

**J.P. Morgan Securities LLC  
CFTC Supplemental Disclosures**

**January 2015**

**J.P. Morgan Securities LLC**

Assets and Capital Allocation as of January 31, 2015

	<b><u>Asset Allocation</u></b>	<b><u>Capital Employed</u></b>
Financing (Resales, Borrowings)	49.9%	1.5%
Public Finance	0.8%	0.6%
Global Rates	16.6%	0.7%
	3.8%	5.8%
Equity	13.9%	9.5%
Asset Back/Private Label Mortgage Backed Securities	1.9%	18.2%
Other Inventory	0.3%	5.5%
Goodwill & Intangible Assets	0.3%	6.3%
Receivables from Brokers Dealers and Customers	5.8%	2.4%
Investments in Subs and Receivables from Affiliates	1.9%	33.2%
Fixed and all Other Assets	4.9%	16.3%

**J.P. Morgan Securities LLC**

Weighted average and maturity of securities in which JPMS LLC has invested customer funds as of  
January 31, 2015

The J.P. Morgan Securities LLC ("JPMS LLC") and J.P. Morgan Clearing Corp. ("JPMCC") (collectively 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 1 day and the average weighted coupon is 0 percent.

**J.P. Morgan Securities LLC**

Proprietary margin information as of January 31, 2015

J. P. Morgan Securities LLC's proprietary futures and OTC cleared swap margin requirement is 3.9% 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 January 31, 2015

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:

	U.S. Segregation 1.20**	Foreign Futures & Options 30.7**	Cleared Swaps 22.2
J.P. Morgan Securities LLC	4	16	25

\*\* 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 January 31, 2015

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 the its annual financial statements.

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

**J.P. Morgan Securities LLC**

**Committed unsecured lines of credit as of January 31, 2015**

In general, J.P. Morgan Securities LLC ("JPMS LLC") does not lend unsecured money to its customers, but it does engage in securities borrows and reverse repos with counterparties in accordance with the terms of Regulation T of the Federal Reserve Board and FINRA Rule 4210, which together constitute the initial and maintenance margin rules applicable to extensions of credit made by SEC registered broker-dealers. FINRA Rule 4210 describes maintenance margin requirements, the process around valuation of securities and the required amount of margin to be collected for securities that do not have an active market or cannot be liquidated promptly.

**J.P. Morgan Securities LLC**

Write off of customer receivables as of January 31, 2015

For J.P. Morgan Securities LLC, the total write off relative to funds protected under CFTC 1.20, 30.7, and cleared swaps represent 0.0001% of the total customer balance.



**J.P. Morgan Securities LLC**

Other disclosures required by CFTC 1.55 January 31, 2015

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 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 January 31, 2015 approximately 8% of the Company's assets and 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 9.4:1 on January 31, 2015