

# Understanding Revenue Sharing

## Revenue Sharing & Additional Compensation:

In addition to the sales charges, service fees, 12b-1 fees, applicable redemption fees or deferred sales charges described in a mutual fund or money market fund's (collectively known as a "fund" or "funds") prospectus, some fund advisers, distributors or other entities make payments to J.P. Morgan Securities LLC (JPMS) based on the amount of the fund's shares sold by JPMS or owned by JPMS' clients. These payments are typically called revenue sharing and are paid from the entity's revenues or profits, not from the fund's assets. The entity's revenues or profits may reflect fees paid to them by the fund.

## Mutual Funds

When you purchase a mutual fund, JPMS may receive a payment as a percentage of your total purchase amount. Percentage payments range from 0.08% to 0.25%. If, for example, you invest \$10,000 in a mutual fund that pays 0.25%, JPMS would be paid \$25. In addition, for any mutual fund you hold in your account, and for as long as you hold that fund, JPMS may receive an additional payment as a percentage per year of the amount held. Percentage payments range from 0.01% to 0.09%. For example, on a \$10,000 holding, 0.09% is \$9. Additionally, JPMS may receive fixed payments from participating entities of \$40,000 to \$50,000 annually.

## Money Market Funds

The money market mutual funds offered by JPMS and JPMorgan Chase Bank N.A. for free cash balances and other investment purposes are J.P. Morgan Funds. JPMS receives a revenue sharing payment of up to 0.05% of the annual value of these money market funds held in brokerage accounts. For money market funds that are available for direct purchase, JPMS may also receive payments of up to 0.19% annually from the following fund partners.

## Fund Partners

JPMS receives revenue sharing payments from the following fund partners for marketing and support services: AllianceBernstein, American Century, American Funds, BlackRock, BNY Mellon, Calvert, Delaware Funds, Eaton Vance, Federated Hermes, Fidelity, Franklin Templeton, Hartford, Invesco, John Hancock, JPMorgan, MFS, Nuveen, Pacific Funds, PIMCO, Putnam, Transamerica, and Wells Fargo. The aforementioned revenue share payments from fund partners is not a factor in the decision of JPMS of what funds are included on the firm's approved or solicitation list.

JPMS may allow representatives of its fund partners, including J.P. Morgan Asset Management, access to Advisors for educational and promotional purposes, subject to conditions imposed by JPMS. Some funds allocate more resources for these purposes, which could cause Advisors to become more familiar with those funds and focus on them when meeting with clients. Funds or their affiliates may pay for sales meetings, seminars and conferences JPMS holds in conducting its business, subject to conditions imposed by JPMS. The extent to which a fund is willing to pay for these activities is solely determined by the fund's advisers or affiliates, not by JPMS.

The level of payments to JPMS varies in any given year. Payments for sales of one fund's shares may be more or less than the payments JPMS receives from other mutual funds' advisers, distributors or other entities, and in certain instances, the payments could be significant. Any such payments will not change the net asset value or price of a fund's shares.

Affiliates of JPMS provide investment advisory and other services to the J.P. Morgan Mutual Funds for which those affiliates receive fees. Therefore, JPMS and its affiliates will receive greater compensation if its clients buy shares of J.P. Morgan Mutual Funds than if they buy shares of non-affiliated mutual funds. JPMS receives more revenue sharing from the fund families with the largest client holdings at JPMS. This fact presents a conflict of interest for JPMS to promote and recommend funds from those fund families rather than funds from fund families that, in total, pay JPMS less revenue sharing. To mitigate this conflict, Advisors do not receive additional compensation from revenue sharing payments paid to JPMS.

J.P. Morgan Wealth Management is a business of JPMorgan Chase & Co., which offers investment products and services through **J.P. Morgan Securities LLC** (JPMS), a registered broker-dealer and investment advisor, member FINRA and SIPC. Annuities are made available through Chase Insurance Agency, Inc. (CIA), a licensed insurance agency, doing business as Chase Insurance Agency Services, Inc. in Florida. Certain custody and other services are provided by JPMorgan Chase Bank, N.A. (JPMCB). JPMS, CIA and JPMCB are affiliated companies under the common control of JPMorgan Chase & Co. Products not available in all states.

### INVESTMENT AND INSURANCE PRODUCTS ARE:

- NOT FDIC INSURED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY • NOT A DEPOSIT OR OTHER OBLIGATION OF, OR GUARANTEED BY, JPMORGAN CHASE BANK, N.A. OR ANY OF ITS AFFILIATES
- SUBJECT TO INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED

**Record keeping and Administrative Fees:**

JPMS may receive compensation from fund companies or their affiliate service providers for providing record keeping and related services to the funds. These administrative fees may be viewed in part as a form of revenue sharing. However, they are not included in the revenue sharing payments described above. JPMS may also receive from certain funds compensation in the form of commissions and other fees for providing traditional brokerage services including related research and advisory support, and for purposes and sales of securities for fund portfolios.

In most cases, JPMS processes transactions on an omnibus basis which means JPMS consolidates client trades into one daily trade with the fund. JPMS maintains all pertinent individual shareholder information for the fund which requires the maintenance of transaction history, processing sales charges, service fees and redemption fees for each position. Some fund families trade on a networking basis which means JPMS submits a separate trade for each individual client trade to the fund. Payments range from \$5-\$20 per position or 0%-.40%. In some cases, these fees are rebated to offset other platform fees incurred by the client. Please see the JPMS ADV for more information.

**Additional Information**

For additional information on a particular fund's payment and compensation practices, please refer to the fund's Prospectus and Statement of Additional Information. For further information regarding the fund fees and expenses incurred by you and how your Advisor is compensated when you purchase and hold mutual fund shares, please refer to [chase.com/mutualfunds](https://chase.com/mutualfunds) or call your Advisor.

---

**Investors should carefully consider the investment objectives and risks as well as charges and expenses of the mutual fund before investing. To obtain a prospectus, contact your Advisor or visit the fund company's website. The prospectus contains this and other information about the mutual fund. Read the prospectus carefully before investing.**

**Investing involves market risk, including possible loss of principal, and there is no guarantee that investment objectives will be achieved.**