

J.P. Morgan Securities LLC
CFTC Supplemental Disclosures

September 30, 2020

J.P. Morgan Securities LLC
Assets and Capital Allocation as of Sept 30, 2020

	<u>Asset Allocation</u>	<u>Capital Employed</u>
Financing (Resales, Borrows)	56%	10%
Inventory by Business Line		
Public Finance	0%	1%
Global Rates	24%	4%
Global Credit	1%	9%
Equity	6%	4%
Securitization	1%	8%
Other Inventory	0.2%	1%
Goodwill & Intangible Assets	0.2%	9%
Receivables from Brokers Dealers and Customers	4%	8%
Investments in Subs and Receivables from Affiliates	0.1%	5%
Fixed and all Other Assets*	7%	42%

J.P. Morgan Securities LLC

Weighted average and maturity of securities in which J.P. Morgan Securities LLC has invested customer funds as of Sept 30, 2020

J.P. Morgan Securities LLC ("JPMS LLC") (referred to as "the Company") under CFTC Rule 1.25 Investment Guidelines require management of its customer investment program with the primary objectives of preserving principal and maintaining liquidity. The Company sets investment guidelines and determines the appropriateness of specific investments of customer funds in accordance with CFTC Rule 1.25 based upon its internal assessment of permitted investments in consultation with credit on the basis of market, credit, counterparty, operational and liquidity risks. The Company evaluates its daily liquidity needs and structures its investment holding as part of its daily funding process to ensure the liquidity required to meet its cash liquidity needs for both clearing house and client settlement requirements is maintained. The current average weighted maturity of CFTC Rule 1.25 investments held is 253 days and the average weighted coupon is 0.24 percent.

J.P. Morgan Securities LLC

Proprietary margin information as of Sept 30, 2020

J. P. Morgan Securities LLC's proprietary futures and OTC cleared swap margin requirement is 2.8% of the entity's aggregate margin requirement for futures customers, 30.7 customers, and cleared swaps customers.

J.P. Morgan Securities LLC

Customers that comprise 50% of the Segregation Requirements as of Sept 30, 2020

The below table provides the total number of customers that comprise 50% of the credit net liquidating balances comprising the segregation requirement for each applicable CFTC segregation classification:

Firm Name	U.S. Segregation 1.20**	Foreign Futures & Options 30.7**	Cleared Swaps 22.2
J.P. Morgan Securities LLC	4	22	22

** The number of accounts reported includes customer omnibus accounts which contain multiple individual underlying disclosed & non-disclosed customer accounts.

J.P. Morgan Securities LLC

Non hedged principal over-the-counter transactions as of Sept 30, 2020

In general, J.P. Morgan Securities LLC ("JPMS LLC") acts as a primary dealer in U.S. government securities; makes markets in money market instruments and U.S. government agency securities; underwrites and trades various types of debt and equity securities (including securities issued by JPMorgan Chase or its affiliates) as well as other activities as described in its annual financial statements.

JPMS LLC has an enterprise wide risk management policy whose purpose is to identify and manage risk.

As a result of the above, there was no material unhedged risk as of Sept 30, 2020

J.P. Morgan Securities LLC

Customer Financing Involving Illiquid Products as of Sept 30, 2020

From time to time J.P. Morgan Securities LLC. ("JPMS LLC") lends money to its customers for various purposes based on the securities held by its customers at JPMS LLC. As a registered Broker-Dealer, all extensions of credit made by JPMS LLC must comply with Regulation T of the Federal Reserve Board and FINRA Rule 4210. Section (f)(1) of FINRA Rule 4210 specifically describes the process around valuation of securities and the required additional margin to be collected for securities that do not have an active market or cannot be liquidated promptly. There is no other financing of customers outside of this activity.

J.P. Morgan Securities LLC

Committed Unsecured Lines of Credit as of Sept 30, 2020

As of Sept 30, 2020, \$10.1 billion of borrowings bear interest at rates approximating the U.S. Federal Funds Effective Rate pursuant to a committed \$18.0 billion credit facility and \$8.0 billion of borrowings bear interest at a spread to one-month LIBOR pursuant to a term borrowing agreement.

J.P. Morgan Securities LLC

Write off of customer receivables as of Sept 30, 2020

For J.P. Morgan Securities LLC, the total write off relative to funds protected under CFTC 1.20, 30.7, and cleared swaps represent less than 0.01% of the total customer balance.

J.P. Morgan Securities LLC

Other disclosures required by CFTC 1.55 Sept 30, 2020

Customers of the Company are generally US entities engaged in financial transactions settled on US exchanges.

The Company utilizes certain JPMorgan Chase affiliates in the United States, United Kingdom and Asia to clear Futures & Options transactions. These affiliates are registered and regulated by foreign governing bodies in each region. Balances with those affiliates are included in receivables and payables to brokers, dealers, clearing organizations and others on the Annual Audited Statement of Financial Condition.

As of Sept 30, 2020 approximately 6.3% of the Company's assets and 0.1% of the Company's regulatory net capital are utilized in Futures and options and cleared over-the-counter ("OTC") derivative activities.

The leverage ratio as calculated under rule 1.1 of the National Futures Association of average assets divided by total stockholders' equity is 8.7:1 on Sept 30, 2020.