)(1) Each futures commission merchant shall make the following financial information publicly available on its Web site:

(i) The daily Statement of Segregation Requirements and Funds in Segregation for Customers Trading on U.S. Exchanges for the most current 12-month period;

- **J.P. Morgan Securities LLC**

See Daily Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

(ii) The daily Statement of Secured Amounts and Funds Held in Separate Accounts for 30.7 Customers Pursuant to Commission Regulation 30.7 for the most current 12-month period;

- **J.P. Morgan Securities LLC**

See Daily Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

(iii) The daily Statement of Cleared Swaps Customer Segregation Requirements and Funds in Cleared Swaps Customer Accounts Under Section 4d(f) of the Act for the most current 12-month period;

- **J.P. Morgan Securities LLC** See Daily Reports at

<https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

(iv) A summary schedule of the futures commission merchant’s adjusted net capital, net capital, and excess net capital, all computed in accordance with § 1.17 and reflecting balances as of the month-end for the 12 most recent months;

- **J.P. Morgan Securities LLC**

See Monthly Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

(v) The Statement of Financial Condition, the Statement of Segregation Requirements and Funds in Segregation for Customers Trading on U.S. Exchanges, the Statement of Secured Amounts and Funds Held in Separate Accounts for 30.7 Customers Pursuant to Commission Regulation 30.7, the Statement of Cleared Swaps Customer Segregation Requirements and Funds in Cleared Swaps Customer Accounts Under Section 4d(f) of the Act, an all related footnotes to the above schedules that are part of the futures commission merchant's most current certified annual report pursuant to § 1.16; and

- **J.P. Morgan Securities LLC**

See Annual Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

(vi) The Statement of Segregation Requirements and Funds in Segregation for Customers Trading on U.S. Exchanges, the Statement of Secured Amounts and Funds Held in Separate Accounts for 30.7 Customers Pursuant to Commission Regulation 30.7, and the Statement of Cleared Swaps Customer Accounts Under Section 4d(f) of the Act that are part of the futures commission merchant's unaudited Form 1-FR-FCM or Financial and Operational Combined Uniform Single Report under the Securities Exchange Act of 1934 ("FOCUS Report") for the most current 12-month period.

- **J.P. Morgan Securities LLC** See Monthly Reports at <https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/cftc-financial-reports>

This Disclosure Document was updated on September 24th, 2021.