

Commingled Pension Trust Fund (JPMCB Liquidity Optimized High Yield Fund) of JPMorgan Chase Bank, N.A. (In liquidation)

April 30, 2025

JPMCB Liquidity Optimized High Yield Fund

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JPMCB LIQUIDITY OPTIMIZED HIGH YIELD FUND

STATEMENT OF ASSETS AND LIABILITIES (In liquidation)

AS OF APRIL 30, 2025

(Amounts in thousands)

ASSETS:

Cash	<u>\$59</u>
Total Assets	<u>59</u>

LIABILITIES:

Accrued liabilities:	
Professional fees	51
Other	<u>8</u>
Total Liabilities	<u>59</u>
Net Assets	<u>\$ -</u>

SEE NOTES TO FINANCIAL STATEMENTS.

JPMCB LIQUIDITY OPTIMIZED HIGH YIELD FUND

STATEMENT OF OPERATIONS

For the period September 1, 2024 through March 12, 2025

(Amounts in thousands)

INVESTMENT INCOME:

Interest income from non-affiliates	\$18,031
Dividend income from affiliates	<u>72</u>
Total investment income	<u>18,103</u>

EXPENSES:

Professional fees	29
Transfer agency fees	2
Line of credit fees	<u>2</u>
Total expenses	<u>33</u>
Net investment income (loss)	<u>18,070</u>

REALIZED/UNREALIZED GAINS (LOSSES):

Net realized gain (loss) on transactions from investments in non-affiliates	(266)
Change in net unrealized appreciation/depreciation on investments in non-affiliates	<u>(7,440)</u>
Net realized/unrealized gains (losses)	<u>(7,706)</u>
Change in net assets resulting from operations	<u>\$10,364</u>

SEE NOTES TO FINANCIAL STATEMENTS.

JPMCB LIQUIDITY OPTIMIZED HIGH YIELD FUND
STATEMENTS OF CHANGES IN NET ASSETS
FOR THE PERIODS INDICATED
(Amounts in thousands)

	For the period September 1, 2024 through March 12, 2025	For the period March 13, 2025(a) through April 30, 2025 (In liquidation)
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS:		
Net investment income (loss)	\$ 18,070	\$ 1,403
Net realized gain (loss)	(266)	325
Change in net unrealized appreciation/depreciation	<u>(7,440)</u>	<u>1,047</u>
Change in net assets resulting from operations	<u>10,364</u>	<u>2,775</u>
CHANGE IN NET ASSETS FROM CAPITAL TRANSACTIONS:		
Investment Class		
Proceeds from units issued	57,087	–
Cost of units redeemed	<u>(89,496)</u>	<u>(436,444)</u>
Change in net assets resulting from Investment Class capital transactions	<u>(32,409)</u>	<u>(436,444)</u>
NET ASSETS:		
Change in net assets	(22,045)	(433,669)
Beginning of period	<u>455,726</u>	<u>433,669(b)</u>
End of period	<u><u>433,681</u></u>	<u><u>–</u></u>
UNIT TRANSACTIONS:		
Investment Class		
Issued	5,157	–
Redeemed	<u>(8,118)</u>	<u>(39,037)</u>
Change in Investment Class units	<u>(2,961)</u>	<u>(39,037)</u>

(a) The date the Fund's liquidation became imminent (See Note 1).

(b) The difference between the ending balance at March 12, 2025 and the beginning balance at March 13, 2025 represents liquidation costs amounting to approximately \$(12).

SEE NOTES TO FINANCIAL STATEMENTS.

JPMCB LIQUIDITY OPTIMIZED HIGH YIELD FUND
FINANCIAL HIGHLIGHTS
FOR THE PERIOD INDICATED

For the period
September 1, 2024
through
March 12, 2025 (a)

PER UNIT OPERATING PERFORMANCE:

Net asset value, beginning of period \$10.85

Income from investment operations:

Net investment income (loss) (b) 0.43

Net realized and unrealized gains (losses) on investments (0.17)

Total from investment operations 0.26

Net asset value, end of period \$11.11

RATIOS/SUPPLEMENTAL DATA (c):

Total return 2.40%

Ratios to average net assets:

Net expenses (d) 0.01%

Net investment income (loss) 3.91%

(a) See Note 1 in Notes to Financial Statements.

(b) Calculated based upon average number of units outstanding.

(c) Not annualized.

(d) See Note 3 in Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS (In liquidation)

(Dollar values in thousands)

1. Organization

The Commingled Pension Trust Fund (Liquidity Optimized High Yield Fund) of JPMorgan Chase Bank, N.A. (the "Fund" or "JPMCB Liquidity Optimized High Yield Fund") is a collective investment fund established, operated and maintained by JPMorgan Chase Bank, N.A. ("JPMCB" or the "Trustee"), under a declaration of trust. The Fund is a group trust within the meaning of Internal Revenue Service Revenue Ruling 81-100, as amended. Prior to entering liquidation, the Fund was available only to certain qualified and governmental retirement plans and collective investment funds and was not offered to the general public. The Fund is required to comply with the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended, and the Trustee is subject to supervision and regulation by the Office of the Comptroller of the Currency, as set forth in 12 CFR Part 9.

JPMCB, as the Trustee of the Fund, has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act (the "CEA") and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

The Trustee approved a plan of liquidation on March 13, 2025.

Prior to entering the liquidation period, the objective of the Fund was to seek investment results that closely correspond, before expenses, to the performance of the Bloomberg U.S. High Yield Very Liquid Index by investing primarily in debt securities that are rated below investment grade or are unrated.

2. Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements. The Fund is an investment company and, accordingly, follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 946 - *Investment Companies*, which is part of U.S. generally accepted accounting principles ("GAAP"). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect (i) the reported amounts of assets and liabilities, (ii) disclosure of contingent assets and liabilities at the date of the financial statements, and (iii) the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

Effective March 13, 2025, the Fund adopted the liquidation basis of accounting in accordance with GAAP. Accordingly, assets have been recorded at their fair value or estimated realizable amount, liabilities have been recorded at the present value amounts to be paid, and all other costs of liquidation and income expected to be earned through the end of the liquidation period have been accrued. Assets and liabilities were historically carried at values that approximated fair value.

A. Valuation of Investments – Investments are valued in accordance with GAAP and the Fund's valuation policies set forth by, and under the supervision and responsibility of, the J.P. Morgan Asset Management Bank Fiduciary Committee ("AM Bank Fiduciary Committee"), which established the following approach to valuation, as described more fully below: (i) investments for which market quotations are readily available shall be valued at their market value quoted prices and (ii) all other investments for which market quotations are not readily available shall be valued at their fair value as determined in good faith by the AM Bank Fiduciary Committee.

The AM Bank Fiduciary Committee serves as an oversight body to ensure that the actions taken by the Trustee with respect to the Fund comply with fiduciary responsibilities under 12 CFR Part 9 and other applicable law. The Trustee utilizes the J.P. Morgan Asset Management Americas Valuation Committee ("AVC") to assist the AM Bank Fiduciary Committee with the oversight and monitoring of the valuation of the Fund's investments. The AVC implements the valuation policies of the Fund's investments, as directed by the AM Bank Fiduciary Committee. The AVC oversees and carries out the policies for the valuation of investments held in the Fund. This includes monitoring the appropriateness of fair values based on results of ongoing valuation oversight including, but not limited to, consideration of macro or security specific events, market events, and pricing vendor and broker due diligence. The AVC is responsible for discussing and assessing the potential impacts to the fair values on an ongoing basis, and, at least on a quarterly basis, with the AM Bank Fiduciary Committee.

Equities and other exchange-traded instruments are valued at the last sale price or official market closing price on the primary exchange on which the instrument is traded before the net asset value ("NAV") of the Funds are calculated on a valuation date.

Fixed income instruments are valued based on prices received from approved affiliated and unaffiliated pricing vendors or third party broker-dealers (collectively referred to as "Pricing Services"). The Pricing Services use multiple valuation techniques to determine the valuation of fixed income instruments. In instances where sufficient market activity exists, the Pricing Services may utilize a market-based approach through which trades or quotes from market makers are used to determine the valuation of these instruments. In instances where sufficient market activity may not exist, the Pricing Services also utilize proprietary valuation models which may consider market transactions in comparable securities and the various relationships between securities in determining fair value and/or market characteristics in order to estimate the relevant cash flows, which are then discounted to calculate the fair values.

Investments in the collective investment fund established, operated and maintained by JPMCB ("Underlying Fund") were valued at the Underlying Fund's net asset value ("NAV") per unit as of the report date.

NOTES TO FINANCIAL STATEMENTS (In liquidation)

(Dollar values in thousands)

B. Security Transactions and Investment Income – Investment transactions were accounted for on the trade date (the date the order to buy or sell is executed). Securities gains and losses were calculated on a specifically identified cost basis. Interest income is determined on the basis of coupon interest accrued using the effective interest method, which adjusts for amortization of premiums and accretion of discounts. Dividend income, net of foreign tax withheld, if any, was recorded on the ex-dividend date or when the Fund first learned of the dividend.

C. Federal Income Taxes – The Fund is generally exempt from Federal income taxes under provisions of Section 501(a) of the Internal Revenue Code. Accordingly, no provision for Federal income taxes has been made.

The Trustee has reviewed the Fund's tax positions for all open tax years and has determined that no provision for income taxes is required in the Fund's financial statements, in accordance with financial accounting and disclosure requirements for recognition and measurement of tax taken or expected to be taken on a U.S. income tax return. The Trustee's conclusions may be subject to review based on changes in, or the interpretation of, the accounting standards or tax laws and regulations.

3. Transactions with Affiliates

A. Investment Management Fees – Investment management fees are not charged to the Fund and accordingly, are not reflected within the Fund's financial statements. Investment management fees with respect to each unitholder are charged outside of the Fund at negotiated rates.

B. Other – The Fund may invest in other collective investment funds maintained by the Trustee. Income earned on these investments, if any, is shown as Dividend income from affiliates on the Statement of Operations.

The Trustee pays for certain fund expenses on behalf of the Fund, including printing fees and fees for services provided to the Fund by JPMCB or its affiliates (custodial fees and fund accounting fees). The Fund pays other administrative and operating expenses, which include expenses for audit, tax return preparation, transfer agency, fees for maintaining the committed line of credit and other services provided to the Fund by third parties.

4. Line of Credit

JPMCB, in its capacity as the Trustee of the Fund, is a party to a 364-day \$375 million secured committed line of credit (“Credit Agreement”) with The Bank of Nova Scotia, in its capacity as Lender, Administrative Agent, and as Lead Arranger and Sole Book Runner (“Scotia”), and the other lenders from time to time party thereto (collectively with Scotia as a Lender, the “Lenders”), dated May 27, 2016, as the same may be amended and renewed from time to time. Under the Credit Agreement, the Lenders agreed to provide a loan to certain commingled pension trust funds maintained by JPMCB, including the Fund. Proceeds of each loan under the Credit Agreement may be used only for temporary or emergency purposes (including to satisfy redemption requests). Under the terms of the Credit Agreement, a borrowing fund must exceed certain adjusted net asset coverage ratios prior to and during the time in which any borrowings are outstanding. If a borrowing fund does not comply with the aforementioned requirement, such fund must remediate within three business days or the administrative agent at the request of, or with the consent of, the Lenders may terminate the line of credit and/or declare any outstanding borrowings to be due and payable immediately. The interest rate on any loan under the Credit Agreement is payable at a rate determined in accordance with the Credit Agreement.

Effective May 16, 2024, the term of the Credit Agreement was extended again for an additional 364 days.

The Fund had no outstanding borrowings from the line of credit at April 30, 2025.

5. Indemnifications

In the normal course of business, the Fund entered into contracts that contain a variety of representations which provided general indemnifications. The Fund's maximum exposure under these arrangements is unknown. The amount of exposure would depend on future claims that may be brought against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

6. Subsequent Event

Management has evaluated all subsequent transactions and events after the balance sheet date through July 11, 2025, the date on which these financial statements were available for issuance, and has determined that no additional items require disclosure.

STATEMENTS OF ADDITIONAL INFORMATION

FOR THE YEAR ENDED APRIL 30, 2025

(Dollar values in thousands)

Investments Purchased	Cost
Corporate Debt	\$182,606
Short-Term Pension Trust Funds (a)	<u>516,389</u>
Total Investments Purchased	<u>\$698,995</u>

Investments Sold or Matured	Cost	Proceeds	Net Realized Gain/(Loss)
Corporate Debt	\$ 621,993(b)	\$ 622,052	\$59
Short-Term Pension Trust Funds (a)	<u>521,960</u>	<u>521,960</u>	<u>—</u>
Total Investments Sold or Matured	<u>\$1,143,953</u>	<u>\$1,144,012</u>	<u>\$59</u>

(a) Affiliated investment held by the Fund.

(b) Amount includes \$2,378 of (amortization)/accretion of income.

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of JPMorgan Chase Bank, N.A.

Opinion

We have audited the accompanying financial statements of JPMCB Liquidity Optimized High Yield Fund (the “Fund”), a Commingled Pension Trust Fund of JPMorgan Chase Bank, N.A., which comprise the statement of assets and liabilities (In liquidation) as of April 30, 2025, the related statement of changes in net assets (In liquidation) for the period from March 13, 2025 to April 30, 2025, and the statements of operations and of changes in net assets and the financial highlights for the period from September 1, 2024 to March 12, 2025, including the related notes (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets (In liquidation) of the Fund as of April 30, 2025, the changes in its net assets (In liquidation) for the period from March 13, 2025 to April 30, 2025, and the results of its operations, changes in its net assets and the financial highlights for the period from September 1, 2024 to March 12, 2025, in accordance with accounting principles generally accepted in the United States of America applied on the bases described in Note 2.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

As discussed in Note 1 to the financial statements, the Trustee of JPMCB Liquidity Optimized High Yield Fund approved a plan of liquidation on March 13, 2025, and the Fund determined liquidation is imminent. As a result, the Fund changed its basis of accounting on March 13, 2025 from the going concern basis to a liquidation basis. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The statement of additional information for the year ended April 30, 2025 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

PricewaterhouseCoopers LLP
New York, New York
July 11, 2025

TRUSTEE'S CERTIFICATE

This report is submitted in accordance with the Declaration of Trust for the information of the participating trusts. This report is not to be reproduced in whole or in part without our express written consent. As provided under the Declaration of Trust, this report will be deemed to have been approved by a participating trust unless written notice of disapproval (with a statement of the reasons for such disapproval) is filed with the Trustee within 90 days of receipt of the report.

JPMorgan Chase Bank, N.A., as Trustee, hereby certifies that the statements contained herein are complete and accurate and the assets reported are under its control.

For additional information about the Fund, please consult the Fund's Declaration of Trust.



Timothy J. Clemens
Managing Director
July 11, 2025

Employer Identification Number

Commingled Pension Trust Fund of JPMorgan Chase Bank, N.A.

JPMCB Liquidity Optimized High Yield Fund 87-3643015

The Commingled Pension Trust Funds of JPMorgan Chase Bank, N.A. are collective investment funds established and maintained by JPMorgan Chase Bank, N.A. under their respective declarations of trust. The funds are not required to file a prospectus or registration statement with the SEC, and accordingly, neither is available. The funds are available only to certain qualified retirement plans and governmental plans and are not offered to the general public. Units of the funds are not bank deposits and are not insured or guaranteed by any bank, government entity, the FDIC or any other type of deposit insurance. You should carefully consider the investment objectives, risk, charges, and expenses of the funds before investing.

J.P. Morgan Asset Management is the brand name for the asset management business of JPMorgan Chase & Co. and its affiliates worldwide.

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