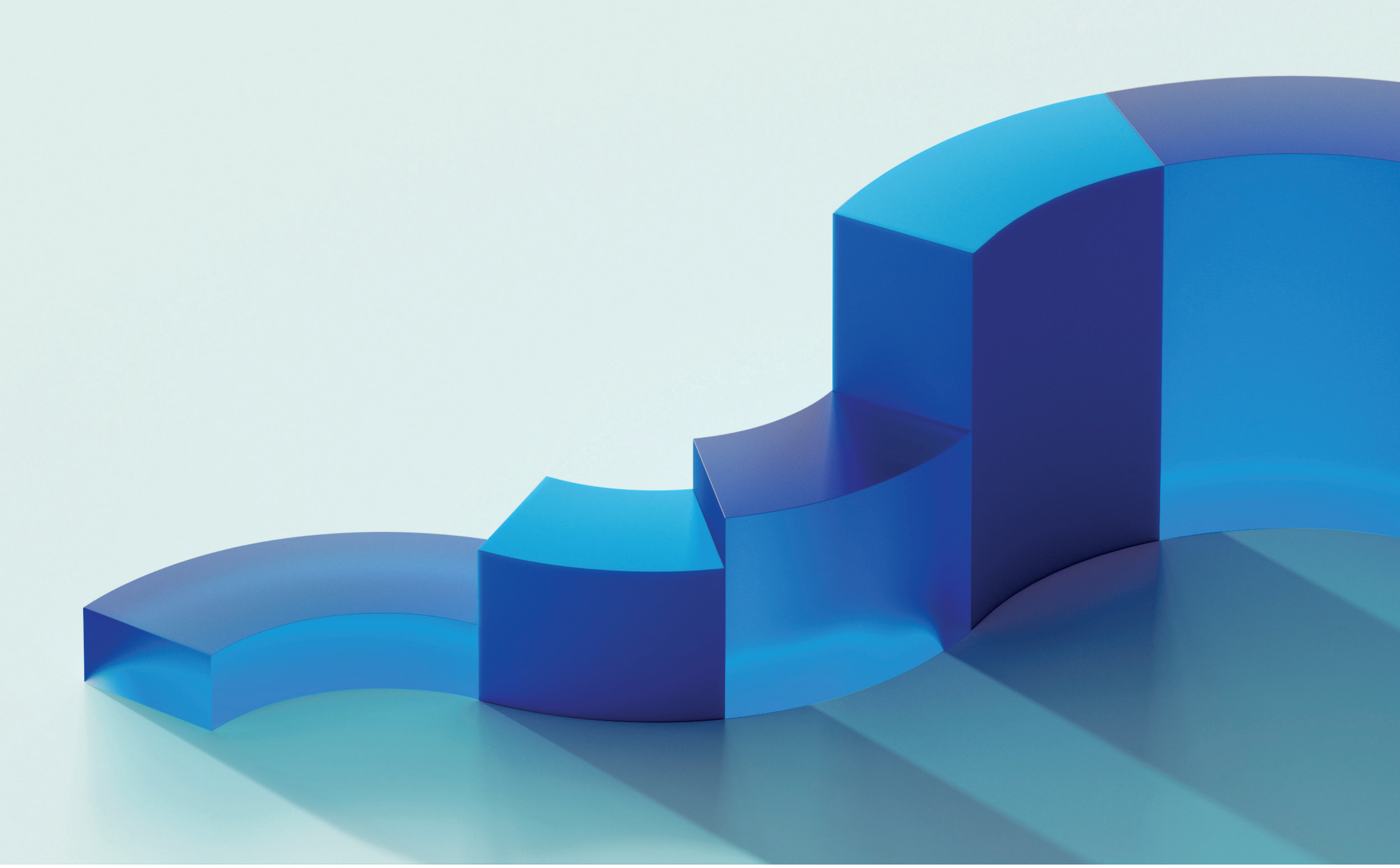


Customized, tax-smart Separately Managed Accounts (SMAs)

Stock portfolios combining personalization and active tax management

J.P.Morgan
ASSET MANAGEMENT

It’s not what you earn, it’s what you keep after taxes

After more than a decade of rising U.S. stock prices, many investors would now face large tax bills if they sell at a profit. And tax rates on those capital gains may be rising to eat away even more at investment earnings. Add in expectations for lower market returns going forward, and it becomes more important than ever to get your money working harder and tax-smarter.

The J.P. Morgan separately managed accounts (SMAs) allow you to customize a stock portfolio to your unique financial and tax needs. You get a professional team managing your investments, and our powerful tax-smart technology can help ease your tax burden. The result: Personal solutions with the potential to earn more on what you invest and keep more of what you earn.

What is a separately managed account?

Like ETFs and mutual funds, SMAs are diversified portfolios of stocks managed by investment experts. Unlike those vehicles, SMAs don’t pool your money with other investors. As the only account holder, you directly own each stock, giving you and your advisor more control over customizing portfolio holdings and managing taxes.

The J.P. Morgan Tax-Smart SMA platform offers personalization and the potential for higher after-tax returns.

Customization

Allows you to tailor your portfolio by restricting specific industry sectors, special categories and individual stocks

Tax-smart transitioning

Helps lessen the tax impact of moving your existing securities to a new portfolio using a custom transition plan

Ongoing tax management

Monitors your holdings on a daily basis for opportunities to save on taxes while keeping your portfolio on track

Customizing your SMA portfolio

Turn our portfolio into your portfolio

In addition to personalized tax management, the J.P. Morgan SMAs give you a voice in how your money is invested. You start out with a diversified U.S. stock portfolio built by our investment professionals. Then, you and your advisor can decide if and how to customize the investment mix to better suit your needs.

Three ways to customize your portfolio

Sector screens

Limit your exposure to specific industry sectors.

Value screens

Avoid certain categories based on your personal values.

Stock restrictions

Restrict exposure to individual stocks you already own or wish to avoid.

Is a tax-smart SMA right for me?

Consider a J.P. Morgan solution if you:

- ☐ Invest in taxable accounts
- ☐ Own investments that have gone up significantly in value
- ☐ Hold large investments in single stocks or industries – for example, company stock from your employer
- ☐ Are in a high tax bracket or concerned about rising tax rates
- ☐ Have special or sophisticated needs requiring more personal attention and customization
- ☐ Want input into which stocks you own and how they are taxed
- ☐ Can meet the higher account minimums of SMAs

Transitioning assets in a tax-smart way

Two ways we help ease your tax burden

1. Tax-smart transitions

Reduces, defers or avoids capital gains taxes as you move your investments to an SMA.

2. Tax-loss harvesting

Monitors your portfolio daily to take advantage of tax-saving opportunities.

Don't let capital gains keep you from a better portfolio

In many cases, a J.P. Morgan SMA may offer broader diversification, greater customization or better tax management than your current portfolio holdings. However, selling existing investments to make the switch may trigger high taxes that erode your hard-earned gains. Rather than sell everything at once, our tax-smart technology generates custom transition options so you and your advisor can balance the desired tax bill with the speed of transition to your target portfolio. The goal is to reduce, defer or completely avoid capital gains taxes to help you keep more of what you've already accumulated.

How it works: Customizing a flexible, tax-smart transfer to a J.P. Morgan SMA

1. Analyze your current investments
Estimate total taxes due on a full, one-time transfer

2. Create your personalized plan
Determine percent of current holdings that can be moved immediately to meet your personal tax budget and investment needs

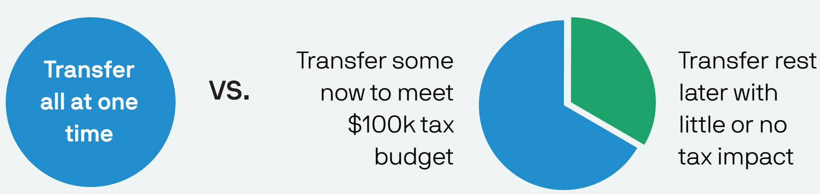
3. Complete the transfer over time
Sell remaining assets when it's most favorable, with little or no tax impact

Your advisor can generate on-demand tax transition proposals to help you compare tax outcomes and choose the right transition plan for your situation.

Case study: Save on taxes when moving to a new portfolio

($5 million in existing investments, with $1 million in unrealized gains)

Without a tax-smart transition | **With a tax-smart transition**



One-time transfer
Total taxes: $294,700

Gradual tax-efficient transfer
Total taxes: $100,000

One-time transfer:	$294,700
Gradual tax-efficient transfer:	$100,000
Total saved with J.P. Morgan tax-smart transition:	**$194,700**

Source: J.P. Morgan Asset Management. One-time transfer assumes one-third of gains are short-term gains taxed at 40.8% and two-thirds are long-term gains taxed at 23.8%.

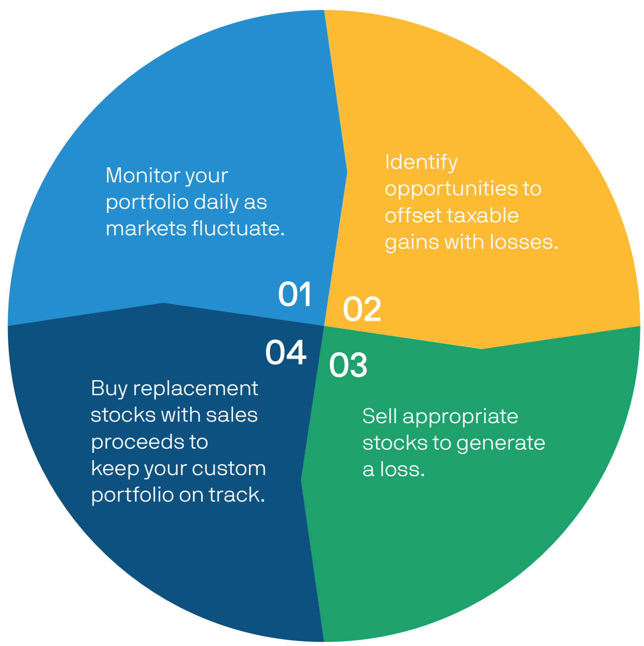
Enhancing after-tax return potential throughout the year

Put stock losses to work for you

Seeing stocks drop in value is never easy, but there is an upside to market downturns. It's called "tax-loss harvesting," which means selling stocks at a loss, when it makes sense, and replacing them with similar investments to keep your investment strategy intact. You and your advisor can use those losses to offset gains from other areas of your portfolio, lower your overall tax bill and increase after-tax returns.

Automated daily portfolio monitoring for better tax management

Even though stock prices rise and fall throughout the year, tax-loss harvesting is often done only at year-end, resulting in missed tax-saving opportunities. At J.P. Morgan, we use sophisticated technology to monitor your portfolio daily and identify possible losses to harvest as soon as they arise.



Why are SMAs more tax-friendly than other investments?

Because you directly own each stock in an SMA, your advisor knows the "cost basis" used to calculate gains and losses when stocks are sold. They can use this information to better control the taxes you might owe on your investments each year.

Stock sales price
(what you receive)

Minus

Cost basis
(what you paid)

Equals

Capital gain or loss

Case Study

Turn negative returns into positive results with tax-loss harvesting

How does J.P. Morgan assist my financial advisor with tax-loss harvesting?

Determining which stocks to sell at a loss, how to reinvest the proceeds and when to make trades are complex and time-consuming decisions. Our tax-smart technology gives your advisor digital tools that simplify and automate the process to help them deliver superior after-tax performance results to you.

Understanding the "wash-sale" rule

If you sell a stock in order to take a tax loss, you can still repurchase it, but be careful not to trigger a "wash-sale." The wash-sale rule prohibits you from taking a tax deduction if you sell an investment at a loss and repurchase the same investment, or a "substantially identical" one, within 30 days before or after the sale. J.P. Morgan's investment team and our tax-smart technology take the uncertainty out of ensuring compliance with the wash-sale rule for you and your advisor.

You have a $100,000 investment in Stock A and the price falls by 20%

Original Value $100,000 Stock A

Stock price falls 20%

New Value $80,000 Stock A

How can you turn this loss into greater value?

Step 1

Sell your $80,000 position in Stock A

If you sell $80,000 of Stock A, you can potentially claim a tax loss of $20,000 and potentially see **$4,760 in tax savings***

Step 2

Buy $80,000 position in Stock B

Reinvest in a stock with similar characteristics to Stock A to keep your portfolio in line with your objectives.

Step 3

Save $4,760 in taxes

$80,000 Stock B

You save $4,760 in taxes and increase your value to $84,760 while keeping your portfolio on track.

*Assumes a U.S. federal income tax rate of 23.8% applies to the $20,000 loss, and also assumes that the wash-sale rule do not apply.

The J.P. Morgan Custom Invest SMA

What is index investing?

Index-based SMAs seek to closely match the diversification, risks and returns of a broad market index by investing in most or all of its stocks. Index-based investing is a proven way to gain access to a segment of the market in a cost-efficient way.

Where index expertise meets personalization and active tax management

J.P. Morgan Custom Invest – U.S. Large Cap Equity SMA is a next generation, customized, tax-advantaged SMA. Our index SMA invests in large, well-established U.S. companies that form the foundation of any well-diversified stock portfolio.

- Leverages 30+ years' experience managing passive strategies[1]
- Combines benefits of low-cost index investing with ongoing tax management and portfolio customization
- Invests in roughly 350 large U.S. stocks to closely duplicate S&P 500 Index, while creating more opportunity for tax-loss harvesting
- Seeks to deliver similar returns as S&P 500 Index and outperform on an after-tax basis

Invest with the J.P. Morgan market experts

For more than 150 years, J.P. Morgan has helped investors achieve life's most important goals. Explore our tax-smart SMAs with your advisor and see for yourself why we are among the world's largest, most respected investment managers.

Top **10** SMA provider[1]	**$2.5** trillion asset manager	**$70B** in index strategy assets	**20+** year track record of managing SMA assets[2]

1 Source: Cerulli Associates, as of 12/31/2021.
2 Source: J.P. Morgan Asset Management, as of 12/31/2021.

For more information

Consult your financial professional to discover how easy it can be to solve your unique investment and tax needs.

Risk summary

The following risks could cause the Strategies' portfolios to lose money or perform more poorly than other investments.

Equity Securities Risk. Investments in equity securities (such as stocks) may be more volatile and carry more risks than some other forms of investment. The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries selected for a portfolio or the securities as a whole, such as changes in economic or political conditions.

Growth Investing Risk. Growth investing attempts to identify companies that the Adviser believes will experience rapid earnings growth relative to value or other types of stocks. The value of these stocks generally is much more sensitive to current or expected earnings than stocks of other types of companies. Short-term events, such as a failure to meet industry earnings expectations, can cause dramatic decreases in the growth stock price compared to other types of stock. Growth stocks may trade at higher multiples of current earnings compared to value or other stocks, leading to inflated prices and thus potentially greater declines in value.

J.P.Morgan
ASSET MANAGEMENT