

Ticker JLTXX

JPMorgan OnChain Liquidity-Token Money Market Fund

Frequently asked questions (FAQ)

J.P. Morgan Asset Management launched its second tokenized money market fund, JPMorgan OnChain Liquidity-Token Money Market Fund (“JLTXX”), now available on the public Ethereum blockchain. Powered by Kinexys Digital Assets, the firm’s industry-leading, multi-chain asset tokenization solution, JLTXX is a Rule 2(a)-7 money market fund providing qualified investors the opportunity to earn U.S. dollar yields by subscribing through Morgan Money®, the firm’s open architecture trading and analytics platform for liquidity management. Morgan Money is the first liquidity trading platform to integrate both traditional and on-chain assets, offering investors access to money market products in both digital and traditional vehicles.

Question	Answer
What are tokenized assets?	Tokenized assets are digital representation of real-world assets on a blockchain that can be dynamically updated, tracked, and serviced. Many types of assets can be tokenized, including real estate, individual stocks, or investment funds (i.e. money market funds).
What are tokenized money market funds (“TMMFs”)?	Tokenized money market funds are digital representation of shares in a traditional money market fund that can be used to instruct the purchase, redemption or transfer of shares and that provide increased transparency and flexibility.
What is JLTXX?	JLTXX is a government money market fund defined by Rule 2(a)-7 that is available on a public blockchain (Ethereum) and invests in a manner intended to satisfy the requirements for eligible reserve assets that stablecoin issuers are required to maintain under the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act).
Why J.P. Morgan Asset Management decided to launch JLTXX?	Money market funds have historically played an important role in portfolios, providing investors liquidity, stability and yield. The launch of JLTXX reflects the industry’s growing shift toward tokenization of assets on public networks. As demand for tokenized assets grows, tokenized money market funds can help meet investor needs while introducing new features enabled by blockchain technology.
What does the JLTXX token represent?	JLTXX tokens represent digital ownership of shares in the underlying fund. 1 token = 1 share (as the fund seeks to maintain a stable NAV).

Question	Answer
What is the investment objective of JLTXX?	To seek current income while maintaining liquidity and stability of principal. The fund seeks to maintain stable NAV per share of \$1.00.
What are the investment guidelines of JLTXX?	● The fund invests its assets exclusively in U.S. Treasury securities, and repurchase agreements fully collateralized by U.S. Treasury securities. ● Will only buy U.S. Treasury securities that have remaining maturities of 93 days or less or are issued with maturities of 93 days or less. ● Expects to maintain a dollar-weighted average maturity of 60 days or less and maintain a dollar-weighted average life of 120 days or less. ● Will only invest in U.S. dollar-denominated securities. ● The Fund qualifies as a “government money market fund,” as such term is defined in or interpreted under SEC Rule 2a-7 under the Investment Company Act of 1940, as amended (“Investment Company Act”).
Does JLTXX invest in crypto or have any exposure to crypto either directly or indirectly?	No, JLTXX will only invest traditional U.S. Treasury securities.
Are the books & records of JLTXX held on-chain?	No, JLTXX fund shareholder books & records are held off-chain. SS&C is the transfer agent for JLTXX and is the official books & records maintaining all fund shareholder registration records off-chain.
Is JLTXX a yield bearing fund?	Yes, as JLTXX is a money market fund, it is yield bearing.
What are the fees?	16 basis points with \$1 Mn investment initial minimum.
How do investors access JLTXX?	● Post traditional Anti-Money Laundering (AML)/Know Your Customer (KYC) onboarding into the fund. ● Investors place their orders (subscription/redemption) via Morgan Money which are routed to Transfer Agent. ● Investors can also interact with fund token directly to transfer balances to other investors or submit redemption orders.
How can Investors pay for subscriptions?	Investors can pay for their shares in USD by wire payment or in USDC through ZeroHash. Paying via USDC will require the investor to onboard as a ZeroHash client on day 1.

Question	Answer
What are the differences between stablecoins and traditional money market funds?	Stablecoins: Digital assets that use various mechanisms to peg and maintain price to another reference, such as USD. These mechanisms may include holding cash or purchasing traditional money market securities and/or cryptocurrencies. Features: ● Stored value instrument or cryptocurrency ● Non yield bearing ● Not FDIC insured ● Direct (P2P) transfers permitted openly Traditional money market funds: Digital representations of investment positions in traditional money market funds that can be dynamically updated, tracked and serviced. Features: ● Mutual fund or private investment vehicle ● Yield bearing ● Direct (P2P) transfers permitted with restrictions (among direct (C1) & indirect (C2) clients only)
Does an investor require a blockchain address (i.e. digital wallet) to hold the JLTXX token?	Yes, each investor is required to have their own blockchain address (i.e. digital wallet) in order to utilize the JLTXX tokens.
Who can I contact to discuss client opportunities?	Please contact your Client Advisor and Product Strategy team, J.P. Morgan Asset Management Global Liquidity, to discuss JLTXX.

Contact JPMorgan Distribution Services, Inc. at 1-800-480-4111 for a prospectus. Carefully consider the fund's objectives, risks, charges and expenses of the mutual fund before investing. The prospectus contains this and other fund information. Read it carefully before investing.

Blockchain technology is new and evolving, and its use by the Fund introduces risks including potential transaction delays, errors, security vulnerabilities, unauthorized access, and regulatory changes. Transaction fees may fluctuate, network changes may create alternative blockchains, and the Fund differs from traditional mutual funds in how certain issues are addressed. Investors must safeguard their private keys, and future regulations may impact blockchain adoption. You could lose money by investing in the Fund.

The Fund seeks to maintain a \$1.00 share value but cannot guarantee it. Investments are not bank deposits and are not insured or guaranteed by the FDIC or any government agency. The sponsor is not required to reimburse losses or provide financial support, including during market stress.

JPMorgan Distribution Services, Inc.

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