

JPMORGAN CHASE & CO.

2023

Resolution Plan Public Filing

JPMORGAN CHASE & CO.

Defined terms are capitalized and may be found in the Glossary beginning on page 124.

We have filed our resolution plan consistent with the requirements set forth by the Federal Reserve and the FDIC, together referred to as the Agencies. This Public Filing presents a summary of the detailed, confidential resolution plan which we maintain to support our financial and operational resilience. Both this Public Filing and the confidential section of our 2023 Resolution Plan provide a roadmap of the actions taken and tools developed to support the continued operation or orderly wind down of our core businesses and operations in the case of a resolution event without causing systemic impact to the U.S. or global financial markets, or requiring any extraordinary government assistance or taxpayer support.

We last submitted a targeted resolution plan in July 2021. In November 2022, the Agencies provided our firm with joint feedback confirming that they did not identify any shortcomings or deficiencies in our 2021 Targeted Submission. The Agencies noted continued development of our resolution strategy and capabilities as had been outlined in previous submissions. As part of their feedback, the Agencies did identify areas in which we should continue to improve our resolution readiness, including governance processes to support the operationalization of our Support Agreement and our RLEN and RCEN forecasting capabilities. The Agencies also shared their expectations for further testing of these capabilities and processes through simulations and tabletop exercises. Finally, the Agencies noted improvements to our ability to map Critical Shared Services but indicated that further work was needed to complete the development of capabilities. Our resolution plan addresses this feedback detailing the work undertaken to further enhance our processes and capabilities so we are operationally ready to execute our preferred resolution strategy in the case of a resolution event.

Our 2023 Resolution Plan is the first full resolution plan submission we are making under the Final Resolution Plan Rule, which was approved by the Agencies in October 2019 to amend and restate the original 165(d) resolution planning rule. Our 2023 Resolution Plan also addresses the 2019 Final Guidance, which is organized around six key vulnerabilities in resolution plans: capital, liquidity, governance mechanisms, operational (including payment, clearing and settlement activities), legal entity rationalization and separability, and derivatives and trading activities. This document discusses how each of these vulnerabilities are addressed in our resolution plan and how the structure, processes and capabilities we have developed over the last decade serve to support our ability to resolve in an orderly fashion should the need ever arise.

The disruptions in the market due to recent bank failures reinforce the importance of resolution preparedness. We have focused the core of our resolution planning on the maintenance of a fortress balance sheet with deep liquidity and capital resources designed to minimize the probability of a resolution event for JPMC. In the unlikely event that JPMC reaches the Point of Non-Viability, our plans are designed to support an orderly and rapid resolution of our businesses and services with thoughtful and tested contingency plans and playbooks to guide management and board decision making, supplemented with financial and operational capabilities and governance mechanisms underpinning a credible path to execution.

On May 1, 2023, JPMCB acquired the substantial majority of assets and assumed the deposits and certain other liabilities of the former First Republic Bank from the FDIC. The firm believes that the Acquisition will be accretive to earnings, will help to further advance the firm's wealth management strategy and is expected to be complementary to the firm's existing franchises. The financial information and other disclosures contained in the Public Filing are as of December 31, 2022, except as otherwise noted, and do not give effect to the Acquisition. For information on the firm's view of the impact of the Acquisition on our resolution planning, see Resolution and Recovery Planning -- General in the FAQs section of this Public Filing.

We continue to have constructive dialogues with the Agencies about our resolution planning framework, including our efforts to continue making meaningful improvements across our firm to ensure that we remain resolvable in an orderly fashion and that we otherwise continue to satisfy requirements for the full resolution plan submission set out by the Agencies. We have undertaken specific enhancements in addition to those requirements that are tailored to our particular business model. In developing and delivering this plan, we believe that:

- it meets the high standards established by our firm for supporting our resolvability;
- it responds fully to all feedback received to date from the Agencies;
- we are well positioned financially with loss-absorbing resources and high-quality liquid assets to withstand a variety of extreme loss and liquidity stress scenarios;

- we have appropriate triggers, governance and reporting capabilities in place, coupled with the operational capabilities necessary to execute our Single Point of Entry or SPOE strategy;
- our resolution-based assumptions and options are appropriately conservative and are meaningfully supported through robust governance, review and challenge; and
- our ongoing training through testing, simulations and education exercises support management and board readiness to credibly execute the plan.

Taken together, we believe that our resolution plan is credible.

This Public Filing provides an overview of:

- our resolution planning;
- how JPMorgan Chase is resolvable;
- frequently asked questions about resolution planning;
- key facts and information about JPMorgan Chase; and
- other financial information disclosures required for resolution public filings.

Resolution Planning and Why JPMorgan Chase Is Resolvable

Resolution Planning and Why JPMorgan Chase Is Resolvable

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Resolution Planning and Why JPMorgan Chase Is Resolvable

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Our Resolution Plan Shows We Can Be Orderly Resolved

In our [How We Do Business](#) document, we describe our mission and the 20 key principles underpinning our strategies and setting the foundation for our success. We convey how we *must be unquestionably safe and sound; that we will always demand financial rigor and risk discipline and that we will always maintain a fortress balance sheet*. Recent bank stress events reinforce the importance of these key principles which we embed in how we run our company. These recent bank failures validated the importance of resolution planning and of managing our firm's resources to absorb unexpected market dislocations and idiosyncratic stresses. Additionally, the events highlighted the need to maintain and continually enhance the frameworks, playbooks and governance that support resolution planning to allow us to quickly respond to evolving threats. Our resolution plan illustrates our ongoing commitment to strengthening and safeguarding our firm, and to supporting both our resilience and our ability to serve our customers, stakeholders and communities. We have continued to make investments in our resolution planning framework since our 2021 Targeted Submission that serve to enhance our capabilities and strategies to ensure our resiliency and resolvability. The public filing for the 2021 Targeted Submission is linked [here](#).

In this section of this Public Filing we:

- outline our resolution plan and why we believe it is credible;
- describe our resolution strategy that will shield the U.S. financial system and economy from harm and U.S. taxpayers from losses in the highly unlikely event of our failure;
- discuss key elements of our capital and liquidity management frameworks and how they support our resilience; and
- detail how we continue to refine our resolution planning framework to meet management and the board's expectations while also addressing updated regulatory requirements and feedback.

Our resolution plan benefits from over a decade's worth of iterative development, responding to vulnerabilities identified by the firm as well as the Agencies. It has been subjected to continuous enhancement, in terms of capabilities, assumptions, contingency planning and legal strategies to support our financial and operational resilience in periods of financial stress including those that would place JPMorgan Chase & Co., or JPMC, at the point of insolvency. These enhancements span across the vulnerabilities identified by the Agencies in their 2019 Final Guidance and reflect our firm's continued commitment to and investment in resolvability.

Thematically, our enhancement efforts have increasingly focused on overall readiness to implement our plans, specifically through:

- improving the usability of key playbooks that guide management and board decision making and reinforcing the responsibilities, strategies and processes;
- enhancing our resolution forecasting capabilities along with related MIS reporting; and
- increasing our optionality, particularly with respect to contingency actions and divestitures.

We believe that our resolution plan continues to provide for an orderly resolution of JPMorgan Chase and should be found credible by the Agencies.

Our firm can be resolved in an orderly manner.

It is essential for systemically important financial institutions to be resolvable in an orderly and transparent fashion. Achieving this resolvability hinges on the development of a credible plan to quickly stabilize the operating subsidiaries of the top tier holding company, allowing them to continue as going concerns or to be wound down as necessary in an orderly manner:

- without disruption to their Critical Services and Operations, including deposit-taking and payment services essential to the continued stability and health of the U.S. financial system and economy; and
- without extraordinary government assistance or any taxpayer support.

Our resolution plan demonstrates how these goals can be achieved for JPMorgan Chase.

Financial strength supports our resolvability.

Minimizing the risk of failure underlies the strategies necessary to support resolvability. We continue to strengthen our financial resilience through a series of initiatives so as to further reduce the possibility of failure, including in a financial crisis. Key to these efforts has been the prudent management and oversight of our liquidity and loss-absorbing resources, both of which serve as primary mitigants to the impacts of idiosyncratic and market stress events.

Our resolution plan is designed to ensure we have sufficient capital and liquidity resources in aggregate, and appropriately prepositioned at our Key Operating Entities, to meet our expected needs across the stages of stress including through the Resolution Period. The design leverages operational, financial and legal strategies to support its execution, and includes methodologies and frameworks to size, monitor, and actively manage our financial resources.

Our funding and liquidity resources consist of High-Quality Liquid Assets, or HQLA, which includes U.S. Treasuries, sovereign debt, central bank reserves and other resources that can readily be converted to cash. HQLA may fluctuate from period to period primarily due to normal flows from client activity. Additionally, the value of our HQLA changes based on the underlying market prices of the assets, generally driven by interest rates. As shown in Figure 1, at the end of 2022 we had approximately \$733 billion of HQLA. This amount, which excludes excess HQLA held at our main bank JPMorgan Chase Bank, N.A., or JPMCB, that is not transferable to non-bank affiliates, would more than cover peak short-term cash outflows in financial stress.

In addition to the approximately \$733 billion of HQLA, we continue to maintain significant holdings of equity securities, fixed income debt securities and other unencumbered marketable securities that could quickly be sold, adding to our ability to raise additional liquidity if and when needed. As of December 31, 2022, we had approximately \$694 billion of these unencumbered marketable securities, inclusive of the excess HQLA held at JPMCB.

As part of our liquidity contingency planning, the firm also identifies other stable sources of liquidity that can be raised over a one-year horizon to further support our needs in a stress event. We regularly test or simulate the ability to access these additional sources of liquidity as part of our liquidity stress testing framework, and our recovery and resolution planning.

We measure our capital resources across a series of both risk-based and leverage ratios, at both the firm and material entity levels. We actively monitor the sufficiency of these capital resources against our expected needs through resolution and that their placement effectively balances the need for certainty, through prepositioning at material entities, with the importance of flexibility provided by maintaining resources centrally to meet unexpected needs.

Total Loss Absorbing Capacity requirements, or TLAC, support the ability to recognize and incur losses in excess of the firm's equity capital. These resources, which are derived from the issuance of debt at the

holding company level, can be written down or converted to capital, in a failure scenario, to allow our Key Operating Entities to meet capital needs from unexpected stress losses or growth in RWA. The firm had issued \$486 billion of TLAC as of December 31, 2022, which could be used to support the capital and liquidity needs of its Material Legal Entity subsidiaries.

By maintaining liquidity and capital resources in excess of what we estimate is needed to support a resolution event and by reducing our reliance on short-term liabilities, we remain well positioned to withstand potential financial stress. Additionally, balancing the repositioning of these resources between our Key Operating Entities and our intermediate holding company, JPMorgan Chase Holdings LLC, referred to as IHC, augments our flexibility to manage resources across our group while maintaining the availability of funds to meet needs in excess of expectations. Our capital and liquidity resources make it less likely that we would face a resolution event and more likely that we would be able to successfully execute our plan if we ever did.

Resolution planning is part of our wider contingency and stress testing processes.

Contingency planning, at its core, revolves around the development of actionable options, governance frameworks for their assessment and execution, and continual challenge and testing to support readiness to act. In this spirit, resolution planning benefits from the efforts, with respect to financial resiliency, taken to develop and maintain our capital and liquidity contingency plans, including our Contingency Funding Plan, Contingency Capital Plan and recovery plans for our firm and several key subsidiaries. These efforts include inventorying and continually evaluating and testing the actions we could take to stabilize our operations, capital and liquidity positions in periods of financial stress.

Recovery planning relies upon our capital and liquidity forecasting capabilities to identify potential breaches of required target levels and sets forth the required actions to be taken by our management and board to restore capital and liquidity to appropriate levels. Like resolution planning, recovery planning relies upon development of contingency plans and playbooks and the establishment of governance forums to guide the identification, assessment and execution of restorative actions. Our contingency capital and liquidity plans, along with our recovery plans, are designed to be activated long before the firm approaches the Point of Non-Viability. Successful execution of those contingency plans provides the basis for the stabilization of our firm and the restoration of capital and liquidity resources in the event of serious

financial distress thereby avoiding the need to contemplate insolvency and the execution of our Preferred Strategy.

Our recovery and capital and liquidity contingency plans are regularly updated and tested so that we are prepared to quickly evaluate and execute actions in response to severe financial distress. Through the recovery planning process, we have provided the Federal Reserve and other regulators with comprehensive information and analyses about available alternatives to raise liquidity and capital in severe market conditions, including our Contingency Funding Plan and Contingency Capital

Plan. We have also developed a comprehensive list of actions the firm could take in order to augment or preserve capital and liquidity in times of financial stress.

In addition, we regularly conduct extensive capital and liquidity planning and stress testing, which includes internal stress tests, as well as supervisory stress tests, such as the Federal Reserve's Comprehensive Capital Analysis and Review, commonly referred to as CCAR, and the Dodd-Frank Act Stress Test, commonly referred to as DFAST. On April 5, 2023, we submitted our 2023 capital plan to the Federal Reserve under the 2023 CCAR stress test process.

Figure 1. Our Fortress Balance Sheet (as of December 31)



¹ CET1 reflects the Tier 1 common ratio under the Basel I measure.

² Reflects the Basel III Standardized measure, which is the firm's current binding constraint.

³ Operational risk RWA is a component of RWA under the Basel III Advanced measure.

⁴ Represents quarterly average HQLA included in the liquidity coverage ratio. Total reported eligible HQLA excludes average excess eligible HQLA at JPMorgan Chase Bank, N.A. that are not transferable to non-bank affiliates. Refer to Liquidity coverage ratio on page 90 for additional information.

Definitions:

CET1: Common equity Tier 1 ratio. Refer to Regulatory capital on page 117 for additional information

RWA: Risk-weighted assets

Liquidity: HQLA plus unencumbered marketable securities, which includes excess liquidity at JPMorgan Chase Bank, N.A.

HQLA: High-quality liquid assets include cash on deposit at central banks and highly liquid securities (predominantly U.S. Treasuries, U.S. government-sponsored enterprises and U.S. government agency mortgage-backed securities, and sovereign bonds)

LCR: Liquidity coverage ratio

An orderly resolution requires proper planning.

Regular preparation, planning and testing are essential to support the ability to successfully stabilize and unwind a large, systemically important financial institution. Following the 2007- 2008 global financial crisis, this planning, generally referred to as resolution planning, became increasingly embedded in strategic management of such firms. At its core, resolution planning requires that systemically important financial institutions have credible and actionable operational, legal and financial strategies to support the ability to manage through a failure event in an orderly manner—in other words, to be effectively resolved.

Resolution planning integrates key elements of the firm's financial and operational contingency planning with legal analyses and governance frameworks to create a resolution plan, also referred to as a "living will." In accordance with Section 165(d) of the Dodd-Frank Act, JPMorgan Chase & Co. is required periodically to submit to the Agencies a plan for its rapid and orderly resolution under the U.S. Bankruptcy Code in the event of material financial distress or failure.

Key elements of a resolution plan include:

- a resolution strategy—our Single Point of Entry Strategy—that uses the normal bankruptcy process and does not rely upon government support or pose risk to the U.S. financial system;
- detailed financial analysis of capital and liquidity resources and needs during implementation of the resolution strategy;
- information about critical aspects of the firm, such as the interconnections among its Material Legal Entities, businesses and systemic functions;
- operational testing and simulation of key elements of the plans and required capabilities to validate the ability to execute in periods of stress;
- assessments of the resolvability of the firm and identification of possible barriers to the firm's resolvability; and
- advance preparation of workable solutions and alternative mitigants to identified barriers to the successful execution of the resolution strategy.

We regularly seek to enhance our approach to addressing these key elements, supporting our ability to credibly execute our resolution plan in a crisis.

An effective resolution plan must respond to observations from real market crises as well as to internal regulatory feedback.

We believe that an effective resolution plan must reflect our own resolvability expectations in addition to addressing feedback, guidance and rules issued by the Agencies. In developing our 2023 Resolution Plan, we have gone beyond the baseline resolution planning requirements to adequately understand and designed a plan to address our unique resolvability considerations.

As we did in 2020 and 2021, following the impact of COVID-19 on global economies and financial markets, we have reflected on certain of the early lessons learned from the recent bank failures to enhance our planning. Depositor behaviors, including the velocity and quantum of certain types of deposit outflows, customer concentrations, choice of business models, asset liability management strategies, divestiture and operational readiness were among the contributing factors in the recent failures of certain U.S. banks. These factors are fundamental elements of the framework and assumptions used in our resolution plan and are therefore subject to continual analyses, challenge and testing. We are evaluating whether the lessons learned from the bank failures warrant changes to any of our internal stress frameworks, contingency plans, assumptions or legal strategies. As part of this evaluation, we have established action plans to review and challenge certain of our own liquidity assumptions and will factor any resulting changes as well as other recent observations into our tabletop testing program for our financial and operational capabilities going forward.

On November 22, 2022, the Agencies determined that our 2021 Submission had meaningful improvements over our prior resolution plan and they identified no shortcomings or deficiencies.

For this resolution plan, we have addressed the core resolution planning requirements put forth in the 2019 Final Resolution Plan Rule and specific Agency feedback. In addition, we have self-identified opportunities to further improve the firm's resiliency and resolvability and we have executed improvements to achieve this goal. Specifically, since 2021 we have:

- addressed the 2021 feedback from the Agencies with respect to:
 - RLEN and RCEN forecasting capabilities;
 - mapping of Critical Shared Services; and
 - further testing of our capabilities through tabletop simulations.
 - enhanced our contingency plans and key playbooks with an increased emphasis on execution capability;
 - further aligned the framework and requirements for business resiliency with their application to Critical Operations; and
 - enhanced playbooks and contingency plans to reflect lessons learned from tabletop simulations.
- only our parent company (JPMorgan Chase & Co. or JPMC) enters bankruptcy proceedings, while our Key Operating Entities and the IHC continue to operate or are wound down in an orderly manner;
 - sufficient capital and liquidity resources are available, either directly at our Key Operating Entities or contributable from our IHC to support continued operations as a healthy but smaller going concern outside of bankruptcy proceedings;
 - our Critical Operations continue without disruption;
 - our derivatives and trading activities can be wound down in an orderly manner to eliminate their systemic importance to financial markets;
 - we have a range of options for divesting portions of the firm so that the firm can shrink in an orderly manner under a wide variety of market conditions;
 - only the shareholders and creditors of our parent company absorb the losses of the firm;
 - no government assistance or taxpayer support is needed; and
 - the portion of our firm that remains after successfully executing our Single Point of Entry strategy is substantially smaller and less complex.

While resolution planning has been an iterative process, the core of our resolution strategy and our approach to resolution planning remains consistent with the framework that we have been refining for over a decade.

On May 1, 2023, the firm acquired the substantial majority of assets and assumed the deposits and certain other liabilities of First Republic Bank from the FDIC. The firm believes that the Acquisition will be accretive to earnings, will help to further advance the firm's wealth management strategy, and is expected to be complementary to the firm's existing franchises. The financial information and other disclosures contained in this Public Filing do not give effect to the Acquisition.

The Single Point of Entry Strategy is designed to support our orderly resolution.

We believe in the strength of a Single Point of Entry strategy to credibly resolve our firm in an orderly manner under the U.S. Bankruptcy Code - this is our Preferred Strategy. Our Single Point of Entry strategy is designed so that:

Our Single Point of Entry strategy is driven by the core belief that it is better to recapitalize, reorganize, and/or wind down in an orderly manner our Key Operating Entities by using JPMC's resources than it would be to retain resources at the parent company and allow Key Operating Entities separately to fail. Moreover, we have a responsibility to make sure that our Key Operating Entities can continue to support the provision of our Critical Operations on which the economy and the general public rely.

Our comprehensive Crisis Management Framework supports our resolution strategy.

We maintain a comprehensive Crisis Management Framework to support our ability to respond to a wide variety of crisis scenarios including, in the extreme, the resolution of JPMorgan Chase. As shown in Figure 2, this framework is designed around what we view as the three pillars of our resolution plan:

- **our capital and liquidity resources**—the financial resources necessary to support successful execution of our resolution plan;
- **our resolution strategy**—the steps that we would take to resolve the firm in an orderly manner under Chapter 11 of the U.S. Bankruptcy Code; and
- **our operational resilience**—our ability to continue operations without disruption during resolution and the capability to execute the resolution strategy successfully.

Our Crisis Management Framework provides meaningful optionality within each of these three pillars, which we believe is critical to resolution planning.

Our Crisis Management Framework incorporates:

- **governance**—robust mechanisms that govern the firm’s transition through each stage of the resolution timeline, starting with Business as Usual to recovery and ultimately to resolution, and support execution of our plan in a timely manner under a wide variety of scenarios;
- **monitoring**—a broad array of Stage Triggers which identify the spot and forecasted levels of capital and liquidity resources at which actions and communications are required by management and the board, including the activation of the recovery and resolution plans;
- **playbooks and contingency plans**—a comprehensive set of playbooks that provide a practical roadmap to implementing our resolution plan, and related contingency plans for maintenance of funding, services and other resources during stress events including resolution; and
- **internal testing and challenges**—comprehensive internal testing and challenges to confirm the sufficiency of our resources and our operational preparedness to execute the resolution plan as designed.

Figure 2. Our Crisis Management Framework



We maintain significant flexibility in our ability to deploy our financial resources, resolution strategy and operational capabilities in our resolution plan.

With respect to our capital and liquidity resources, we maintain flexibility by:

- **Allocating the firm’s financial resources to support the estimated needs of our Key Operating Entities.** We continually refine and enhance the capabilities necessary to estimate the capital and liquidity that each of our Key Operating Entities would need in a resolution scenario. The capabilities allow for the projection of peak needs across the pre and post-resolution periods, including the ability to quickly modify or update key assumptions to reflect actual market events and customer behavior. We maintain an appropriate balance between the certainty of prepositioning projected resolution liquidity and capital resources at all Key Operating Entities and the flexibility of maintaining a buffer of unallocated contributable financial resources at the IHC which are available for distribution to Key Operating Entities to accommodate a range of

stress scenarios, including during resolution. Because no model or estimate is perfect, we maintain this buffer of unallocated financial resources as a mitigant to support the bail in of capital and liquidity at our Key Operating Entities if actual needs should exceed prepositioned amounts.

Within our resolution strategy, we maintain flexibility by:

- **Improving the divestiture-readiness of our businesses.** We have identified 21 segments of our business, referred to as Objects of Sale, as attractive sale, spin-off or IPO candidates that could be considered for divestiture during periods of stress, including resolution. The goal of the divestiture process in financial stress is to reduce the size and systemic reach of our firm while also generating capital and liquidity to further support any unexpected needs. Businesses not identified as Objects of Sale are considered Objects of Unwind, signaling the likelihood that they would be wound down or liquidated during a resolution event. We regularly assess and seek to enhance the divestiture-readiness of our key businesses to support these objectives. We have conducted

an extensive, granular analysis of the potential buyers, both bank and non-bank, for each Object of Sale, and maintain tangible, comprehensive roadmaps to divest each component. We maintain and regularly test the ability to rapidly populate and make readily available comprehensive electronic data rooms for each Object of Sale to allow buyers to conduct due diligence, and ultimately facilitate a timely execution of a sale transaction. We have identified and mapped the personnel, technology and other resources that would need to directly or indirectly be included in each Object of Sale and have contemplated where transition services agreements might be established for entities that would be divested to ensure the continued provision of services. We conduct our analyses with the support of our expert advisors within the Corporate and Investment Bank who execute these types of transactions for our clients globally. The efforts, analyses and playbooks have been developed with management of the businesses as primary stakeholders and contributors, significantly strengthening our operational readiness to execute a divestiture of any of our Objects of Sale expeditiously.

- **Maintaining three actionable exit strategies for the firm from resolution.** We have identified, and maintain detailed analysis of, three exit options for our firm from resolution:
 1. one or more public offerings of the shares of a NewCo, which would be the holding company for IHC and JPMCB post-bankruptcy, and the distribution of proceeds from the stock offerings to the parent company's bankruptcy estate;
 2. the distribution of NewCo shares to the parent company's creditors; and
 3. further divestitures of Objects of Sale and the distribution of proceeds to the parent company's creditors.

These exit strategies provide flexibility to accommodate a range of conditions that may exist at the point when the firm is preparing to exit from operating under resolution proceedings.

With respect to our operational capabilities, we maintain flexibility through:

- **Detailed continuity plans for our Critical Services and the Critical Operations they support.** We developed and maintain operational capabilities designed to support the uninterrupted provision of Critical Services, including the Critical Operations they support, throughout resolution and to facilitate the execution of the actions contemplated in our resolution plan. We have enhanced our analyses of Critical Services by identifying the assets and resources supporting those services at a more granular level and have completed the deployment of a centralized system to provide rapid and flexible MIS on these assets. We continue to invest in data and information systems, governance, legal, communications and other capabilities necessary to support a resolution event.
- **Alternative strategies, contingency actions or exit plans for key service providers.** We have established an exit plan or alternative strategy for each of our key vendors, including transitioning to an affiliated service provider or to an alternative third-party service provider. We have also developed alternative strategies for all of the financial market utilities, also referred to as FMUs, and agent banks that we use worldwide to process payments and to clear and settle transactions. FMUs are multilateral systems that provide the infrastructure for transferring, clearing or settling payments, securities or other financial transactions among financial institutions or between financial institutions and the system. We conduct an annual analysis of our payment, clearing and settlement clients to appropriately identify the key clients, and have developed strategies designed to ensure their continued access to payment, clearing and settlement services.

We have embedded resolution planning into our day-to-day operations and strategic decision-making at all levels of the firm.

We embed resolution planning into our day-to-day operations and strategic planning in business as usual conditions. Key examples of how we have embedded resolution planning considerations and principles include:

- integration of resolution and recovery planning within the Global Treasury function which is in the Office of the CFO alongside our business as usual management of capital and liquidity resources as well as stress testing activities;

- embedding our resolution liquidity and capital frameworks in our business as usual processes, leveraging the same systems and reporting used in our liquidity management and capital stress testing so that we have the capability to produce these analyses and estimates on a periodic and, if necessary, daily basis in a crisis;
- refinement of our Legal Entity Rationalization, or LER Criteria, and its formal adoption into the policies, procedures and governance of the firm so that legal entity structure, complexity and resolvability are considered in business as usual decision-making, including when considering new products, acquisitions or internal restructuring of existing operations;
- requiring our vendor contract template to include resolution-friendly termination and assignment provisions; our existing key vendor contracts and material agent bank contracts include these provisions and we have instituted formal controls so that new contracts must include these resolution-friendly provisions; and
- management of financial resources held at the IHC, to optimize the ability to support capital and liquidity needs of Key Operating Entities in resolution under the secured Support Agreement.

We have a well-established framework for the review of decisions to either enter new businesses, offer new products or to make acquisitions which analyzes, among other considerations, the initiative's impact on our Preferred Strategy.

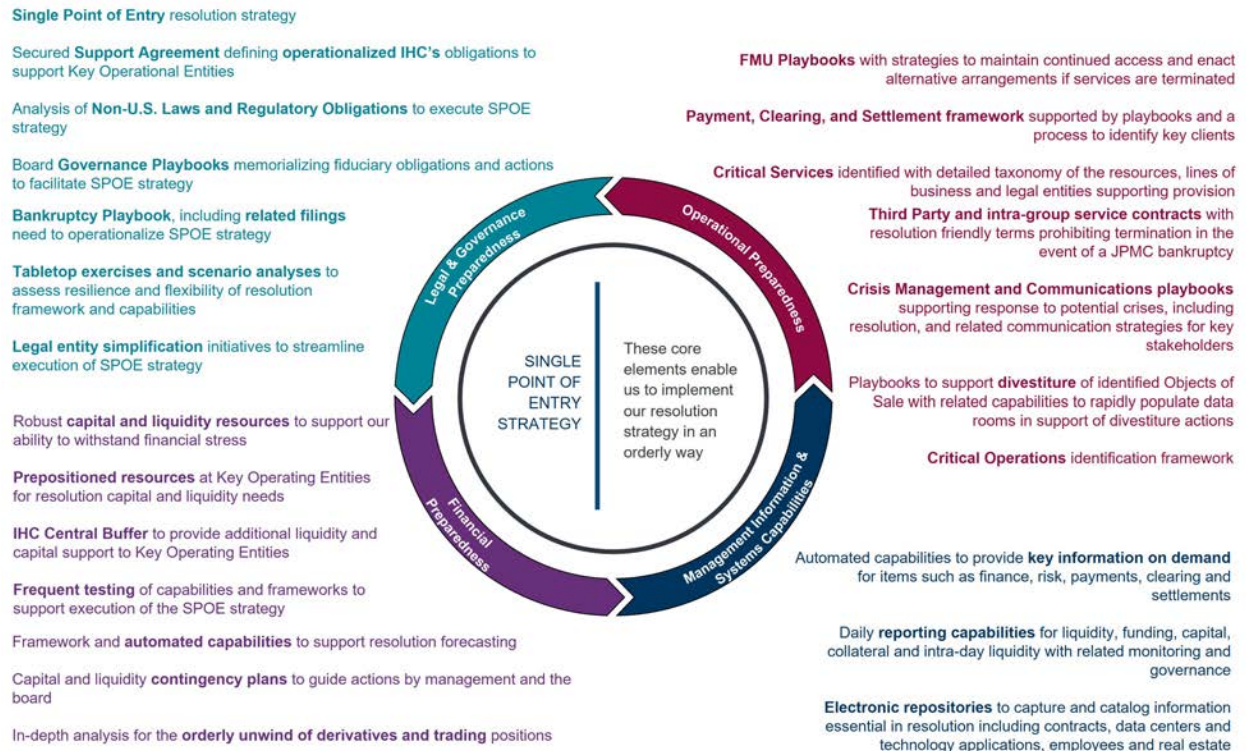
We continue to believe that JPMC is resolvable and that our plan can be successful under a variety of different resolution scenarios and conditions. At the same time, we remain focused on finding ways to further ingrain and enhance the measures we have taken to support our resolvability and improve our capabilities.

We believe that our ability to execute our resolution plan successfully depends upon being prepared and having sufficient capabilities on the following fronts:

- legal issues and governance;
- financial resources;
- operational capabilities; and
- management information systems.

Figure 3 highlights the core elements that we have completed in these four categories.

Figure 3. Core Elements of JPMC’s Resolution Plan



Our Single Point of Entry Resolution Strategy Enables Orderly Failure without Government or Taxpayer Support or Harm to the U.S. Economy

In the subsections that follow, we first provide an overview of Single Point of Entry as a standard type of resolution strategy for large, systemically important financial institutions, and then focus on the JPMC Single Point of Entry strategy. We then:

- detail how our capital and liquidity resources are sized and structured to absorb the impact of idiosyncratic and market-wide stresses that could threaten our solvency;
- discuss how we conduct extensive financial forecasting to demonstrate that we have sufficient capital and liquidity resources to implement the strategy successfully; and
- describe the simpler and smaller firm that would emerge after executing the strategy.

Single Point of Entry is optimal for resolving large financial institutions in an orderly manner in bankruptcy.

Single Point of Entry continues to be widely acknowledged as the preferred resolution strategy by many of the world's largest financial institutions. As suggested by its name, this resolution strategy is designed so that only a single entity within the financial institution—the parent company—enters into bankruptcy proceedings, rather than multiple operating entities entering into separate—and potentially competing and non-cooperative—resolution proceedings.

Single Point of Entry consists of three core elements:

- the parent company of the financial institution enters bankruptcy proceedings under Chapter 11 of the U.S. Bankruptcy Code;
- all Key Operating Entities of the financial institution have access to sufficient capital and liquidity, prior to and after the parent company enters into bankruptcy proceedings, to support their continued operations and to support their customers; and
- all Key Operating Entities continue operating outside of the parent company's bankruptcy long enough for each to be wound down in an orderly fashion, sold to another firm, spun off as a stand-alone firm or taken public through an IPO.

By recapitalizing and reorganizing or orderly winding down the Key Operating Entities, the firm's Critical

Operations are expected to continue functioning each day, as necessary. This approach preserves as much as possible the going-concern value of the firm and is designed to impose any losses incurred in the resolution on its shareholders and private creditors rather than on U.S. taxpayers or depositors. For these reasons, we, like many of our peers, maintain a Single Point of Entry strategy that, in our case, is designed to recapitalize, stabilize and reorganize the most important parts of JPMC. The Single Point of Entry strategy, when executed, allows for these parts to be unwound in an orderly manner so as to avoid systemic impact, ultimately resulting in their monetization through divestiture via a sale to a third party, IPO or spin-off or through a wind-down for the benefit of the firm's creditors.

The Single Point of Entry strategy involves a bankruptcy filing by our parent company at a time when we have sufficient financial resources on hand to keep all of our Key Operating Entities adequately funded and capitalized throughout the Resolution Period. Under the Single Point of Entry strategy, our parent company would file for bankruptcy after the contribution of nearly all available resources to the IHC to allow them to be available to support the capital and liquidity needs of the Key Operating Entities, so they remain open and continue to serve our clients as we execute our strategy. The contribution of those resources by our parent company in support of the firm's Critical Operations leaves it without ready access to sufficient liquidity to service its debt.

We would expect that the firm in a financial stress scenario would rapidly deploy its liquid assets to meet what we expect to be significant net funding outflows across its Key Operating Entities. Established contingency plans, including the firm's recovery plan, document the actions and options available to generate these liquidity and capital resources. Without active management and intervention, the stresses could cause Key Operating Entities to eventually be at risk of lacking sufficient liquid assets to meet their obligations as they come due.

Rather than wait for that point when resources are exhausted and Key Operating Entities are failing, our Single Point of Entry strategy is designed so that our parent company will prioritize the continued viability of these entities and file for bankruptcy early enough that firmwide liquidity would still be sufficient to support the Key Operating Entities through their stabilization following the parent company's bankruptcy.

As discussed in greater detail below, we have established various mechanisms designed to: (1) measure and monitor our available resolution resources against projected resolution needs so that there is a proper balance between prepositioned resources at each

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of the Key Operating Entities and contributable resources at the IHC; and (2) ensure that our parent company downstreams nearly all of its financial resources (except for certain excluded assets) to the IHC before resolution resources fall below projected resolution needs. We have detailed firmwide frameworks for projecting capital and liquidity needs in resolution and actively monitor triggers indicating when the firm is approaching various stages of stress, recovery or resolution. Most importantly, our secured Support Agreement contractually obligates our parent company to downstream resources to the IHC at the Point of Non-Viability, which is the point at which there are only sufficient financial resources remaining to carry out the Single Point of Entry strategy. The secured Support Agreement also obligates the IHC to use those resources to support the Key Operating Entities through their stabilization and the parent company's bankruptcy. These and other measures are designed so that our parent company's bankruptcy filing is timed appropriately to preserve the continued viability of our Key Operating Entities.

Our Single Point of Entry strategy mitigates the destabilizing effects of a possible failure by setting a path to avoid the failure of the firm's subsidiaries.

This section describes our Single Point of Entry strategy, including: the businesses, operations and entities covered by the strategy; the six stages of stress/recovery and resolution; and the key assumptions and main implementation steps of the strategy.

Businesses, Operations and Entities in Our Resolution Plan

As required by the Agencies' Final Resolution Plan Rule, our resolution plan focuses on a particular subset of businesses, operations and entities and branches of our firm, owing to their importance to the healthy functioning of the firm or the financial stability of the United States. For resolution planning purposes, we have designated 21 key business lines—including their associated operations, services, functions and support—that, upon failure, would result in a material loss of the firm's revenue, profit or franchise value. These 21 business lines include: (1) our four principal operating business segments and Corporate, each of which is referred to as a line of business; and (2) the 16 sub-segments of these five lines of business, each of which is referred to as a sub-line of business, that report into the principal business segments. The 21 lines of business and sub-lines of business discussed in this Public Filing are core business lines identified solely for resolution planning purposes. In some circumstances, resolution sub-lines of business listed in this Public Filing might differ from

JPMC's sub-segments discussed in the 2022 Annual Report on Form 10-K.

See Overview of JPMorgan Chase for a description of our designated lines of business and sub-lines of business.

The Agencies have previously identified certain of our operations, including associated services, functions and support, the failure or discontinuance of which could pose a significant threat to the financial stability of the United States. We have since independently developed and applied our own methodology to identify such operations, which are referred to as Critical Operations under the Final Resolution Plan Rule.

As of June 30, 2023, we have designated 19 entities and non-U.S. branches as Material Legal Entities, or MLEs, because they are significant to the activities of our lines of business, sub-lines of business or Critical Operations. Our MLEs include our Key Operating Entities, together with our parent company and IHC.

We divide our Material Legal Entities into two ownership chains: (1) the JPMCB Bank Chain; and (2) the IHC Chain.

The JPMCB Bank Chain includes:

- our main bank (JPMorgan Chase Bank, N.A. or JPMCB), a U.S. national banking association with branches in 48 states and Washington, D.C.;
- six material non-U.S. branches of JPMCB located in Hong Kong, London, the Philippines, Singapore, Sydney and Tokyo;
- one merchant processing entity, which accepts, processes and settles payment transactions for merchants; and
- three other MLE subsidiaries, which are: J.P. Morgan Securities plc, or JPMS plc (a U.K. bank); J.P. Morgan SE (a European bank); and JPMorgan Securities Japan Co., Ltd. or JPMSJ (a Japanese broker dealer).

The IHC Chain includes:

- our IHC (JPMorgan Chase Holdings LLC), which is a Delaware limited liability company;
- our primary U.S. registered broker-dealer (J.P. Morgan Securities LLC or JPMS LLC), which is the firm's U.S. investment banking entity;

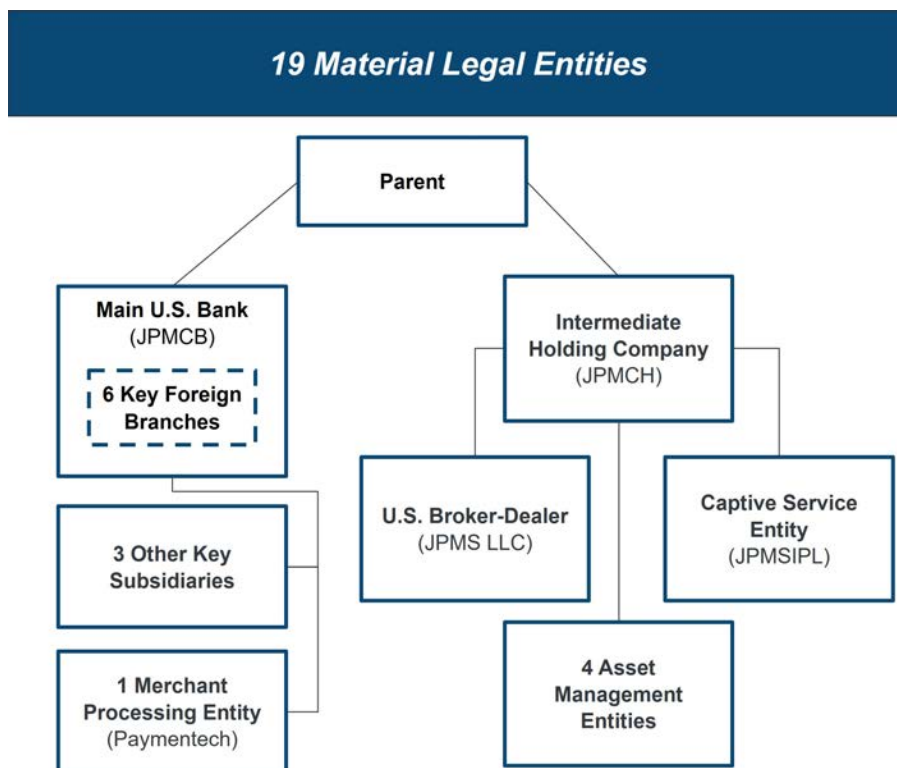
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- our four asset management entities out of which our Asset Management sub-line of business is operated in significant part; and
- a captive service provider (J.P. Morgan Services India Private Limited or JPMSIPL), which is located in India, and provides data and transaction processing, IT support, call center and research support services to the firm, and not to third parties.

Figure 4 below sets out the organizational structure of our Material Legal Entities

Figure 4. Material Legal Entities in Our Resolution Plan (as of June 30, 2023)



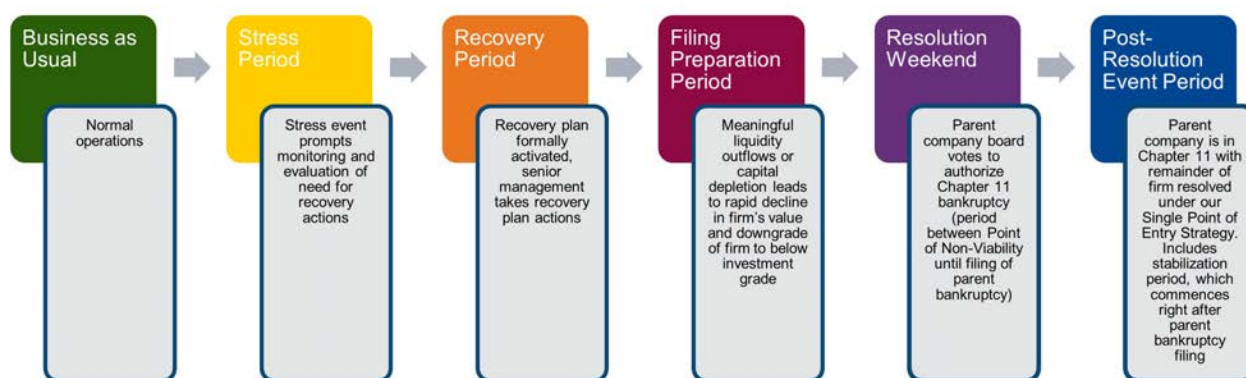
Stages of Stress, Recovery and Resolution

Our Single Point of Entry strategy is organized across six stages: Business as Usual, Stress Period, Recovery Period, Filing Preparation Period, Resolution Weekend, and Post-Resolution Event Period. These stages are designed to align to the escalation stages used for our management of capital and liquidity resources across the firm. We maintain qualitative and quantitative Stage Triggers that link the financial condition of the firm to the transition from Business as Usual all the way to Resolution Weekend, so that our board can assess the resources available versus forecasted needs and make the decision as to when the parent company timely files for bankruptcy and executes related pre-bankruptcy filing actions. A high-level summary of these six stages is depicted in in Figure 5 below.

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Figure 5. Stages of Stress



The successful execution of our Single Point of Entry strategy depends upon our ability to maintain adequate capital and liquidity levels at all of our Key Operating Entities throughout periods of stress including resolution. Several of our Key Operating Entities are subject to prudential capital and liquidity requirements, and so our strategy is designed so that they meet or exceed all regulatory capital and liquidity requirements in their respective jurisdictions. Key Operating Entities that are not subject to regulatory capital and or liquidity requirements, such as certain of our investment management entities, must maintain capital and liquidity levels typically required to obtain an investment-grade credit rating or, if the entity is not rated, an equivalent level of financial soundness.

During financial stress, our Key Operating Entities may incur certain types of losses or have the level of risk-weighted assets increase which could impair their capital and thus erode their credit worthiness. We have designed our strategy and our forecasting capabilities so that, in those instances, we are able to identify potential shortfalls and assess and execute actions to restore the entities' capital base, either through the contribution or bail in of capital resources, reductions of RWA or a combination of both. These actions would be designed to proactively augment capital resources at our Key Operating Entities so that they continue to operate at well capitalized levels, including throughout the Resolution Period.

Similarly, our Key Operating Entities may incur significant net funding outflows with increasing velocity and/or magnitude during periods of financial stress including through the Point of Non-Viability when resolution related

financial triggers would be breached. Each Key Operating Entity must maintain or have access to enough liquidity to meet its funding needs and remain solvent throughout the stages of stress including resolution in order for us to successfully execute our Single Point of Entry strategy. During financial stress, our Key Operating Entities are likely to suffer severe liquidity outflows due to client and customer actions, including increased deposit withdrawals, potential derivative collateral requirements, draws on loan commitments, heightened membership requirements from FMUs and counterparty and other stakeholder demands.

We have developed dynamic forecasting capabilities to assess liquidity and capital needs through periods of financial stress. In addition, with respect to prepositioned and centralized resources, we have developed contingency plans to support the generation of liquidity in periods from Business as Usual through resolution. The prepositioned resources, the execution of actions in our contingency plans and the contributable resources readily available at the IHC are designed to provide sufficient liquidity to our Key Operating Entities so that they can continue to meet their obligations when due, including deposit outflows and any heightened financial requirements placed on them by counterparties or FMUs.

Key Assumptions for Single Point of Entry Strategy

Our assumptions for resolution planning are consistent with or more severe than those that the Agencies have prescribed in the Final Resolution Plan Rule and the 2019 Final Guidance. Some of the most significant assumptions underlying our analyses for the

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implementation of our Single Point of Entry strategy are summarized in the chart that follows.

Key Assumptions Include:

- Prohibition on assuming recovery actions or steps taken during the Filing Preparation Period to reduce the size or interconnectedness of JPM Group's operations or to mitigate the risk of its failure
- No changes to the legal frameworks governing bankruptcy since the date of our plan filing
- ISDA Protocols are in place and effective for counterparties
- Available liquidity and capital resources under the secured Support Agreement are sufficient for our Key Operating Entities to meet resolution needs
- Key Operating Entities meet heightened operational, intraday liquidity and collateral requirements necessary to maintain access to FMUs
- Orderly active wind-down strategy for derivatives and trading portfolio
- No reliance on capital or liquidity benefits from divestiture of any Object of Sale

Main Implementation Steps

Under our Single Point of Entry strategy, if the firm were to reach the Point of Non-Viability, we would take the necessary steps for our parent company to file for and commence bankruptcy proceedings while also ensuring that all of our Key Operating Entities remain open, funded, capitalized and operating outside of bankruptcy proceedings.

We maintain a secured Support Agreement pursuant to which our main bank, JPMCB, may provide, and our IHC is contractually bound to provide capital and/or liquidity support to Key Operating Entities in resolution. IHC is free of third-party debt and stands ready to make these capital and liquidity contributions from its own unencumbered resources, the IHC Central Buffer, on a priority basis to the Key Operating Entities under the terms of the Support Agreement.

During the Filing Preparation Period, we will:

- form a new debt-free holding company, NewCo, and a private trust, the Trust, which will be maintained for the sole benefit of our parent company's bankruptcy estate;
- appoint the initial directors and officers of NewCo and an independent trustee to control the Trust; and
- contribute NewCo to the Trust.

The exact timing of these actions during the Filing Preparation Period will be determined based on the relevant circumstances.

Upon the occurrence of a Point of Non-Viability, Resolution Weekend begins and:

- the board of our parent company would convene a special meeting to vote on whether the parent company should file for bankruptcy under Chapter 11 of the U.S. Bankruptcy Code;
- our parent company, pursuant to the Support Agreement, would contribute to IHC nearly all of its remaining assets, other than the stock of JPMCB, the ownership interests of IHC and certain other excluded assets (which include assets needed for bankruptcy expenses);
- capital and liquidity needs for each Key Operating Entity will be calculated, monitored and reported, pursuant to the Support Agreement, to determine whether capital or liquidity resources beyond those already prepositioned at the entity are projected to be required in the near term to successfully execute the resolution strategy; based on this information, IHC would determine whether additional capital and/or liquidity support should be provided; and
- IHC and, in certain instances, JPMCB, would provide capital and liquidity support to Key Operating Entities as and when needed to support their continued operation or orderly resolution.

Contemporaneously with the filing of its bankruptcy petition, our parent company would file an emergency motion—the Emergency Transfer Motion—seeking authorization and approval from the U.S. bankruptcy court with jurisdiction over the parent company's

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bankruptcy proceedings (referred to as the bankruptcy court):

- to transfer the ownership interests of IHC to NewCo (which would be owned by the Trust) and then transfer the stock of JPMCB to IHC;
- to obtain the benefit of the stay on cross-defaults and early termination rights under the ISDA Protocols (multilateral contractual agreements that provide for recognition of statutory stays under special resolution regimes and limitations on early termination rights due to cross-defaults under ISDA Master Agreements);
- for NewCo to assume certain liabilities of the parent company, including its Guarantee Obligations relating to certain of its subsidiaries' Qualified Financial Contracts;
- as alternative relief, to elevate the priority of the parent company's Guarantee Obligations relating to its subsidiaries' Qualified Financial Contracts to the status of administrative expense claims in the bankruptcy case, senior in priority to pre-petition general unsecured claims; and
- for the bankruptcy court to approve one of these two forms of relief by the later of 48 hours or 5:00 p.m. on the first business day after our parent company files for bankruptcy.

Our approach to compliance with the ISDA Protocols is to satisfy the conditions for the parent company to transfer its Key Operating Entities to NewCo (via the transfer of IHC to NewCo and JPMCB to IHC), and for NewCo to assume certain liabilities of the parent company, including its Guarantee Obligations relating to certain of its subsidiaries' Qualified Financial Contracts.

Promptly after our parent company files for bankruptcy and upon the bankruptcy court's approval of the Emergency Transfer Motion, all of our Key Operating Entities would be transferred to NewCo as its indirect subsidiaries via the transfer of IHC to NewCo and then JPMCB to IHC, and would continue as going concerns, thereby minimizing the negative impact of the parent company's bankruptcy on our customers, counterparties, other financial institutions and the global economy, and maximizing the value of the bankruptcy estate for the benefit of the parent company's creditors. All of our nearly 4,800 branches and almost 16,000 ATMs would be open for business as usual.

Our Preferred Strategy also assumes certain components of businesses, referred to as Objects of Sale, would be prepared for divestiture. In addition, the firm's portfolio of trading assets and derivatives are assumed to significantly wind down. These sales and wind downs serve to reduce the firm's size and systemic importance but as noted, are not relied upon to meet the liquidity or capital needs of our Key Operating Entities during the resolution process. Finally, JPMSIPL, our service entity, has operating expenses that are fully funded by fees from its affiliated clients—primarily JPMCB—which will continue to pay for services during Resolution. JPMSIPL also has reserve cash and liquid assets to cover approximately six months of expenses. As a result, it is expected that JPMSIPL, like the other Key Operating Entities, would not need to enter resolution proceedings of its own and would continue to provide services to affiliates during and through a resolution event. Given the expected smaller size of our firm's operations following resolution, JPMSIPL would be expected to shrink as demand for services decreases during the Post-Resolution Event Period.

During the Post-Resolution Event Period, IHC and JPMCB would continue to provide capital and/or liquidity support to the other Key Operating Entities transferred to NewCo and the Trust pursuant to the terms of the Support Agreement until our Single Point of Entry strategy has been completed.

Creditors and shareholders of our parent company would realize value from NewCo's assets in accordance with the order of priority under the U.S. Bankruptcy Code.

Our Single Point of Entry strategy minimizes the systemic consequences of JPMorgan Chase's failure, minimizes the legal and operational challenges associated with resolution (including those related to global regulatory cooperation) and preserves maximum franchise and enterprise value for our stakeholders. The strategy further enhances our ability to reduce our firm's size and systemic importance. Additionally, prepositioned liquidity and capital resources, coupled with the IHC Central Buffer, provide the basis to withstand significant losses and funding outflows, and upon entering resolution, further support the orderly unwind of certain key wholesale businesses and operating entities, avoiding the need for additional insolvencies at the Key Operating Entity level or regulatory intervention.

Our capital, liquidity and balance sheet forecasting illustrate that our firm has sufficient financial resources to withstand extraordinary stress events and execute Single Point of Entry successfully.

We undertake robust financial forecasting in order to confirm that our resolution plan can be successfully implemented under varying conditions.

This financial forecasting assumes an overall environment that is consistent with the CCAR / DFAST Severely Adverse scenario, which we used in our Federal Reserve stress tests, and incorporates a set of assumptions, including a Hypothetical Loss Scenario, which applies additional losses, market shocks and funding outflows to the firm. We refer to the financial forecasting of the execution of the Preferred Strategy under these conditions as the Hypothetical Resolution Scenario.

Under our Hypothetical Resolution Scenario the firm is able to demonstrate that it:

- has sufficient financial resources prepositioned at each Key Operating Entity or held as part of IHC's Central Buffer to meet the entities' forecasted liquidity needs during resolution;
- can recapitalize and sustain target capital levels at the Key Operating Entities throughout the Resolution Period; and
- will be significantly reduced in size and scope at the conclusion of our resolution process.

As part of our financial forecasting of the Hypothetical Resolution Scenario, we produce integrated liquidity forecasts and pro forma financial statements on a daily basis through each Key Operating Entity's Stabilization Period, resulting in daily analyses for up to 90 days. Thereafter, we have the capability to produce quarterly financial statements for each Key Operating Entity for the remainder of the Resolution Period. Additionally, we are able to produce daily liquidity forecasts on a rolling one year basis to illustrate the sufficiency of available resources to meet net funding outflows. Our pro forma financial statements and the liquidity forecasts show the ability of our Key Operating Entities to maintain target capital and liquidity levels throughout the Resolution Period.

Hypothetical Loss Scenario

We are required by the Agencies to design a Hypothetical Loss Scenario identifying assumed idiosyncratic loss events—meaning loss events that affect only JPM Group—that would result in capital and liquidity impairments so severe that our parent company would have to file for bankruptcy under Chapter 11 of the U.S. Bankruptcy Code. Our Single Point of Entry strategy describes our Preferred Strategy to address the Hypothetical Loss Scenario.

Under our Hypothetical Loss Scenario for 2023, we assume that JPM Group, in the aggregate, rapidly suffers extraordinary and severe capital losses and liquidity outflows during the Filing Preparation Period, which is designed to be less than 30 days. Liquidity outflows are, as part of the firm's overall liquidity stress framework, designed to be particularly severe in the first few days of stress, minimizing the reaction time available to take management actions and thereby requiring that significant highly liquid resources be maintained to address these needs. We also assume that material losses occur at each of JPMC, JPMCB (including its London branch), JPMS plc, JPMS LLC and JPMSE and that these losses do not materially impair other Key Operating Entities. The Hypothetical Loss Scenario would eventually lead to the occurrence of a Point of Non-Viability, which would end in the decision by the board of the parent company to initiate bankruptcy proceedings.

The Hypothetical Loss Scenario can be designed in multiple ways with different losses and outflows or at different legal entities. We maintain capabilities to allow us to rapidly apply different assumptions, either to reflect actual market stresses at the time or to select alternative contingency actions, and assess the resulting impact as part of management and the board's decision-making. These forecasting capabilities allow for flexibility to take into account the sizing, velocity and location of the outflows and losses during an actual stress event. We have carefully designed our Single Point of Entry strategy to include significant optionality and flexibility to account for variations in an actual loss scenario, including by maintaining the IHC Central Buffer. Moreover, in the unlikely event that the Preferred Strategy is not implemented, the resolution plan provides actionable alternative resolution strategies evidencing further optionality to resolve the firm's business lines, Key Operating Entities and other assets without systemic disruption and without U.S. taxpayer support.

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Key Assumptions for Hypothetical Resolution Scenario and Financial Forecasting

In addition to the significant assumptions underlying our Single Point of Entry strategy, all of our assumptions underlying the Hypothetical Resolution Scenario and our financial forecasting are consistent with or more severe than those required by the Agencies.

Key Assumptions Include:

- Filing Preparation Period of less than 30 days
- No extraordinary government support
- Conditional access to Federal Reserve Discount Window for only a few days post-bankruptcy by the parent company
- Other secured central bank borrowings available subject to local requirements
- Downgrade of the firm by all three major ratings agencies to one notch below investment grade at the end of the Filing Preparation Period
- No access to private capital or unsecured liquidity
- Market-driven limitations on the sale or financing of HQLA and non-HQLA securities
- Liquidity-preserving actions by host regulators
- No debtor-in-possession financing available to our parent company

Results of Our Financial Forecasting

We maintain sufficient external and internal loss-absorbing resources to successfully execute the Single Point of Entry strategy, including in a CCAR / DFAST Severely Adverse economic environment. Our forecasting results illustrate that:

- throughout the Resolution Period all of our Key Operating Entities would be able to:
 - meet all funding obligations when due;

- achieve and sustain target capital levels;
- continue to conduct their key business and Critical Operations on an uninterrupted basis;
- avoid the need for any extraordinary government support; and

- the size of the consolidated NewCo balance sheet would be substantially reduced, along with related RWA, after executing the Single Point of Entry strategy.

Single Point of Entry would result in a simpler and smaller firm.

As a result of the Single Point of Entry strategy and the expected divestiture of the Asset Management, Global Private Bank, Commercial Term Lending, Auto Portfolio and Non-Trust Card Portfolio Objects of Sale, the post-resolution firm as a whole will be significantly smaller and engaged in a narrower scope of business. Specifically, the resulting post-resolution firm would resemble a large, regional bank group engaged almost exclusively in traditional retail and commercial banking activities, and would encompass:

- **Materially reduced activity in the JPMCB Bank Chain.** The assets of JPMCB and its material foreign branches are estimated to be reduced by approximately 40% post-resolution.
- **Significantly reduced broker-dealer activities.** JPMS LLC would be recapitalized and remain open, funded and operating. However, it is expected to be significantly reduced in size as customers would have substantially transferred to third-party providers. None of the Key Operating Entities engaged in broker-dealer activities (i.e., JPMS LLC, JPMSJ or JPMS plc) would be systemically important post-resolution. The assets of each of these Key Operating Entities are, on average, estimated to be reduced by over 85% post-resolution.
- **The remaining Key Operating Entity.** JPMSIPL is an internal service provider and is expected to be self-sustaining on the basis of fees paid for services by the ongoing operations of NewCo. Although it would have smaller operations, due to the reduced demand for services from a smaller NewCo, JPMSIPL would be able to continue in the ordinary

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course of business and would not need to be placed into resolution proceedings.

Although only five Objects of Sale are assumed to be sold for purposes of illustrating the impact of the Single Point of Entry strategy for this resolution plan, we would be fully prepared to divest as many additional Objects of Sale as necessary and wind down any businesses not identified as Objects of Sale, known as Objects of Unwind, particularly if there is a decision to further reduce the size and systemic footprint of the firm before it exits bankruptcy.

The Trust could pursue any of the following options with respect to NewCo:

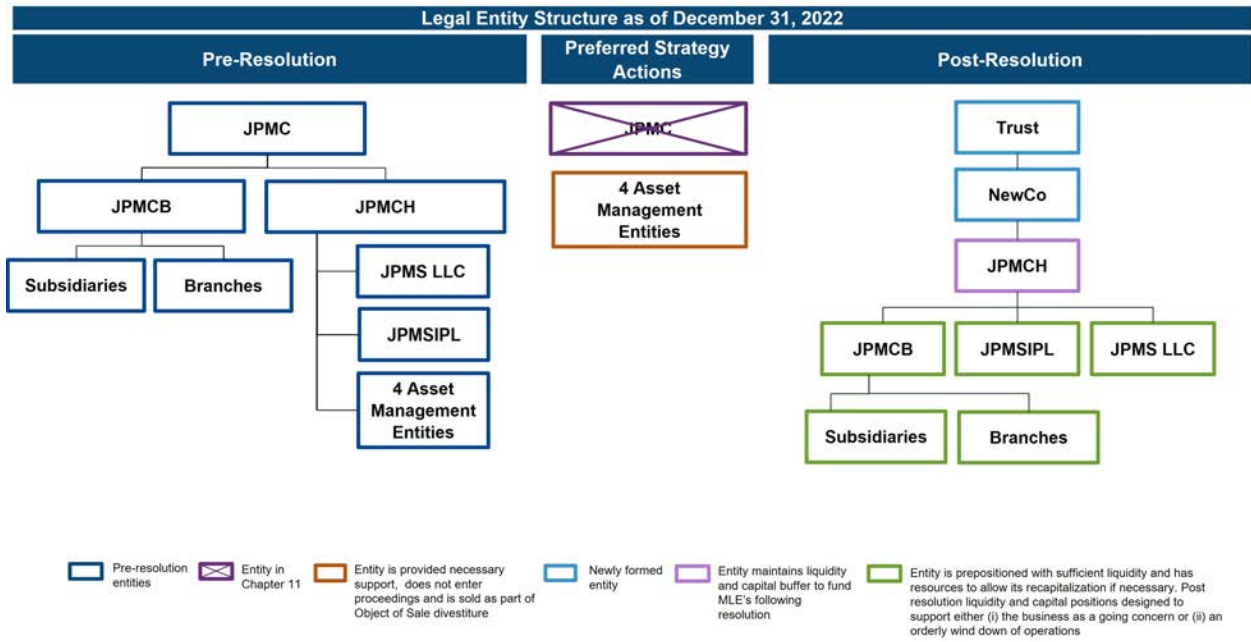
- **IPO.** The Trust could undertake one or more underwritten public offerings of its shares of NewCo. Proceeds of the stock offering would be distributed to the parent company's bankruptcy estate and ultimately to the parent company's creditors.
- **Distribution of shares in kind.** The Trust could distribute stock of NewCo to the parent company's creditors and, after these distributions, dissolve.
- **Further divestitures of the Objects of Sale.** The Trust could arrange for further divestitures of identified Objects of Sale.

Figure 6 and Figure 7 compare JPMorgan Chase before the execution of our Single Point of Entry strategy with the post-resolution firm and demonstrate that the strategy results in a materially smaller and simpler firm.

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Figure 6. Illustration of Preferred Strategy (as of December 31, 2022)

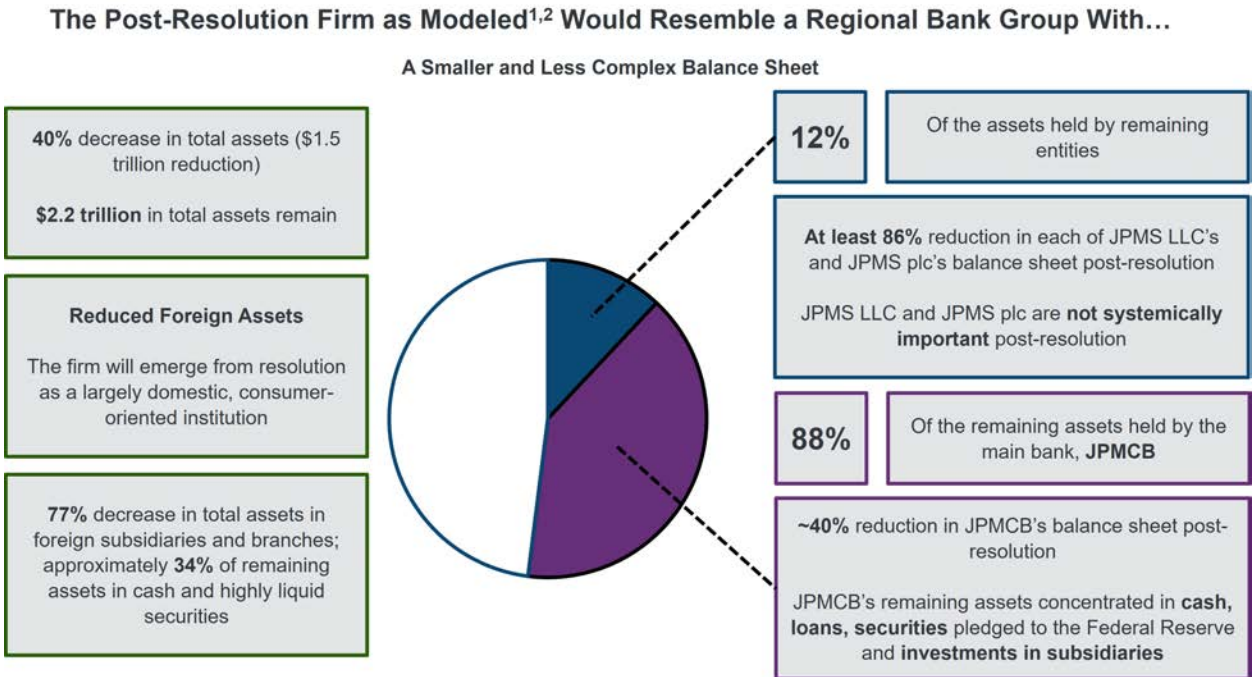


The pro forma financial statements illustrate significant reduction of the size and scope of operations of JPM Group after the hypothetical execution of the Preferred Strategy. The resulting organization would have a balance sheet and remaining operations focused primarily on traditional consumer and wholesale banking activities. If market conditions do not support the assumed divestitures, additional divestiture options could be pursued. As noted, our Preferred Strategy is not reliant on divestiture of Objects of Sale to meet resolution capital or liquidity needs of our Key Operating Entities.

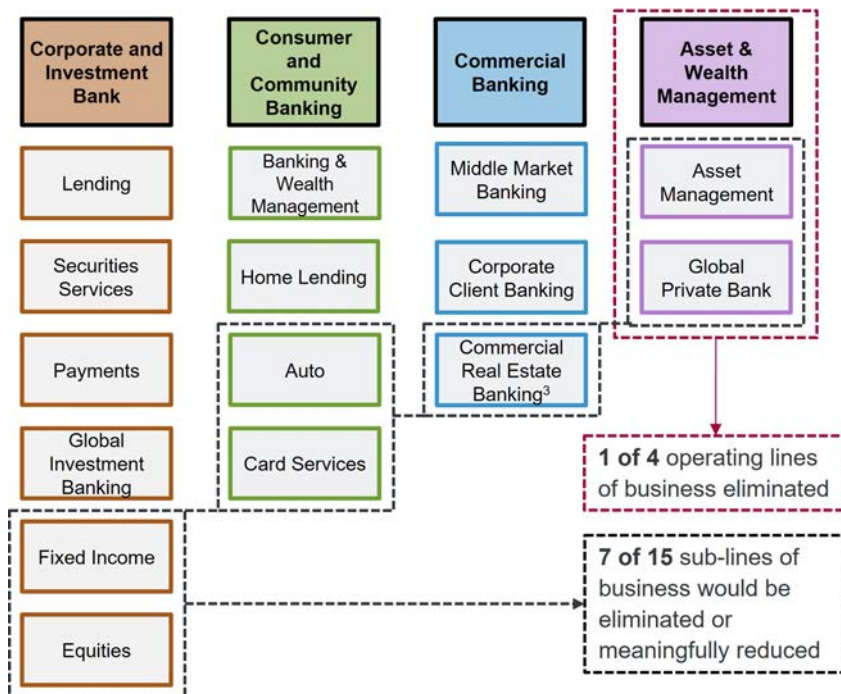
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Figure 7. Business Before and After Resolution



A Focus on Traditional Retail and Commercial Banking



(1) Based on the divestiture of five Objects of Sale and the wind-down of broker-dealer activities.
 (2) The financial information and other disclosures contained in this Public Filing do not give effect to the Acquisition.
 (3) We assume the divestiture of the Commercial Term Lending Object of Sale which is part of the Commercial Real Estate Banking business.

Our Resolution Plan Is Designed to Meet Real-World Challenges

An effective resolution plan must be tailored to the legal structure and business activities of a firm. It must take into account and proactively seek to mitigate the real-world challenges that the firm would likely face during both the period of material financial distress leading to its insolvency as well as the duration of the process of its orderly resolution. We use a multiyear process to challenge and update an analysis of our firm and the challenges that we could face in a potential resolution. Based on self-assessments, feedback from our regulators, and observations from actual recent bank failures and stress events, we seek to continually enhance and refine our resolution plan to address each of those challenges.

We believe that an effective resolution plan has six key elements that can be categorized according to our three pillars of resolution planning:

1. Capital and Liquidity Resources

- **Capital**—Capital provides the ability to absorb losses and increases to RWA, and so our Key Operating Entities must maintain or receive sufficient capital resources to support the uninterrupted operations of the firm as it is resolved.
- **Liquidity and Funding**—Liquidity is designed to provide the funding that enables the firm to meet its contractual and contingent financial obligations, and so our Key Operating Entities must maintain or receive sufficient liquidity resources—typically cash or other liquid assets that can be quickly sold or financed—to support the ability of the Key Operating Entities to continue to operate as going concerns as they are resolved and businesses are divested.

2. Resolution Strategy

- **Governance Mechanisms**—Governance mechanisms include internal triggers that require escalation of information to directors and senior management to support timely and informed decisions, contractually binding agreements for the provision of liquidity and capital support to Key Operating Entities in bankruptcy, and the analysis of potential creditor challenges and available defenses to the execution of the resolution plan.
- **Legal Entity Structure**—Our Key Operating Entities must be organized in a rational way that supports an orderly resolution, which includes having practical options for breaking

up and shrinking the firm in a resolution scenario.

3. Operational Resilience






- **Operational Capabilities**—Operational capabilities—including retention of experienced personnel, sufficient technology, MIS and other capabilities—must be supported to deal with the surge in activity that would come in a time of crisis, so that Critical Operations, including the payment, clearing and settlement of financial transactions, can continue uninterrupted as the firm is resolved.
- **Derivatives and Trading Activities**—A resolution plan must address the risks raised by the firm's portfolio of derivatives and trading activities.

A resolution plan must also address the risk that foreign regulators or third parties could take action that may negatively affect the firm's ability to successfully execute its resolution strategy, including the measures taken to support enhanced cross-border cooperation and coordination during bankruptcy. Likewise it must assess the risk that those regulators take actions to limit the movement of capital and liquidity out of their jurisdictions and incorporate those potential actions into the sizing and placement of resources across the firm.

The subsections that follow discuss the many initiatives, both regulator- and self-identified, that we have completed in each of these six areas to ensure that our resolution plan would work in a real-world crisis situation.

Figure 8 summarizes a selection of our most important resolvability initiatives, which have prepared us to execute our resolution plan.

Figure 8. Key Reasons Demonstrating Our Preparation to Execute Our Resolution Plan

	<p style="text-align: center;">Capital & Liquidity Resources</p> <p><u>Resilient Balance Sheet</u> Capital and liquidity reserve can withstand rapid and severe financial losses and outflows</p> <p><u>Prepositioned Resolution Resource</u> Resources at Key Operating Entities and IHC to meet resolution liquidity and capital needs</p>
	<p style="text-align: center;">Governance Mechanisms</p> <p><u>Governance and Crisis Management</u> Robust crisis management and corporate governance frameworks with step-by-step guidance, that are regularly challenged and tested</p> <p><u>Flexible Resolution Strategy</u> Optionality in (1) the allocation of financial resources to Key Operating Entities, (2) the divestiture of our businesses and (3) the emergence from resolution</p>
	<p style="text-align: center;">Legal Entity Structure</p> <p><u>Actionable Divestiture Options</u> Divestiture playbooks and ability to populate and make readily available in a timely manner electronic data rooms for each of our Objects of Sale</p> <p><u>Streamlined Structure & Funding</u> Simplified legal structure and relationships between our entities, including funding policies/programs to reduce financial interdependencies</p>
	<p style="text-align: center;">Derivatives & Trading Activities</p> <p><u>Orderly Active Wind-Down Capabilities</u> Established approach to assess and conduct wind-down and systems to support; controlled booking model practices well-established and systems to support our controlled booking model-practices</p>
	<p style="text-align: center;">Operational Capabilities</p> <p><u>Crisis-resilient Operations</u> Agreements require affiliates and third parties to provide Critical Services in resolution; operational readiness to maintain key services and operations</p> <p><u>Comprehensive Reporting Systems</u> Access to (1) data we produce to monitor the firm and (2) automated production of that data, so we can readily access</p> <p><u>FMU & Agent Bank Continuity</u> Strategies to maintain access for each of the approximately 560 financial market utilities and agent banks we use worldwide</p>

We have sufficient capital to successfully implement the strategy.

Sizing, maintaining and actively managing capital resources to support our businesses and minimize the risk of financial distress is a critical strategic goal for JPMorgan Chase. Capital represents, in its simplest form, the difference between a firm's assets and its liabilities and provides the basis for the firm's ability to absorb unexpected losses. Capital is intended to be depleted before creditors and depositors would face any risk of loss. A firm's capital can be reduced or written down to absorb a decline in value of the firm's assets, including declines in the market value of securities designated as available for sale, or AFS, or to reflect an increase in liabilities. Ratios that illustrate capital strength are also impacted by the amount of risk-weighted assets maintained by the firm and leverage deployed. Regulators require that financial institutions maintain or exceed certain levels of capital and clients and counterparties are generally unwilling to transact with financial institutions that have insufficient capital.

The successful execution of our Single Point of Entry strategy depends upon our ability to maintain adequate capital levels at all of our Key Operating Entities throughout resolution. Several of our entities are subject to prudential capital requirements, and so our strategy is designed so that they meet or exceed all regulatory capital requirements for "well-capitalized" status under U.S. or other equivalent regulations throughout resolution. Key Operating Entities that are not subject to regulatory capital requirements, such as certain of our investment management entities, must maintain capital levels typically required to obtain an investment-grade credit rating or, if the entity is not rated, an equivalent level of financial soundness. During financial stress, our Key Operating Entities may incur certain types of losses or have the level of risk-weighted assets increase which could impair their capital and thus erode their credit worthiness. We have designed our strategy so that, in those instances, we are able to restore the entities' capital base to a level such that they can continue to operate and support the provision of Critical Services including Critical Operations throughout the Resolution Period.

This section describes how our firm would manage its resources to have sufficient capital to successfully execute our Single Point of Entry strategy and, more specifically, to recapitalize any Key Operating Entities that experience capital shortfalls. This section also discusses how we regularly monitor capital needs and resources at our Key Operating Entities in business as usual conditions and in times of financial stress, identify any projected capital shortfalls and promptly deploy capital resources to address those shortfalls.

Key Elements of Our Capital Preparedness

- Resolution Capital Adequacy and Positioning (RCAP) and Resolution Capital Execution Need (RCEN) frameworks for all Key Operating Entities
- Prepositioning capital resources to support RCEN requirements for all Key Operating Entities
- Maintain a balance between the prepositioning of RCEN and the maintenance of appropriate contributable resources at the IHC
- Firmwide and entity-level capital monitoring triggers and policies for all Material Legal Entities

We estimate and monitor the resolution capital needs of each of our Key Operating Entities, and conservatively maintain capital resources with an objective of meeting these estimated needs at all of our Key Operating Entities.

We maintain measurement capabilities and financial frameworks to enable us to calculate the total loss-absorbing resources of our firm on a regular basis. Total loss-absorbing resources are an important element of the enhanced prudential requirements designed to support the resolvability of systemically important financial institutions, and consist of qualifying equity and long-term debt of our firm that are held by the private sector and can absorb losses in a resolution scenario. The Agencies refer to this kind of framework as Resolution Capital Adequacy and Positioning, or RCAP.

We also maintain agile measurement capabilities to project the capital resources needed at each of our Key Operating Entities to implement our Single Point of Entry strategy. These measurement capabilities are designed to absorb necessary changes to the key assumptions based on facts unfolding in the actual stress scenario being experienced. The Agencies refer to this kind of framework as Resolution Capital Execution Need, or RCEN.

Capital resources and capital needs are regularly projected for each Material Legal Entity. During business as usual, we regularly monitor and confirm that:

- our firm has total loss-absorbing resources in excess of its consolidated resolution capital needs requirement; and

- each of our Key Operating Entities has prepositioned capital resources in excess of its individual resolution capital needs.

As the recent bank failures demonstrated, a resolution scenario could arise under a variety of conditions. We have designed our RCEN methodology to protect against potential uncertainty by:

- defining and prepositioning levels of capital resources for regulated Key Operating Entities to be considered “well capitalized” or for unregulated Key Operating-Entities to be considered “investment grade” or “an equivalent level of financial soundness”;
- defining market confidence and financial soundness standards for Key Operating Entities;
- using conservative assumptions to estimate the recapitalization levels for Key Operating Entities; and
- maintaining an IHC Central Buffer that can be downstreamed following the bankruptcy of our parent company through operation of the secured Support Agreement.

Using these capital management processes, we regularly estimate the capital needed for each of our Key Operating Entities in a resolution scenario and take actions, if needed, to ensure that our objective of maintaining prepositioned resources sufficient to cover those needs is met. Resolution resources—capital or liquidity—directly held at one of our Material Legal Entities is referred to as prepositioned resources. To balance the certainty of fully prepositioning resources at our Key Operating Entities to meet such needs with the flexibility to address near term shortfalls that could arise in a stress scenario, we maintain an IHC Central Buffer that can be distributed to Key Operating Entities in resolution in the event prepositioned capital resources are not sufficient and a legal entity suffers a capital shortfall. We periodically reevaluate the level of prepositioning at Key Operating Entities against the level of resources held centrally at the IHC and adjust as appropriate.

We have capital triggers that enable us to take resolution actions at the appropriate times.

Successful execution of the Single Point of Entry strategy requires that we file for bankruptcy while there are sufficient capital and liquidity resources to execute our resolution strategy so the recapitalization of our Key Operating Entities and our parent company’s bankruptcy

filing must occur while our available capital and liquidity resources remain sufficient to support our Key Operating Entities’ needs in resolution. Other key actions must also be taken at the appropriate times and in the appropriate order to mitigate financial, operational, legal and regulatory vulnerabilities.

We have a full set of capital triggers that incorporate the projected capital resources and capital needs for the firm on a consolidated basis, as well as the projected capital resources and needs of each Key Operating Entity individually. This capital monitoring framework is regularly reviewed to capture additional targets and triggers reflecting management’s view on the appropriate Stage Triggers requiring actions to address actual or forecasted capital deficits. These targets or triggers consider and reflect various regulatory requirements set by U.S. and host jurisdiction banking regulators and are ultimately incorporated into our secured Support Agreement and Governance Playbooks. These triggers link the capital positions of JPMorgan Chase on a consolidated basis, as well as those of individual Key Operating Entities to specific escalation and recovery- and resolution-related actions. These capital triggers are challenged and actively monitored on a regular basis by our Independent Risk Management, or IRM function. This trigger framework monitoring is used to identify trends and potential threats to our capital positioning, allowing for the escalation of information and analyses of key drivers and potential actions to senior management and our board.

We maintain our firmwide Contingency Capital Plan and contingency capital plans at Key Operating Entities.

Our Contingency Capital Plan specifies the principles underlying the firm’s approach towards capital management and defines the framework used to calibrate internal minimum capital targets and post-stress internal minimums in accordance with the firm’s capital objectives. It is also used to monitor the firm’s capital position through specific Stage Triggers and to identify contingency capital actions available at each stage of stress. Contingency capital plans for each of our Key Operating Entities are developed in alignment with the firmwide Contingency Capital Plan and establish the internal requirements for Key Operating Entities to maintain prepositioned capital resources in excess of their anticipated resolution capital needs prior to JPMorgan Chase entering a Stress Period.

Our capital management framework is integrated into our business as usual monitoring and reporting processes.

Our capital monitoring triggers cover a variety of metrics reflective of increasing stress through recovery and resolution. The calculation of capital requirements, resolution capital positioning and the needs and prepositioning of capital resources is therefore fully aligned with our monitoring and reporting processes through:

- ongoing and regular calculation of firm- and entity-level capital ratios and the monitoring of those ratios against the capital monitoring triggers in the Contingency Capital Plan for the firm and our Key Operating Entities;
- ongoing and regular calculations and independent review of resolution capital positioning and needs at the firm- and legal entity-level, including the amount of prepositioned capital resources at each Key Operating Entity; and
- annual approvals of the firmwide Contingency Capital Plan and contingency capital plans for individual Material Legal Entities.

We continue to enhance and test our forecasting capabilities.

We have continued to invest in improving our capabilities to project resolution capital through enhancements to our processes and tools. We have an annual program comprised of multiple stress simulations to test these capabilities and the operating processes used by the teams responsible for their execution. We have an active feedback process to address any lessons learned with respect to those capabilities. These stress simulations help further validate that we are ready and capable of responding to rapidly changing needs and resource levels throughout a Stress Period. In the months ahead, we will remain thoughtful about whether new simulations and/or additional sensitivity analyses, reflecting observations gained from the recent bank failures, would help validate that we have sufficient capital resources ready and available during a stress event.

We believe that our resolution capital positioning and needs frameworks, capital monitoring triggers, Contingency Capital Plan, and their integration into our business as usual monitoring and reporting processes, collectively help to ensure that we would have enough capital to execute our Single Point of Entry strategy successfully in a wide spectrum of potential loss scenarios.

Our liquidity is sufficient to implement our strategy successfully.

As with capital, maintaining sufficient liquidity resources is a critical strategic objective for the firm. Liquidity at its core is a measure of how quickly and efficiently assets can be converted into cash. Liquid assets are those that can be monetized either same day or within days with minimal price impact to their then current value—such as sovereign debt, government securities, central bank reserves and reverse repurchase agreements. Illiquid assets are those that cannot be easily sold or exchanged for cash—such as certain corporate debt securities, loans, equity stakes in private companies or certain types of financial contracts. Insolvency can occur when an entity's liquidity is insufficient to meet obligations when they come due.

Each Key Operating Entity must maintain or have access to enough liquidity to meet its funding needs and remain solvent throughout resolution in order for us to successfully execute our Single Point of Entry strategy. During financial stress, our Key Operating Entities are likely to suffer severe liquidity outflows due to client and customer actions, including increased deposit withdrawals, potential derivative collateral requirements, draws on loan commitments, heightened membership requirements from FMUs and counterparty and other stakeholder demands. Monetization volumes and available channels must also be considered, including restrictions that may be applied to firms in distress. Our frameworks are therefore designed to support our Key Operating Entities' access to sufficient liquidity either prepositioned or readily available at the IHC so that they can continue to meet their obligations when due, successfully satisfy any heightened financial requirements placed on them by counterparties and operate in the ordinary course.

This section describes how we size, assess and manage our liquidity so that our firm would have sufficient resources to successfully support the execution of our Single Point of Entry strategy and, more specifically, to adequately fund any Key Operating Entities that experience any unexpected liquidity shortfalls. This section also discusses how we are able to monitor liquidity needs and resources regularly at our Key Operating Entities in business as usual conditions and in times of financial stress, identify any projected liquidity shortfalls and promptly deploy liquidity resources to address those shortfalls.

Key Elements of Our Liquidity Preparedness

- RLAP and RLEN frameworks for all Key Operating Entities
- Prepositioning at Key Operating Entities
- IHC Central Buffer to support unexpected resolution needs and to maintain an appropriate balance between prepositioned and centralized resources
- Firmwide and entity-level liquidity triggers and policies for all Material Legal Entities
- Simplified intercompany funding flows

We can readily estimate the resolution liquidity needs of each Key Operating Entity and conservatively maintain liquidity resources at all of our Key Operating Entities to meet these estimated needs.

We have developed capabilities and frameworks for calculating liquidity resources and needs. The Agencies refer to these frameworks as Resolution Liquidity Adequacy and Positioning, or RLAP, and Resolution Liquidity Execution Need, or RLEN. RLAP is a framework for estimating and maintaining sufficient liquidity at, or readily available to, designated Key Operating Entities in resolution. Importantly, RLAP is used to support decisions on how we position liquidity resources within our firm at specific entities during business as usual in anticipation of liquidity needs during stress events including a resolution scenario.

In contrast, RLEN is designed to provide projections of the potential needs of our Key Operating Entities after our parent company has filed for bankruptcy. More specifically, RLEN estimates the total liquidity needed to satisfy a Key Operating Entity's peak funding requirements, including its minimum operating liquidity requirements throughout a full implementation of our Single Point of Entry strategy. These estimates are structured to take into account uncertainties, including increased velocity or magnitude of outflows post-bankruptcy by the parent company, and intercompany funding frictions, that could reduce or otherwise affect the amount or ability of funds to move among entities within the firm. RLEN therefore provides an estimate of the liquidity each of our Key Operating Entities would need to continue uninterrupted operation throughout the execution of our Single Point of Entry strategy. Each of these two frameworks is discussed in greater detail below.

As a result of implementing these two liquidity frameworks, and in consideration of resolution-related assumptions such as highly limited and conditional access to the Federal Reserve Discount Window, no issuance of new unsecured debt or equity securities and an inability to shift liquidity excesses between Key Operating Entities, we have:

- maintained a strong consolidated liquidity position for the firm; and
- prepositioned liquidity resources at each Key Operating Entity and IHC, which we believe are sufficient to fund each Key Operating Entity's needs in resolution with excess resources to cover potential uncertainties at either the Key Operating Entity or the IHC.

In addition, we periodically reevaluate our objectives for the level of prepositioning at Key Operating Entities against the level of resources held centrally at IHC, and adjust accordingly.

Resolution Liquidity Adequacy and Positioning—RLAP

The baseline for our RLAP framework is our JPM Liquidity Stress Framework, which is designed to measure liquidity risk and determine if liquidity resources are sufficient to meet minimum operating liquidity and peak cash outflows. The JPM Liquidity Stress Framework assumes that a severe stress event leads to a liquidity crisis as the firm is impacted by withdrawals of wholesale and retail deposits, additional collateral margin postings, customer and counterparty outflows, a rapid decline in the trading value of our debt and other market factors. The framework also assumes that the firm would suffer draws on unfunded lending commitments, experience significant derivative outflows, and is unable to refinance maturing wholesale funding obligations, except for secured funding or lending transactions backed by high-quality assets.

Our RLAP framework measures peak net funding outflows for each Key Operating Entity on a stand-alone basis, and details daily cash flows throughout the Stress Period, as well as a product-level breakout of third-party and intercompany flows. Intercompany transactions are treated similarly to third-party transactions, with no fungibility of surplus liquidity across Key Operating Entities. The RLAP framework provides an estimate of the amount of liquid resources that would need to be prepositioned at each Key Operating Entity and IHC to effectively meet the anticipated cumulative net peak funding outflows (inclusive of restricted liquidity).

Collectively, they provide an appropriately conservative view of available sources of liquidity.

Resolution Liquidity Execution Need—RLEN

Our RLEN framework leverages the JPM Liquidity Stress Framework with certain additional, resolution-specific modifications to forecast liquidity needs.

The estimates used in this forecasting framework reflect the minimum liquidity required at each Key Operating Entity to execute our Single Point of Entry strategy throughout the Resolution Period. The framework informs the timing of when our parent company would consider filing for bankruptcy. The minimum liquidity required at each Key Operating Entity is calculated as the sum of:

- the minimum operating liquidity required for the Key Operating Entity to operate without disruption throughout the Resolution Period; and
- the Key Operating Entity's projected peak cumulative net funding outflows.

The RLEN framework is designed to ensure Key Operating Entities are either sufficiently prepositioned to cover their peak funding needs or JPMCH or JPMCB have sufficient resources to cover potential shortfalls in accordance with the secured Support Agreement. As noted, and consistent with regulatory guidance, we do not assume access to unsecured funding markets in our RLEN framework. Additionally, while divestitures are assumed to occur during our Resolution Period, we are not reliant upon the impact of these modeled divestitures to meet our resolution liquidity needs.

We also maintain a framework which assess jurisdictional, operational, counterparty and tax frictions that could impede the free flow of liquidity between legal entities at the firm. This framework is incorporated into the JPM Liquidity Stress Framework to take into account the possible impact of these frictions at the firm and legal entity level.

The framework for these frictions when applied to RLAP and RLEN primarily covers intercompany unsecured and secured transactions, commitments and derivatives, including transactions between Key Operating Entities and other entities. RLEN also incorporates an additional third-party friction analysis to capture other funding frictions and measure those against the IHC Central Buffer to cover these amounts for each Key Operating Entity.

We have the capabilities to produce daily RLEN cash flow forecasts, leveraging these frameworks, for up to 365 days.

In order to ensure that we have daily reporting and analysis capabilities in resolution, our RLEN frameworks are automated, leveraging the same system used to provide our liquidity stress reporting.

Our liquidity triggers enable key actions to be taken at appropriate points in time.

Successful execution of the Single Point of Entry strategy requires that we file for bankruptcy while there are sufficient capital and liquidity resources to execute our resolution strategy. As such, we have established a full complement of corresponding liquidity triggers that incorporate projections of resolution liquidity positioning and needs for the firm on a consolidated basis, as well as for each Key Operating Entity. These liquidity triggers link the liquidity position of JPMorgan Chase and specific operating entities to escalation and contingency, including recovery- and resolution-related, actions to be taken by management and the board. As with our capital triggers, we have incorporated these liquidity triggers into our secured Support Agreement and Governance Playbooks to help ensure that the actions contemplated by our Single Point of Entry strategy are executed in a timely manner. These liquidity triggers are challenged and monitored on a regular basis by our IRM function.

Because timely information and forecasts are essential to acting effectively in a crisis, we have enhanced our reporting capabilities so that we can generate resolution-related information on a frequent basis. These reports contain data regarding resolution liquidity positioning, needs for the firm and for each Key Operating Entity, and can be produced daily, monthly and quarterly.

Importantly, our capabilities allow for full integration between our liquidity and capital forecasting to capture capital-related impacts from liquidity actions. Similarly, these capabilities, as noted, provide the ability to rapidly change key assumptions, with appropriate levels of granularity, regarding outflow speeds and sizes, valuation of securities and assumed customer behavior.

Key decision makers throughout the firm understand the steps to implement our Single Point of Entry strategy in a timely manner.

Successful execution of any resolution plan hinges on the ability of senior management and the board to make key decisions on a timely basis in response to a deteriorating financial condition. Without appropriate monitoring and reporting systems and governance mechanisms to recognize, escalate and appropriately address warning signs, a firm not only loses its opportunity to diagnose and remedy its financial distress, but also its ability to prepare for an orderly resolution. Firms need to be able to respond quickly and decisively to mitigate the risk and potential knock-on effects of their failure.

Key Elements of Our Resolution Governance

- Governance Playbooks
- Liquidity and Capital and Contingency Playbooks
- Crisis Management Playbooks
- Comprehensive Firmwide Crisis Management Framework

Our Governance Playbooks and Stage Trigger framework provide our boards and senior management with a governance framework and tools for decision-making in a possible resolution event.

Our Governance Playbooks, which serve as actionable guides for our senior management and directors during periods of stress, are key to our resolution planning. Our managers and directors worldwide must be prepared to recognize and respond to any financial distress that the firm may encounter.

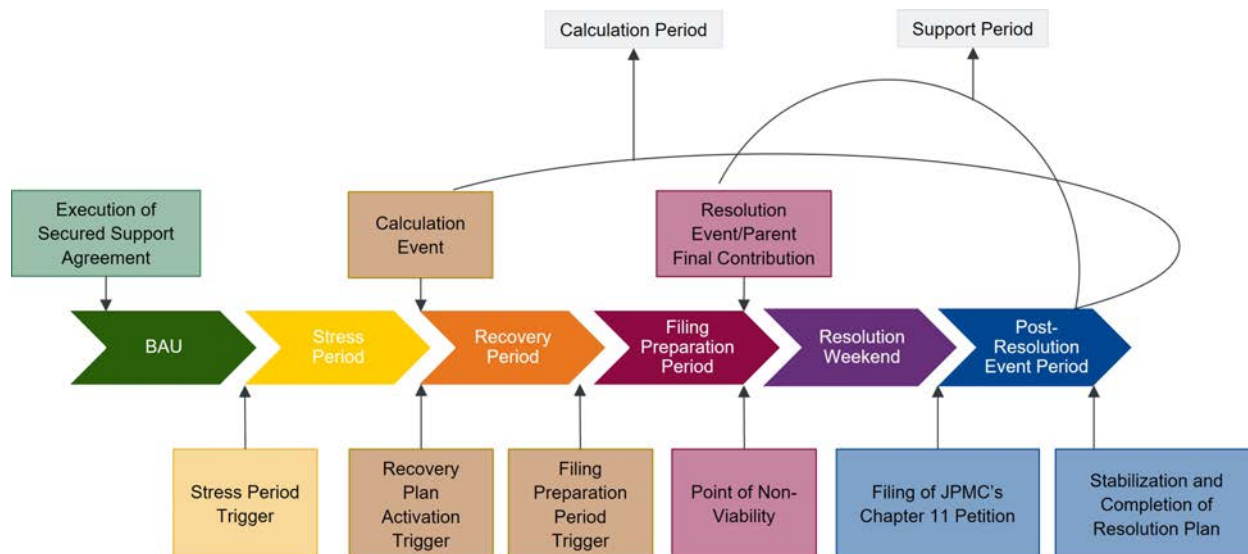
Our Governance Playbooks describe the major decisions that the directors of our Key Operating Entities would need to take to execute our resolution strategy. The Governance Playbooks, which have been updated with this resolution plan, incorporate clearly defined firmwide capital and liquidity triggers—or Stage Triggers—that identify the critical points from Business as Usual through increasing levels of financial distress, including the point where a decision must be made by the board of JPMC whether to file for bankruptcy. Figure 9 shows the different stages of stress/recovery and resolution and the designated Stage Triggers, along with certain key actions

based on the functioning of the secured Support Agreement. For each of these critical points, the Governance Playbooks describe the specific actions that would need to be taken or decisions that would need to be made, the relevant decision makers and any information that must be provided in connection with these actions or decisions.

Our Stage Triggers define the points at which our firm would transition from one stage of stress/recovery and resolution to the next and the point at which our parent company would formally activate our recovery plan, along with the specific decision points and actions required at and within each of those junctures. The Stage Triggers also tie the financial condition of the firm to the provision of capital and liquidity support to our Key Operating Entities before our parent company files for bankruptcy and during our parent company's bankruptcy proceedings.

We also have a separate set of capital and liquidity triggers, referred to as Support Triggers, which are designed to ensure the timely recapitalization of and provision of liquidity support to Key Operating Entities starting at the Point of Non-Viability in order to support the success of our Single Point of Entry strategy. The connection between the Stage Triggers, the Support Triggers and the related support are formalized through the Support Agreement.

Figure 9. Resolution Timeline Stage Triggers



Stage Triggers take into account the liquidity and capital needs of our firm on an aggregate basis. These firmwide triggers are critical to the determination of whether sufficient capital and liquidity is available to support the execution of the Single Point of Entry strategy. Additional stand-alone capital and liquidity triggers are maintained and monitored for certain Key Operating Entities. These entity-level triggers are calibrated to synchronize the escalation of information and execution of entity-specific recovery and resolution actions to the financial condition of that operating entity on a stand-alone basis (and not our firm as a whole).

The Stage Triggers are embedded in the customized Governance Playbooks that we maintain for each of our Material Legal Entities. For each Stage Trigger, we have set forth the decisions that would have to be made and the necessary actions, as well as the associated responsible parties for each. As reflected throughout the Governance Playbooks, board actions and decisions associated with each trigger will be based on recommendations from senior management and supported by an appropriate analysis of and information about the circumstances.

We have an integrated approach to resolution and recovery planning through our governance and Crisis Management Framework.

Our Crisis Management Framework leverages the Governance Playbooks as one part of our approach to supporting the firm through periods of significant financial stress through and including recovery and resolution. We support this planning through:

- regular programs to test our capital and liquidity risk through the various stages of stress;
- Crisis Management Playbooks for each of our lines of business and Critical Operations;
- regular testing of our recovery and resolution preparedness and testing of our crisis management strategy; and
- consideration of resolution readiness and preparedness into our firmwide strategic principles.

Resolution planning is integrated into our day-to-day operations and decision-making, providing us with a meaningful defense against future financial crises.

We believe that, as a result of our Governance Playbooks, Liquidity and Capital Contingency Playbooks, Crisis Management Playbooks and their integration into

our firmwide strategic principles, our management and directors are prepared to implement our Single Point of Entry strategy in the event of the firm's financial distress.

Our strategy can withstand legal challenge.

A potential failure of JPMorgan Chase may give rise to a number of competing interests, some of which would not be aligned with certain elements of our Single Point of Entry strategy. For example, creditors may seek to bring legal challenge to the provision of liquidity and/or capital support to Key Operating Entities contemplated in our strategy. Legal challenges risk delaying or even impeding implementation of key elements of our strategy. Moreover, certain of our counterparties may find it in their self-interest to exercise early termination rights triggered by the failure of our parent company to close out their financial contracts with other entities in the firm, also referred to as cross-default rights. The exercise of cross-default rights with respect to financial contracts would reduce the liquidity resources available to execute our resolution strategy.

The risks posed by these competing interests have been mitigated through actions completed so that: (1) creditor challenges to capital and liquidity support contemplated under our resolution plan should be without merit; and (2) we would be able to qualify for a stay on cross-default rights and avoid counterparties closing out their financial contracts with our operating subsidiaries based on our parent company's bankruptcy.

Defenses Against Potential Legal Challenges to Our Strategy Include:

- Comprehensive analysis of potential legal challenges to pre-bankruptcy financial support to Key Operating Entities, and their mitigants
- Prefunded resources at the IHC to address unanticipated capital and funding needs in resolution
- A secured Support Agreement to ensure resources will be promptly and directly provided to the appropriate entities in resolution
- A Bankruptcy Playbook that identifies necessary preparations for our parent company's bankruptcy filing under our resolution strategy, including how to satisfy conditions of the ISDA Protocols' stay on cross-default rights
- Drafts of legal documents that would be necessary in the event our parent company files for bankruptcy

We maintain a detailed legal analysis of potential challenges to the capital and liquidity support contemplated under our strategy and their mitigants.

Our resolution plan contemplates the provision of capital and/or liquidity support to various Key Operating Entities both before and after a hypothetical failure of our parent company. The provision of liquidity or capital by a parent company to its subsidiaries before the parent company's bankruptcy filing might be challenged in court. To ensure that this capital and liquidity support is provided as contemplated, we have prepared a legal analysis of potential state and bankruptcy law challenges to the planned provision of capital and liquidity support, and their mitigants. To avoid potential impediments to our resolution strategy based on Single Point of Entry, we have two mitigants to potential challenges to the planned support that we consider the most effective:

- a pre-funded holding company with no third-party debt—IHC; and
- a secured Support Agreement, which is a contractually binding commitment on our parent company and our IHC to provide support to our Key Operating Entities.

These two mitigants are discussed in greater detail below.

IHC is prefunded to hold a central buffer of capital and funding resources for resolution.

Our IHC is a wholly owned subsidiary of our parent company with no third-party debt. The IHC holds almost all of our parent company's former direct subsidiaries (with the exception of JPMCB and its subsidiaries), as well as intercompany indebtedness owing to our parent company and most of the other assets formerly owned by our parent company. Additionally, proceeds from the issuances of debt securities are generally contributed to the IHC to be used to maintain the capital and liquidity resources of Key Operating Entities and to maintain the IHC Central Buffer. The IHC Central Buffer is designed to provide additional capital and/or liquidity support to our Key Operating Entities if the prepositioned resources of any are insufficient to meet its needs in a resolution scenario. We periodically reevaluate the level of resources held centrally at the IHC against the level of prepositioning at Key Operating Entities and adjust as appropriate, always with a view towards maintaining sufficient available capital and liquidity to support resolution needs.

The IHC addresses the risk of potential legal challenges to planned capital and liquidity support in the following ways:

- **Increases the Likelihood that Our Financial Resources Can Be Successfully Deployed to Key Operating Entities in Resolution.** Under our Single Point of Entry strategy, following our parent company's bankruptcy filing, the IHC (as well as JPMCB and its subsidiaries) would be transferred to a newly created company outside of the bankruptcy estate which would be owned by a trust for the benefit of our parent company's creditors. This would allow the IHC to continue providing support as needed throughout our parent company's resolution, preserving value for the benefit of our parent company's creditors.
- **Minimizes or Eliminates Number of Credible Legal Challenges to the Provision of Capital or Liquidity Support to the Key Operating Entities.** The IHC is required to remain free of third-party debt. As a result, there would be few, if any, credible legal challenges to the IHC's contributions of capital and/or liquidity support to Key Operating Entities because at the relevant time there should be no third-party creditors of the IHC who could assert standing to challenge those contributions.

Our secured Support Agreement contractually obligates IHC to provide liquidity and capital support to the Key Operating Entities.

Our secured Support Agreement preserves the value and facilitates the orderly resolution of JPMorgan Chase. The purpose of the secured Support Agreement is two-fold: (1) to effectuate the initial and regular transfer of assets from our parent company to the IHC (described above); and (2) to ensure that the IHC (and JPMCB, to the extent applicable) provides liquidity and capital support to Key Operating Entities, particularly during a resolution scenario.

Under the secured Support Agreement, in ordinary conditions, the IHC and JPMCB provide liquidity and capital support to our Key Operating Entities in accordance with our business as usual capital and liquidity policies, with the IHC assuming the responsibility previously held by our parent company. In the unlikely event that our parent company reaches a point of severe distress at which an imminent bankruptcy filing is expected:

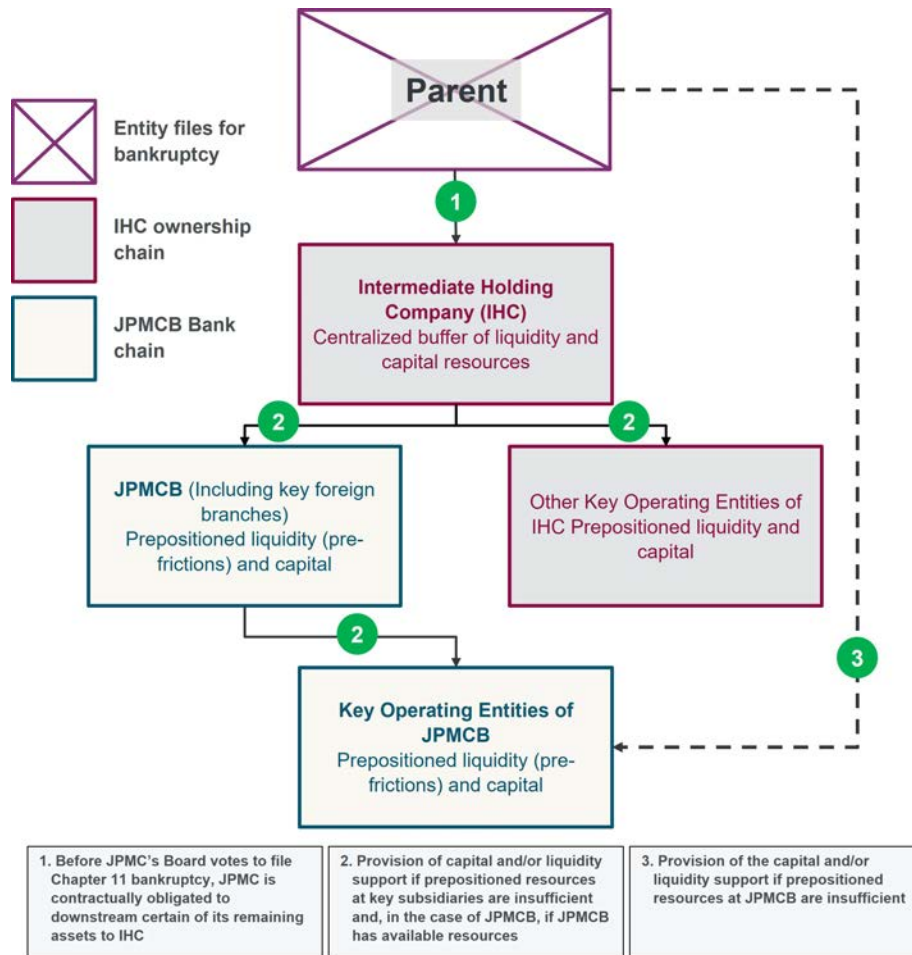
- our parent company will be contractually obligated to make a final contribution to the IHC of its remaining assets (with the exception of a holdback and certain excluded assets), referred to as the Parent Final Contribution;
- IHC will be contractually obligated to provide the necessary support to any Key Operating Entity (including JPMCB and its subsidiaries, to the extent of their unmet needs) whose prepositioned resources are insufficient to meet its modeled near-term need for capital and liquidity in resolution. Support can be provided to a Key Operating Entity on multiple occasions as its near-term needs evolve over time. IHC's obligations are secured, such that breach of the secured Support Agreement would give rise to a secured claim based on an agreed-upon damages provision, which would at a minimum be equal to, and could potentially be in excess of, the secured support obligations. As such, breaching the Support Agreement would be detrimental to IHC; and
- both the Parent Final Contribution and IHC's obligation to provide support to Key Operating Entities are secured by liens on the assets available to be used for these purposes.

The IHC will also provide our parent company with a revolving line of credit at all times before the point at which JPMC's bankruptcy filing is imminent. Among other things, this means that our parent company will have

adequate resources to service its outstanding debt and make other distributions if the timing of dividends from JPMCB and the IHC should for some reason not match the timing of these obligations.

Figure 10 describes how the secured Support Agreement would function at the beginning of the Point of Non-Viability.

Figure 10. Flows Under the Secured Support Agreement



We continue to believe that potential creditor challenges would be without merit.

Taken together, we believe the maintenance of the prefunded IHC, the implementation of a secured Support Agreement and the current solvent condition of the firm form a defense of the capital and liquidity support contemplated under our resolution plan.

We have addressed potential legal issues associated with the ISDA Protocols' stay on cross-default rights.

The 2015 ISDA Universal Resolution Stay Protocol and the 2018 ISDA U.S. Resolution Stay Protocol, which we refer to collectively as the ISDA Protocols, are part of a series of public and private sector initiatives to contractually limit early termination rights with respect to certain common transactions that are Qualified Financial Contracts. These include agreements for derivatives, securities lending transactions and repurchase, or repo, transactions. Our Key Operating Entities that engage in

derivatives and trading activities have adhered to both ISDA Protocols. Separately, the U.S. banking regulators adopted the Qualified Financial Contracts Stay Rules to facilitate the orderly reorganization or resolution of systemically important financial institutions like our firm. Entities covered by the rules must amend Qualified Financial Contracts to recognize the statutory stay-and-transfer powers of the FDIC and to override any cross-default rights based on an affiliate's entry into bankruptcy or resolution proceedings.

There are a number of potential legal issues associated with the satisfaction of the conditions of the ISDA Protocols. To address these potential legal issues, we produced detailed drafts of the bankruptcy documents that we would need in order to have a bankruptcy court take the necessary actions to satisfy the conditions under the ISDA Protocols to stay the exercise of cross-default rights of Qualified Financial Contracts against our Key Operating Entities if our parent company filed for bankruptcy.

In particular, we have a proposed draft Emergency Transfer Motion and Emergency Transfer Order, which could be filed immediately after our parent company files for bankruptcy and, if granted, would be used to transfer the interests of the IHC to NewCo and the stock of JPMCB to the IHC, and have NewCo assume the obligations of our parent company under the guarantees or other credit enhancements relating to the Qualified Financial Contracts. Our draft Emergency Transfer Motion and the Bankruptcy Playbook contain various arguments in support of the relief requested, including, among other things:

- the legal basis upon which NewCo would remain obligated for our parent company's credit enhancements consistent with the ISDA Protocols;
- the ability of the bankruptcy court to retain jurisdiction, issue injunctions and take other actions to prevent third-party interference with the execution of the Preferred Strategy; and
- the public policy reasons for the bankruptcy court to approve the relief sought.

Aside from these arguments, the Emergency Transfer Motion and the Bankruptcy Playbook also explicitly address potential due process arguments that may be raised by objecting creditors based upon the timing of the requested relief.

In addition, we maintain a detailed Bankruptcy Playbook, which includes guides to the actions that our parent

company should take to prepare for orderly resolution, including specific actions during stress/recovery and resolution, and for our compliance with the conditions of the ISDA Protocols' stay on cross-default rights and potential alternative strategies for satisfying the conditions in the event that the Emergency Transfer Motion is not granted.

Our thorough analysis of potential legal issues in connection with our resolution plan, such as the prefunded IHC, secured Support Agreement, our Bankruptcy Playbook and draft bankruptcy documents, further support our ability to be ready to commence bankruptcy proceedings and to satisfy the conditions of the ISDA Protocols' stay on cross-default rights to thereby avoid counterparties closing out their Qualified Financial Contracts with our operating companies based on our parent company's bankruptcy.

Our operations are supported to avoid interruption in a crisis.

Our firm's operations, including interconnections with affiliates and with third parties, are supported by structures and contractual features intentionally designed to ensure their continuity in the event of JPMC's bankruptcy. Frameworks that: (1) support our continued access to payment, clearing and settlement activities during resolution; (2) maintain our collateral management, identification and valuation capabilities; (3) maintain management information systems capabilities to readily produce the data that would be needed for the resolution of the firm; (4) mitigate legal obstacles associated with key bankruptcy filings; and (5) determine whether the failure of a major counterparty might negatively impact our operations have been implemented and are periodically reviewed and enhanced to support resolvability.

Key Elements of Our Operational Preparedness

- Critical Operations identification framework
- Resolution-resilient terms and conditions for interaffiliate shared services
- Resolution-friendly termination and assignment provisions in all key vendor and material agent bank contracts
- Comprehensive strategies and sufficient resources to maintain or replace access to payment, clearing and settlement systems
- Communications playbooks to support messaging with clients, regulators, FMUs and agent banks during resolution
- Robust collateral management, identification and valuation capabilities
- Enhanced management information systems that track financial resources and positions with high granularity, accuracy and reliability
- Analysis of counterparty credit risk
- Compliance with clean holding company requirements

We have an actionable plan to ensure the continuity of Critical Operations during resolution.

As part of our resolution planning efforts we maintain, and continuously enhance, plans to ensure the continuity of the services that our operations rely on, particularly those that support our Critical Operations.

We regularly update our comprehensive evaluation of our operations and the shared services (provided by our entities to each other) and outsourced services (services provided by third-party vendors) upon which our Key Operating Entities rely. Consistent with the Final Resolution Plan Rule, we designed and implemented a comprehensive process to self-determine our Critical Operations. Critical Operations are those operations, including associated services, functions and support the failure or discontinuance of which would pose a threat to the financial stability of the United States. Our evaluation

considered the markets and activities within which we operate, the systemic significance of those markets and activities, and our significance as provider. In designating our Critical Operations, we developed criteria designed to assess the impact of potential failure or discontinuance on markets, our clients, and our own operations including our ability to execute our Preferred Strategy.

Our evaluation led to the designation of the firm's Critical Operations along with the additional centrally managed shared services (e.g., intra-firm technology, legal, human resources) that support our Critical Operations, collectively referred to as Critical Shared Services. We have additionally maintained the framework to identify the underlying Critical Services that support our Critical Operations. With this taxonomy, we maintain a detailed mapping of all Critical Services, including those comprising centrally managed shared services. This mapping supports our ability to understand and plan for the operational interconnectedness within JPMC and is an important resolvability consideration.

At the end of 2022 and to address Agency Feedback on our 2021 Targeted Submission, the firm completed the implementation of a centralized system for the mapping of Critical Services and the underlying assets that support them. The system supports the rapid provision of related MIS for our Material Legal Entities, lines of business and Critical Operations. The system was leveraged in the 2023 Resolution Plan to support the related analyses and reporting.

In addition to capturing our Critical Operations and the centrally managed shared services that support them, Critical Shared Services also include the important intra-firm elements necessary to maintain our operational continuity (people, real estate, technology, etc.) on a day-to-day basis and throughout resolution. Our initiatives to strengthen operational resilience have focused on ensuring the continuity of our Critical Shared Services in resolution.

Our internal initiatives are designed to ensure that our affiliates will continue to receive and provide Critical Shared Services during resolution.

The Critical Shared Services relationships among our entities, including shared technology, licenses and personnel relationships, support our resolution strategy by allowing for each entity to continue to provide and receive Critical Shared Services throughout resolution.

Concentration of Critical Shared Services in Certain Entities. We concentrate our Critical Shared Services within the JPMCB Bank Chain, JPMS LLC and JPMSIPL, the firm's wholly owned service provider outside of the JPMCB Bank Chain that provides support services to the

JPMCB Bank Chain and other affiliates. Because JPMCB owns the vast majority of IP rights, technology assets and shared corporate services infrastructure of the firm, the recapitalization of and provision of liquidity to JPMCB under our resolution strategy facilitates the continuity of these Critical Shared Services. JPMSIPL has been structured to remain fully funded and with sufficient capital resources during the firm's financial distress and is therefore expected to continue operations without disruption in a resolution scenario. Critical Shared Services that must be provided by broker-dealer entities have been concentrated in the U.S. broker-dealer, JPMS LLC, which is also designed to have sufficient capital and liquidity resources throughout the Resolution Period to support its continued operation as a going concern. This concentration of Critical Shared Services in entities that comprise the surviving firm that emerges from our resolution strategy significantly reduces possible disruption to the provision of Critical Services that support the firm's Critical Operations.

Formal Framework for Provision of Intercompany Services in Resolution. Intercompany relationships within our firm are documented on formal arm's-length terms through various agreements, and payments for services under these agreements are made on market terms under a firmwide expense allocation process. The result is an established framework under which entities within our firm and former affiliates of the firm can continue to engage in intercompany transactions and receive and pay for intercompany services. Importantly, the agreements contain resolution-friendly terms designed so that any entities that are wound down under our resolution strategy will continue to receive services from their affiliates under existing service agreements, so long as those entities continue to meet their obligations, including payment.

Retention Strategies for Key Employees to Implement Our Resolution Strategy. The success of our resolution strategy and our ability to continue Critical Operations and Critical Shared Services on an uninterrupted basis throughout resolution relies in part upon the retention of key employees during an actual resolution event. To that end, we have an established employee retention framework that would be applied in a resolution scenario to encourage and incentivize key employees to remain with the firm.

[We have contract terms so that key vendor and material agent bank contracts are not terminable upon the bankruptcy of our parent company and would be assignable.](#)

We maintain an analysis of all of the material outsourced services that support our Critical Operations and designated certain third-party agreements as critical to

our firm as a whole or to specific lines of business. We periodically review these designated critical third-party agreements to determine whether there are any that could be terminated by the provider solely because of our parent company's bankruptcy filing, even if the operating entity actually receiving the services continues to perform—and, most importantly, pay for services—under the agreement.

Based on prior reviews, we previously amended existing vendor contracts for material outsourced services to include resolution-friendly termination and assignability terms, regardless of whether the outsourced services could be substituted or not. The resolution-friendly terms remove the provider's right to terminate based solely on our parent company's entry into bankruptcy proceedings, and the resolution-friendly assignability terms permit us to assign the agreements to potential buyers in a divestiture.

In addition to the amendments, we include resolution-friendly termination and change-of-control clauses in our master vendor contract for third-party service providers and have instituted controls so that new contracts may not be executed unless the required resolution- and divestiture-friendly language has been included.

We undertake similar identification, review and amendment efforts to our contractual arrangements with agent banks and subcustodians, which provide us payment, clearing and settlement services in various markets. We updated our standard agent bank and subcustodian contract language to include resolution-friendly termination and assignability provisions and established formal procedures to require that this language is included in those agreements going forward. In prior years, we proactively amended agent bank contracts (regardless of materiality) to incorporate resolution-friendly terms.

We are prepared to maintain payment, clearing and settlement activities during periods of financial distress.

Payment, clearing and settlement activities are some of the most important services provided to and relied upon by financial institutions. Payment activities include the processing of wholesale and retail funds transfers. Clearing and settlement activities include transmission, reconciliation, confirmation and the actual transfer of ownership of stocks, bonds and other securities and the related payments, which reduce the risk that parties may default on their transactions. These services facilitate the day-to-day, smooth functioning of the economy. We have addressed the risks that a resolution scenario may pose to our ability to continue providing payment, clearing and settlement activities to others, as well as to our firm.

We maintain a service provider framework that establishes three categories of services where JPM Group is a provider of payments, custody, and clearing and settlement. We also maintain a methodology for the identification of key clients using quantitative and qualitative criteria and an approach for mapping key clients against key FMUs and agent banks, as set out by the 2019 Final Guidance. Finally, we continually update playbooks for instances where we are a provider of payment, clearing and settlement services and updated our existing analyses and playbooks for continued access to these services and key FMUs and agent banks.

Because FMUs are multilateral systems that provide the infrastructure for conducting payment, clearing and settlement activities among financial institutions, uninterrupted and dependable access to FMUs at all times is vitally important to a financial institution's ability to function on a day-to-day basis. Access to FMUs is especially critical during a period of financial distress or resolution. Financial institutions and FMUs may have competing incentives, however, in the event of a financial institution's financial distress. The financial institution wants to continue transacting through the FMU to minimize the effects of its financial distress on its customers, counterparties and the financial system as a whole. The FMU, however, may want appropriate assurances that the FMU participant will not default on its obligations or otherwise introduce risks that could weaken the financial condition of the FMU or other FMU participants. As a result, FMUs typically reserve the right to, among other things:

- terminate a financial institution's participation at the FMU under a broad range of circumstances, including the financial distress of the participating entity itself, or of the entity's parent or affiliate;
- impose additional financial requirements so that the participating entity, for example, has to partially or fully prefund its transactions; and/or
- impose additional reporting and information requirements.

We participate in financial sector efforts to analyze the discretion that key FMUs have under their rules to increase, modify or supplement their business as usual requirements in response to a financial institution's financial distress. As a result, we regularly update our playbooks and documents that describe the nature of these key FMUs' heightened requirements and our capacity to respond to those requirements and support our ability to maintain uninterrupted access to FMUs during financial stress and resolution. We maintain

alternative strategies—backup methods for accessing payment, clearing and settlement services—for each of the FMUs and agent banks that we use worldwide. We regularly update payment, clearing and settlement details and mapping for our Key Operating Entities, lines of business, sub-lines of business and Critical Operations.

We maintain communications with wholesale clients to provide them with transparency into the potential impacts from our implementation of contingency arrangements for payment, clearing and settlement activities during a resolution event and how we will communicate potential impacts to key clients in a resolution event.

We have robust capabilities to manage, identify and value collateral that we receive from and post to external parties and affiliates.

The receipt and provision of collateral is an essential element of our payment, clearing, settlement and trading activities. Our firmwide collateral policy sets out high-level principles governing collateral and applies to all of our collateral pools. The firmwide collateral policy contains guidelines on the type of collateral that is considered acceptable, including considerations on where the collateral is held and pledged.

We continue to maintain processes for managing, identifying and valuing collateral on a material entity basis. Specifically, we have daily or weekly capabilities to:

- identify the legal entity and geographic distribution where counterparty collateral is held;
- document all netting and rehypothecation arrangements with affiliates and external legal parties;
- track and manage collateral requirements associated with counterparty credit risk exposures between affiliates, including foreign branches; and
- estimate the liquidity impact of collateral arrangements for the firm and certain Key Operating Entities under various stress scenarios.

During the ordinary course of business, we also:

- review material ISDA Master Agreements and Credit Support Annexes, referred to as CSAs, for credit ratings-based triggers and call

additional collateral from counterparties as required; and

- identify legal and operational differences and potential challenges in managing collateral within specific jurisdictions, agreement types, counterparty types, collateral forms and other distinguishing characteristics.

To ensure that these collateral processes will remain effective in a crisis, we analyze how we would manage collateral processes in resolution at each Key Operating Entity that either pledges or holds third-party collateral and the related valuation processes. We also have an operating model and infrastructure for firmwide collateral management. We believe these capabilities will enable us to promptly and accurately address changing market conditions and demands from counterparties that would be likely to occur during a resolution scenario.

We have management information systems to readily produce data on a legal entity basis, and controls for data integrity and reliability.

Our ability to identify the onset of financial distress, determine its underlying causes and react in a prompt and appropriate manner hinges on our capability to produce accurate and reliable data on a timely basis at the right levels of granularity for review by management across our organization. Management information systems support the production, monitoring and tracking of critical data about our firm on a day-to-day basis and during a crisis. We continually invest in and seek to improve our management information systems capabilities to support our readiness to respond to stress and potential resolution events.

Starting with our initial resolution plan, we developed and continue to refine management information systems to readily produce resolution plan data at the level of our designated Key Operating Entities. The production of this data benefits from firmwide data quality management standards to support data integrity and reliability. We regularly reassess the specific types of financial, treasury, risk and other data that would be required to execute our resolution strategy, the frequency at which this information would need to be produced, and the processing times required. As part of our resolution plan, we maintain a comprehensive list of information required to execute our resolution strategy. We believe that these management information systems-related initiatives enable us to timely produce the data we need, at the correct level of granularity, to support decision-making by our management and board, allowing for the successful execution of our resolution strategy.

Additionally, we continue to invest in enhancing our management information systems capabilities including development and implementation of a centralized system designed to provide automated reporting and analysis of operational assets in resolution. The tool supports the production and reporting of certain resolution-relevant datasets within a single management information system and user interface that utilizes common mapping and reporting processes and data governance controls. This has improved efficiency and control over data production and reporting processes and data analysis capabilities.

We monitor our counterparty credit exposure.

Effective resolution planning requires us not only to prepare for our potential financial distress and orderly resolution, but also to consider the effects of the potential failure of a major counterparty on us. To this end, we assess the credit risk of our counterparties through regular monitoring of our counterparty exposures across a number of different metrics, and manage exposures through the appropriate setting of credit limits along with risk-reduction techniques such as the taking of collateral.

Our top-tier holding company structure supports resolvability and complies with the clean holding company requirements.

Under the Agencies' "clean holding company requirements," our parent company is required to avoid entering into certain financial arrangements that could impede the orderly resolution of the firm. Specifically, our parent company is prohibited from:

- issuing any short-term debt (i.e., debt with an original maturity of less than one year) to third parties;
- entering into Qualified Financial Contracts with third parties; and
- having liabilities that are guaranteed by its subsidiaries or subject to contractual offset rights for its subsidiaries' creditors.

The restrictions on our parent company's activities support our firm's resiliency and reduce its complexity and reliance on short-term funding.

We continue to simplify our structure to support our strategy.

We understand the importance and necessity of maintaining a simplified legal entity structure to support an orderly resolution. To do this, we continue to apply our well-established legal entity rationalization criteria, which we refer to as our LER Criteria, to all our legal entity structures, including recent acquisitions made in support of our strategic business development and expanding our payments capabilities.

In January 2022, we executed our post-Brexit Eurobank strategy, consolidating three EU banking subsidiaries to create a single EU headquartered banking entity, J.P. Morgan SE, or JPMSE, simplifying our EU branch structure and reducing financial and operational interconnectedness among our legal entities. The consolidation of business activities and shared services in JPMSE is consistent with our resolution strategy.

In addition, we continue to simplify our legal entity structures, globally, regardless of size. Our further-streamlined legal entity structure supports our resolution plan by reducing the overall number of entities that will require focus and resources at a time of failure. Simplifying interconnections between entities also reduces the actions that would have to be taken to preserve Critical Services during resolution. Thus, we believe that the actions taken to simplify our legal entity structure further support our ability to execute our resolution plan and greatly improve our resolvability under a variety of conditions and scenarios.

Key Elements of Our Legal Entity Rationalization Framework

- Well-established criteria for decision-making integrated into our global day-to-day policies, procedures and governance
- Regular reassessments of our legal entities against the criteria
- Periodic review of our LER Criteria and their application

We continue to enhance our LER Criteria to promote and maintain a resolvable legal structure.

We maintain clear and actionable criteria to promote the alignment of our legal entities and businesses in a way that promotes our resolvability and, more specifically, the successful implementation of our Single Point of Entry strategy. In addition, we periodically review and update our LER Criteria to take into account the impacts of regulatory changes and global events in order to facilitate resolvability.

Figure 11 summarizes our current LER Criteria categories and areas of focus.

Figure 11. LER Criteria – Our Areas of Focus



We regularly assess our legal entities against the LER Criteria, to confirm our current structure remains resolvable and identify opportunities for further simplification.

We have identified and executed a significant number of simplifications as a result of our regular assessments. As part of our business as usual governance framework, LER Criteria assessments are required for all “target state” legal entities at least every two years.

Assessments of our legal entity structure helps us:

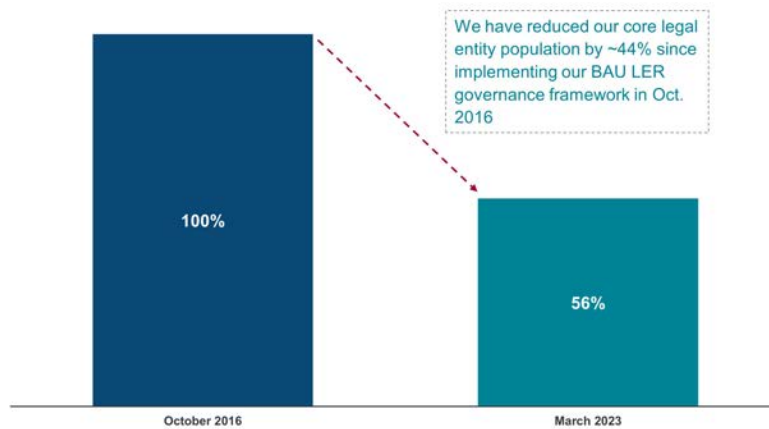
- reconfirm the population of legal entities that align to the LER Criteria and should be maintained;
- validate that any legal entity structure changes or exceptions to the LER Criteria do not negatively impact resolvability; and
- identify incremental opportunities to rationalize our legal entity structure and further reduce interconnections among our entities.

We have LER Criteria embedded into our day-to-day decision-making.

All decisions to retain or create new operating entities are assessed against the LER Criteria. In addition, we have fully implemented our business as usual governance framework and regular assessments for all newly acquired entities.

The full integration of our LER Criteria across the firm has led to a significant decrease in our core legal entity population as illustrated in Figure 12.

Figure 12. Reduction in Our Core Legal Entity Population



We have optionality in how our firm could consider and execute divestitures in resolution.

We have a number of actionable options for divesting certain businesses and related portfolios in resolution. We have designated components of our business as Objects of Sale, which are combinations of lines of business, sub-lines of business and assets that are the most attractive sale, spin-off or IPO candidates, irrespective of our current structure. The Objects of Sale represent a wide range of businesses and geographies and, as a result, provide us with additional optionality and flexibility in a recovery or resolution event. Analyses of our Objects of Sale, including potential obstacles to their divestiture, and identified mitigants are regularly refreshed and reevaluated so that we are prepared to divest each Object of Sale, including during a crisis.

Optionality and Divestiture Readiness

- 21 Objects of Sale
- 3 Objects of Unwind
- Pre-identified expansive universe of potential acquirers
- Multiple divestiture approaches
- Framework for selecting the appropriate divestiture approach during an actual recovery or resolution event
- Divestiture Playbooks and electronic data rooms that can be populated and made readily available in a timely manner with information pertinent to a potential acquirer

We have designated components of our business that can be sold or otherwise divested to shrink our firm in resolution.

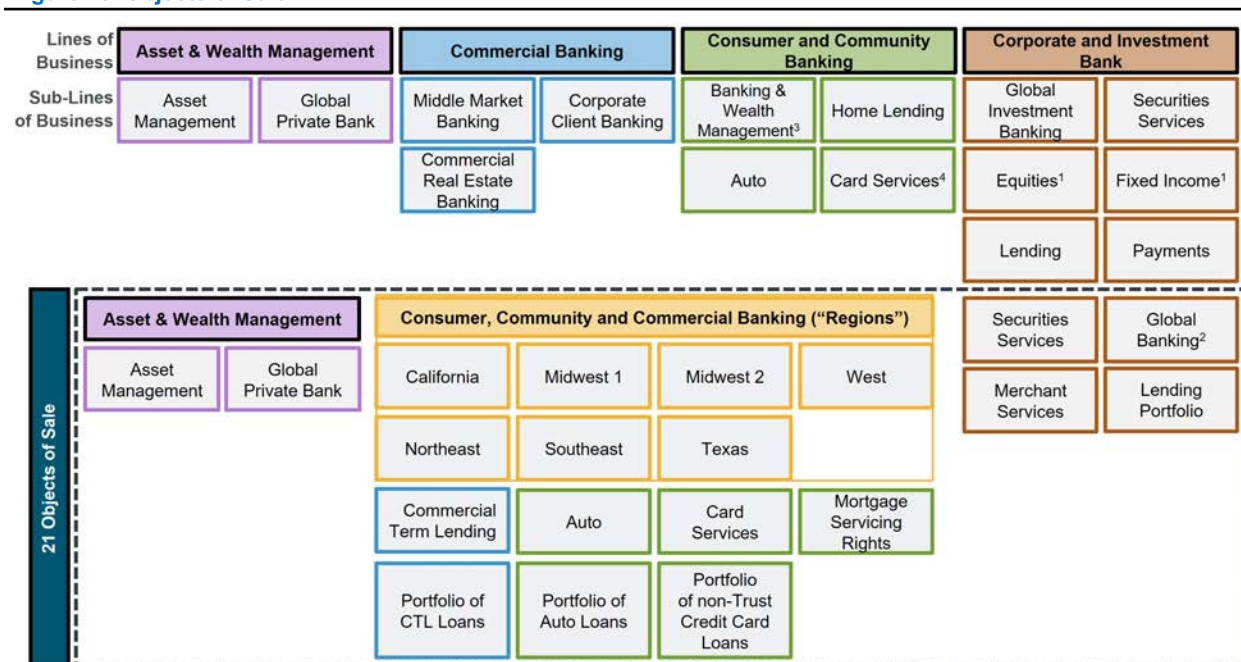
We generally think of our businesses in terms of three levels of granularity. At the top are four operating lines of business—Asset & Wealth Management, Commercial Banking, Consumer & Community Banking and Corporate & Investment Bank—which, at the next level, break down into 15 sub-lines of business, as shown in Figure 13. The third level consists of portfolios and assets that extend across our businesses. We believe that this three-level approach to categorizing our businesses makes sense for purposes of managing our day-to-day operations, but recognize that real-time circumstances may drive the basis for determining how to divide and divest our businesses in a crisis situation.

For example, while we believe that all of our businesses are highly attractive, there may be fewer potential acquirers during a stress event for an entire line of business than a sub-line of business or a combination of complementary portfolios and assets.

To ensure that our divestiture strategy preserves optionality and flexibility in resolution, we commissioned an expert analysis to objectively identify the best approach to breaking up these various lines of business, sub-lines of business and portfolios and assets in resolution into the most attractive sale, spin-off or IPO candidates, irrespective of our current structure. Based on this analysis, we have designated 21 components of our business as Objects of Sale, consisting of combinations of lines of business, sub-lines of business and assets.

The Objects of Sale relative to our existing lines of business and sub-lines of business are shown in Figure 13. The yellow boxes are a combination of Commercial Banking and Consumer & Community Banking businesses in the respective regions. Certain businesses, including the Fixed Income and Equities are not included as an Object of Sale, but rather are an Object of Unwind because they would be largely wound down. These businesses would continue to operate as they are orderly wound down, so as to minimize the impact on clients and the market.

Figure 13. Objects of Sale



(1) CIB businesses, including Equities and Fixed Income are not identified as Objects of Sale as they would be expected to be orderly wound down over time in a resolution event.

(2) Includes Global Investment Banking, Payments (excluding Merchant Services), and Lending.

(3) In the fourth quarter of 2022, Consumer and Business Banking Sub-line of business was renamed Banking & Wealth Management.

(4) In the fourth quarter of 2022, Credit Card Sub-line of business was renamed Card Services.

We have identified potential acquirers for, and multiple approaches to divest, these components of our business.

We annually refresh our list of potential acquirers for each Object of Sale to ensure the universe of potential buyers is expansive in many ways including geography (U.S. and international), size, and industry / vertical and have considered multiple approaches to divesting the Objects of Sale, such as an IPO or sale, in order to support and sustain our divestiture strategies.

We carefully considered potential acquirers based in the United States and internationally, including large international banks, regional banks, asset managers, U.S. auto-focused institutions, insurance companies, financial sponsors, hedge funds, alternative asset managers and card processors. The suitability of each of these potential acquirers was evaluated across multiple dimensions, which may include scale, strategic fit, business fit, financial fit and regulatory considerations. We also constructed detailed case examples for a range of potential acquirers, which provide a specific rationale for the acquisition.

Many of our Objects of Sale are candidates for acquisition by a third-party buyer and some are candidates for IPO or spin-off. Where both a sale and an IPO or spin-off are feasible, a dual-track process would be employed, in which both options are pursued until a critical decision point. Considerations for pursuing a sale and/or an IPO or spin-off are discussed in detail in each of the Divestiture Playbooks. The potential for a spin-off provides additional optionality when market conditions or other external factors are challenging. Potential spin-offs may also be value maximizing depending on market appetite and valuations.

We are prepared to quickly divest each one of these Objects of Sale.

In addition to the optionality derived from a wide range of Objects of Sale and an expansive universe of multiple potential acquirers and divestiture strategies for each, we have continued to dedicate significant resources to strengthen our divestiture readiness which we believe has us well positioned to execute divestitures under a wide variety of scenarios.

Framework for Determining Divestiture Approach.

We have a framework to help us choose an approach to divestiture in a crisis, including during a recovery or resolution event. This framework takes into account the nature of the crisis and market conditions so that an Object of Sale would be divested in a way that is both

timely and orderly and preserves the value of the business component being sold.

Divestiture Playbooks. We continue to leverage the knowledge of internal business stakeholders and subject-matter experts and dedicate significant resources to maintain tailored Divestiture Playbooks that collectively provide a tangible, comprehensive roadmap to divest the Objects of Sale, including: (1) an overview and valuation of the Object of Sale under different market conditions, including an estimate of the capital and liquidity impact of the divestiture; (2) a detailed discussion of the Object of Sale's marketability; (3) potential obstacles to separation and mitigants that would be pursued in divestiture; and (4) realistic execution time frames and descriptions of required actions to execute the sale or IPO/spin-off of the Object of Sale.

Data Rooms. We have the capability, which is regularly tested, to populate in a timely manner and make available electronic data rooms with information pertinent to a potential divestiture. The information will significantly accelerate typical divestiture timelines because it can be used in due diligence, marketing and underwriting in connection with a sale or IPO.

As a result of these initiatives, if a recovery or resolution scenario occurs, we will be able to quickly and efficiently (1) determine the most appropriate Objects of Sale, (2) determine the best divestiture strategies for those Objects of Sale, given the specific conditions at the time and (3) execute those divestiture strategies. We have executed upon a number of divestitures since the financial crisis, while continuing to strategically acquire businesses. The experience of undertaking these transactions continually refines our capability to value and divest our Objects of Sale in a variety of situations including resolution. We believe that our existing framework around divestiture readiness supports the successful execution of our resolution strategy under a wide range of failure scenarios and different market conditions and thereby enhances our flexibility and optionality in resolution.

We maintain capabilities to manage and wind down our derivatives portfolio and prime brokerage activities in resolution.

We continue to maintain a plan to execute our derivatives wind-down strategy in resolution, and analyze this on a regular basis. We have established capabilities for segmentation of our derivative portfolio for forecasting exit costs, operational costs and liquidity and capital impacts from the wind-down which feed into RLEN and RCEN estimations. A sensitivity analysis is also applied to assumptions affecting derivatives-related costs and

liquidity flows, with key drivers compared against baseline results under the Preferred Strategy.

Certain terms contained in financial contracts, such as derivatives, can pose a material impediment to the orderly and rapid resolution of major financial institutions.

The firm adheres to the ISDA Protocols and related jurisdictional modules, in order to protect our Key Operating Entities from a closeout of their derivatives contracts and other Qualified Financial Contracts covered by these protocols following the bankruptcy of JPMC.

We maintain a comprehensive framework of control and oversight policies and processes, reporting capabilities, and booking model documentation designed to ensure that our derivatives and trading activity is booked in accordance with our LER Criteria and is robustly managed. We maintain capabilities to track and monitor risks associated with our derivatives trading, including on a legal entity basis.

We also maintain the operational capacity to transfer prime brokerage accounts to other prime brokers in a timely and orderly fashion during financial stress.

Derivatives Capabilities

- Adherence to ISDA Protocols and Jurisdictional Modular Protocol
- Comprehensive active wind-down analysis, and analysis of residual portfolio
- Risk tracking and monitoring capabilities
- Operational capacity to transfer prime brokerage accounts
- Well-established derivatives booking practices that include control and oversight policies and processes, reporting capabilities and legal entity booking model documentation

We believe that these actions, taken together, have mitigated the risk that counterparty closeouts could occur in volumes large enough to undermine our rapid and orderly resolution.

Our legal entities are protected from derivatives closeouts in resolution.

We are committed to implementing the principles set forth in the Financial Stability Board's "Key Attributes of Effective Resolution Regimes for Financial Institutions", including cross-border recognition of resolution measures. To achieve this, we ensure that contracts governed by foreign law are made compliant with local resolution stay requirements by means of bilaterally negotiated contractual language or adherence to the relevant protocol(s).

Currently, all in-scope JPMC Legal Entities have adhered to the ISDA 2018 U.S. Resolution Stay Protocol. Substantially all of JPM Group's counterparties remediated their contracts in compliance with the US Qualified Financial Contracts, or QFC Stay Rules by the compliance date of January 1, 2020. The remainder were blocked from transacting in-scope QFCs with the JPM Group. Adhering parties represent substantially all of the notional and gross mark-to-market of JPM Group's third-party OTC derivatives transactions.

We have a well-established approach to assess and conduct an orderly active wind-down of our derivatives and trading portfolio.

We maintain and continually enhance a scenario in which our businesses engaged in derivatives and trading activities pursue an active wind-down of these activities and exposures in order to estimate the financial and operational resources required to exit these activities in an orderly manner.

For purposes of these estimates, we assume that we would actively wind-down nearly all of the significant derivatives activities and positions over a period of 24 months after our parent company enters bankruptcy proceedings. A small residual of positions that may take more time to exit would remain, but we conclude that these would not be systemically important.

We include the active unwind of our derivatives and trading portfolio in our resolution strategy, and regularly incorporate the estimated liquidity and capital impacts into RCEN and RLEN estimates, including for our Key Operating Entities.

We can timely monitor the risks associated with our derivatives trading portfolio.

Since 2019, and in response to previous Agency feedback, we have improved our capabilities to deliver inter-affiliate market risk reporting which, in the context of a parent company failure, would be essential to

determine the level of exposures that exist between group entities.

We have formalized the governance and reporting model to support the process and incorporate this in the firm's broader enterprise-wide risk management framework.

While the 2019 Final Guidance has not been amended since its publication, we continue to review and refine our derivatives and trading capabilities in order to appropriately address market conditions and demands from counterparties that would be likely to occur during a resolution scenario, and to stabilize, wind-down and/or novate our derivatives portfolio in an orderly manner.

We have the operational capacity to facilitate the orderly transfer of prime brokerage accounts to other prime brokers.

We maintain a Prime Brokerage Account Transfer Playbook that sets out the specific steps by which we would timely and orderly transfer prime brokerage accounts to peer prime brokers. Our analysis and playbooks will enable our primary U.S. broker-dealer to, after our parent company files for bankruptcy, operate as usual in a reduced capacity, outside of our parent company's bankruptcy proceedings, and undergo a solvent wind-down, if needed.

Since the 2008 financial crisis, most of our prime broker clients no longer rely on a single prime broker and the prime brokerage market has become more competitive. By maintaining relationships with multiple prime brokers, also referred to as multiprime relationships, our clients have the ability to quickly transfer their positions from our prime brokerage business to another prime broker. Moreover, the increase in competition in the prime broker market means that there are more competitors available to absorb customer outflows, thereby minimizing the risk that bulk transfers of prime brokerage positions could disrupt the market.

We cooperate and coordinate with key stakeholders around the world so that they understand and support our resolution plan.

As a global financial institution, JPMorgan Chase conducts business through entities located throughout the world. Our operating companies located outside of the United States are subject to oversight and regulation by foreign regulators. To minimize the risk that foreign regulators might act in a manner that impedes the successful implementation of our resolution plan through ring-fencing or other actions, our resolution strategy has been designed to encourage cooperation of foreign

regulators during a resolution event and minimize incentives for unilateral actions.

Our resolution strategy for key foreign entities of the firm either minimizes reliance on action by host jurisdiction authorities or assumes cooperation with foreign regulators in host jurisdictions only to the extent cooperation is in the best interests, or not inconsistent with the interests, of local stakeholders.

The resolution strategy supports foreign regulatory cooperation by ensuring, through the prepositioning of resources at Key Operating Entities, maintenance of a central buffer at IHC and implementation of a secured Support Agreement that our foreign operating entities will meet local capital requirements and have sufficient funding and liquidity so that they will not need to enter their own potentially competing local proceedings.

The resolution strategy includes advance planning and preparation, including regular advance confidential communications with foreign regulators to familiarize them with our strategy and which would increase in frequency and depth of messaging and provision of information during financial stress that could lead to our resolution. We believe that advance communication will enable foreign regulators to better understand how abstaining from ring-fencing our international subsidiaries or branches will preserve the value of local operations and achieve better outcomes for local creditors and stakeholders than if one of our foreign entities were cut off from the rest of the firm.

Finally, our Crisis Management Communication Plan has been designed to address communications to all relevant internal and external constituencies, including foreign regulators. To ensure that the Crisis Management Communication Plan is implemented at the appropriate points during a stress scenario, its implementation is linked to specific capital and liquidity triggers that reflect our firm's financial condition. Our Crisis Management Communication Plan is designed to help us maintain close contact with U.S. and host country regulators throughout financial stress and engage in real-time coordination on recovery and resolution actions to implement our recovery and resolution plans successfully.

Communications and Coordination with Foreign Regulators

Today:

- set the groundwork for cooperation through extensive business as usual communications efforts to educate host-country regulators on our resolution plan
- maintain and update, as needed, a tailored Crisis Management Communication Plan that provides a guide to communications to key stakeholders, including foreign regulators, in recovery or resolution

In a financial stress scenario:

- implement our Crisis Management Communication Plan
- adapt messaging to the actual stress event and financial condition of the firm
- manage and coordinate proactive, frequent communications with foreign regulators

Although we have made these preparations, as a conservative measure, our resolution plan assumes soft ring-fencing, which is where foreign regulators limit transfers of assets between affiliates in resolution. Thus, although our resolution plan is designed to encourage cooperation by foreign regulators, it is also designed to work even if foreign regulators fail to fully cooperate and decide to restrict the activities or assets of our foreign operating companies.

We believe that by engaging our foreign regulators in our resolution planning and establishing a framework to maintain communication and coordination with our foreign regulators during a resolution scenario, we have significantly reduced the likelihood that our foreign regulators would engage in ring-fencing or otherwise act in a manner adverse to our resolution plan.

FAQs

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Defined terms are capitalized and may be found in the Glossary beginning on page 124.

Scope of Our Resolution Plan

Q. How are businesses designated as in-scope for purposes of our resolution plan? **A.** The Agencies' Final Resolution Plan Rule requires that our resolution plan focus on a subset of particularly important business lines—including associated operations, services, functions, and support—the failure of which would result in a material loss of JPMorgan Chase's revenue, profit, or franchise value. We have determined that our Corporate function and four principal operating segments—Consumer & Community Banking, Corporate & Investment Bank, Commercial Banking and Asset & Wealth Management—for which financial results are presented in the U.S. GAAP financial statements and, therefore, are described in our parent company's reports on Forms 10-K and 10-Q, fall within this subset of important business lines. Corporate and these four operating segments (referred to as lines of business) include 16 underlying component businesses (referred to as sub-lines of business), which we have determined also fall within this subset of important business lines. In total, 21 of our business lines have been designated as in-scope for our resolution plan.

Q. How are operations designated as Critical Operations for purposes of our resolution plan? **A.** The Agencies' Final Resolution Plan Rule defines Critical Operations as operations, including associated services, functions and support, the failure or discontinuance of which would pose a threat to the financial stability of the United States. Prior to 2021, the Agencies jointly designated certain of our operations as Critical Operations. Consistent with the Final Resolution Plan Rule, we established and implemented a process to evaluate and designate our Critical Operations. Our evaluation considered the markets and activities within which we operate, the significance of those markets and activities with respect to the financial stability of the United States, and our significance as a provider. In designating our Critical Operations, we developed criteria designed to assess the impact of potential failure or discontinuance on markets, our clients, and JPMorgan Chase's own operations including our ability to execute our Preferred Strategy.

Q. How are entities and/or branches designated as in-scope for purposes of our resolution plan? **A.** The Agencies' Final Resolution Plan Rule requires that our resolution plan focus on a subset of particularly important subsidiaries and foreign branches within the firm that are significant to the activities of one or more of our Critical Operations, lines of business or sub-lines of business or is financially or operationally significant to our resolution. We refer to these subsidiaries and branches as Material Legal Entities in this Public Filing. Of these Material Legal Entities, those that receive support under the Support Agreement are referred to as Key Operating Entities.

To determine whether a legal entity or branch in our firm is a Material Legal Entity for purposes of our resolution plan, we consider the following quantitative and qualitative criteria.

Total Assets

Any direct or indirect operating subsidiary of our parent company that would be required, if it were a stand-alone, independent entity, to file a resolution plan under the Final Resolution Plan Rule will be designated as a Material Legal Entity. For foreign branches of our main bank, JPMCB, any foreign branch that has greater than \$15 billion in total assets over the prior two fiscal years is designated as a Material Legal Entity.

Q. How are entities and/or branches designated as in-scope for purposes of our resolution plan? (cont.) Financial Importance to Lines of Business or Sub-Lines of Business

For operating entities (i.e., not for non-operating subsidiaries such as intermediate holding companies other than the IHC or pass-through entities), we consider the financial significance of the entities to lines of business or sub-lines of business. We look specifically to three financial metrics to determine an entity's financial significance to a line of business or sub-line of business: (1) total assets; (2) total revenue; and (3) total net income. For a limited number of entities, due to the nature of their activities, we consider assets under management or total liabilities instead of total assets for purposes of determining whether they are Material Legal Entities.

An operating entity will be designated as a Material Legal Entity if it satisfies either of the following criteria:

- two of the three financial metrics for the operating entity account for more than 10% of the total financial activity of a line of business or sub-line of business; or
- the operating entity needs to be designated as a Material Legal Entity to achieve 75% coverage of the financial metrics for each line of business and sub-line of business by Material Legal Entities.

Importance to Critical Operations

For all entities, we consider the importance to our Critical Operations capturing entities that:

- provide greater than 10% of funding and liquidity to a Critical Operation;
- employ greater than 10% of the headcount required to run a Critical Operation; or
- execute greater than 10% of activity for one of the firm's key FMUs.

We also consider certain additional quantitative criteria for specific Critical Operations.

As a backstop, if designated Material Legal Entities do not account for at least 75% of the funding (together with third-party sources of funding), headcount, and payment, clearing and settlement activity for each Critical Operation, we consider designating additional entities as Material Legal Entities to meet the 75% threshold. We believe this backstop helps ensure that we, as required by the Agencies' implementing rule for Section 165(d) of the Dodd-Frank Act, designate as Material Legal Entities all entities that are significant to a Critical Operation.

In addition to the quantitative criteria discussed above, we also consider qualitative criteria:

- as part of determining whether an additional entity should be designated to meet the 75% threshold, whether the absence of the entity would impede or disrupt the provision of a Critical Operation; and
- regardless of its size, whether the entity is essential to the provision of a Critical Operation. If the entity is essential, then it will be designated as a Material Legal Entity.

Importance to Derivatives Activities

Designated Material Legal Entities must represent the execution of at least 95% of notional and gross mark-to-market for all:

- external client-facing derivatives activities;
- inter-affiliate derivatives activities; and
- inter-affiliate derivatives activities between Material Legal Entities.

Material Legal Entities with derivatives portfolios are deemed to be material derivatives entities per the 2019 Final Guidance.

Q. How often are entities and/or branches assessed to determine whether they should be designated as Material Legal Entities for the resolution plan and what is the associated governance?

A. We assess entities to determine whether they should be designated as Material Legal Entities on a quarterly basis as part of our business as usual resolution planning governance. This assessment involves both (1) the review of existing Material Legal Entities either to confirm or cease their designation, and (2) the evaluation of entities that are not currently designated as Material Legal Entities to determine whether they should be so designated. As part of our assessment, we consider prior-quarter-end financial data, as well as additional inputs from Corporate Treasury and lines of business, as required by our Material Legal Entity designation criteria.

This quarterly assessment process is subject to significant oversight by senior management. We have established a governance forum that meets on a quarterly basis to review the results of our quarterly Material Legal Entity designation assessment with the JPMorgan Chase Recovery and Resolution Executive. To ensure that relevant resolution and recovery planning individuals are kept abreast of changes to Material Legal Entity designation, we make sure that, as appropriate, key decisions regarding Material Legal Entity designations are disseminated to existing resolution and recovery planning governance bodies following the quarterly governance forums and changes to Material Legal Entity designations are reflected in our management information systems. In addition, when a legal entity change occurs (i.e., is eliminated or created), the impact on the Material Legal Entity designation is considered.

Q. Do changes in Material Legal Entities require changes to the resolution strategy?

A. Our preferred Single Point of Entry resolution strategy does not change even if we identify new Material Legal Entities. This is also the case if we de-designate a former Material Legal Entity (for example, by merging it into another Material Legal Entity). Such changes to our structure may lead to changes in how resources are maintained or to operational updates to account for the fact of the changes, but they do not have a material effect on our overall resolvability or resolution plan. Newly designated Material Legal Entities will be assessed to determine if they have sufficient capital and liquidity resources to meet resolution needs. Additionally, the entities will be required to develop a suite of contingency plans, including resolution plans and, where deemed appropriate, recovery plans to support their financial resiliency.

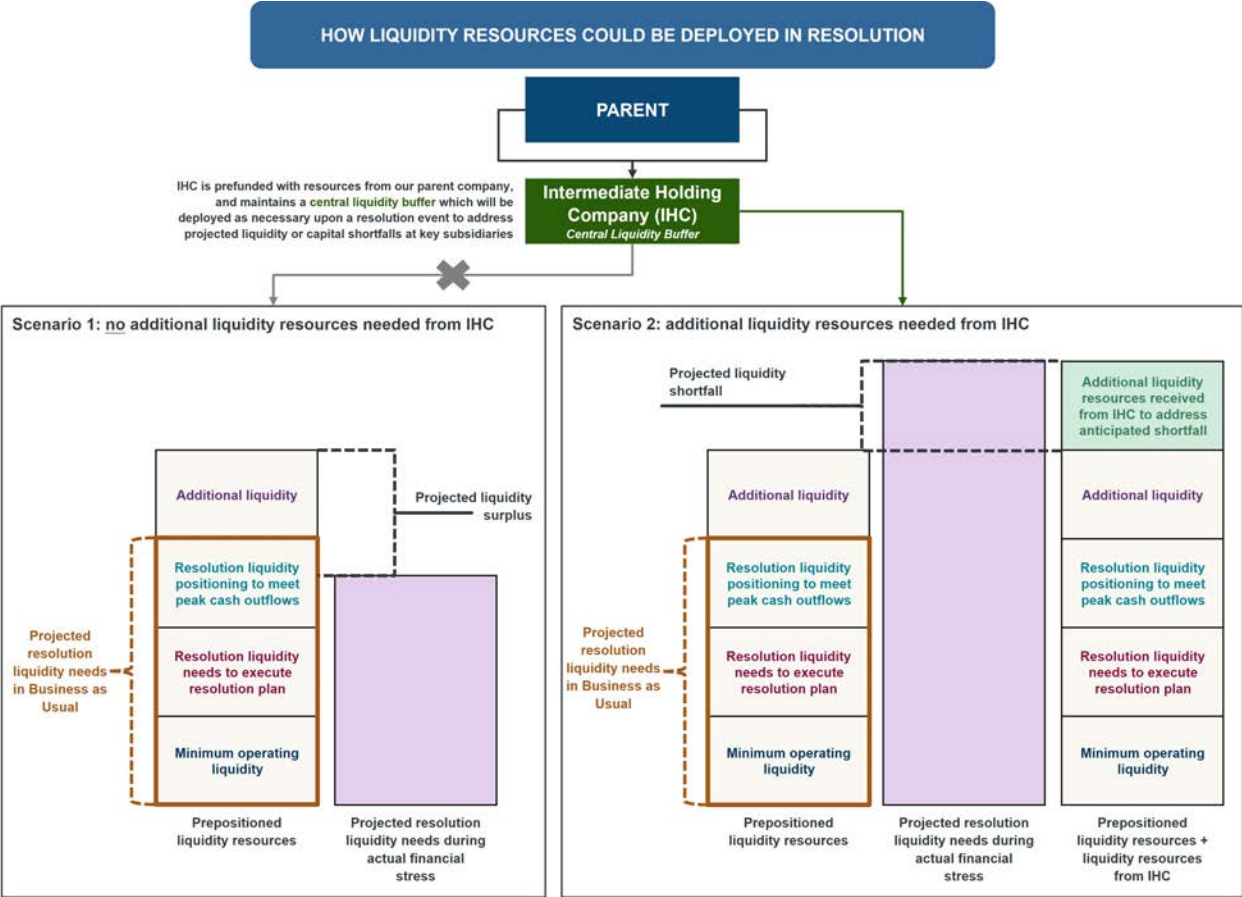
Capital and Liquidity / Funding

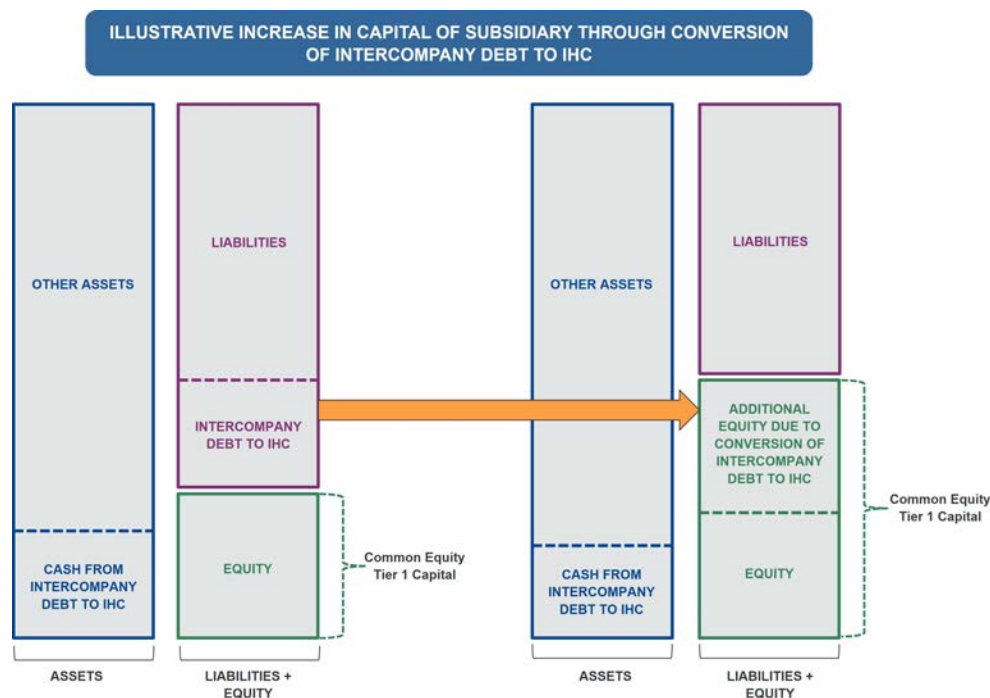
Q. When and how are resources calculated? A. Capital and liquidity resources at our Key Operating Entities are calculated and monitored on a regular, ongoing basis (in some cases daily). These calculations are based on how much capital and liquidity each of our Key Operating Entities requires for business as usual purposes, to meet potential stress needs and to successfully execute our resolution strategy, should the need arise. We use conservative forecasts of losses in a resolution scenario to calculate the amount of capital each of our Key Operating Entities requires to remain solvent and maintain market confidence while our parent company is resolved. With respect to liquidity, we: (1) calculate the minimum operating liquidity, including intraday liquidity needs, needed at each Key Operating Entity in order for that entity to meet its obligations; and (2) conservatively forecast the maximum liquidity, or peak funding need, required at each Key Operating Entity in order for that entity to stabilize while our parent company is resolved.

Q. What are examples of intercompany frictions? A. Intercompany frictions represent potential obstacles which could limit the free flow of capital or liquidity to Key Operating Entities. A basic example of a friction is tax—if we wanted to send \$80 to an entity and there was a 20% tax on the transfer, then the tax friction would mean that we need to have \$100 available in order to provide the \$80 ($\$100 - 20\% \text{ in taxes} = \80). An example of a regulatory friction would be the need to obtain a regulatory approval to move financial resources to an entity, which could delay the timely receipt of capital and/or liquidity support. An example of a jurisdictional friction is the risk that a foreign regulator will restrict a local operating entity from using its excess financial resources to support other operating entities (a practice commonly referred to as ring-fencing). To reduce or eliminate potential intercompany frictions, we maintain an appropriate balance of projected resolution liquidity and capital resources at all of our Key Operating Entities and centralized unallocated resources at our IHC Central Buffer.

Q. How are capital and liquidity resources located at IHC deployed in resolution? A. Figure 14 illustrates how liquidity and capital resources located at IHC could be deployed in resolution.

Figure 14. How Liquidity and Capital Resources Could Be Deployed in Resolution





Governance Mechanisms and Triggers

Q. What are examples of circumstances that constitute a “trigger” and how is that determined?

A. Triggers are used to escalate critical information to key decision makers and initiate governance processes in our firm so that they can take appropriate and timely action throughout the various stages of stress/recovery and resolution (Business as Usual, Stress Period, Recovery Period, Filing Preparation Period, Resolution Weekend and the Post-Resolution Event Period). These triggers, referred to as Stage Triggers, are based on the financial condition of the firm as a whole and are tied to indicators of the firm’s health, such as the firm’s position relative to certain regulatory requirements. If the firm’s condition deteriorates below a certain regulatory metric or threshold, then a Stage Trigger would move the firm further along in the stages. Triggers are referred to limits and indicators in our underlying frameworks, are reviewed and approved as part of our Contingency Capital and Funding Plans and contain specific levels to ensure that we would have sufficient capital and liquidity resources at our Key Operating Entities to implement our Single Point of Entry strategy.

Q. Are separate triggers determined for each Key Operating Entity?

A. Stage Triggers are determined for the firm as a whole. We have also developed entity-specific capital and liquidity triggers for each Key Operating Entity tailored for their business activities and regulatory requirements.

Critical Service Relationships

Q. How are contracts with vendors and third parties handled in resolution?

A. We have, where necessary, revised the terms of the contracts we have with vendors and other third parties so that the Critical Shared Services provided to our Key Operating Entities cannot be terminated solely because of the failure of our parent entity, as is contemplated in our resolution plan. In particular, contracts that contain termination rights and change-of-control clauses that could impede our resolvability have been amended to remove those provisions and to allow us to transfer or assign the contract in a resolution event. New contracts with any entity in our firm will also incorporate these resolution and divestiture-friendly provisions. In addition, our frameworks of liquidity needed for resolution take into account the payments our Key Operating Entities would need to continue to make to vendors and other third parties in order to continue to receive services in a resolution scenario. Our framework for prepositioning, therefore, includes the required capital and liquidity needed to continue to pay for services.

Q. What arrangements are in place to support interconnected operations within the firm during resolution?

A. Our intragroup Critical Shared Services are supported by structures and features (legal and financial) to support their continuity and minimize complications during a resolution scenario. Under our resolution strategy, Key Operating Entities can continue to provide Critical Shared Services to each other as all these entities, other than our parent company, remain funded and continue to operate without being placed in resolution proceedings. In order to further support the continuity of our Critical Shared Services in a resolution scenario, we have taken, or plan to take, the following additional actions to support our Critical Shared Services:

- we have structured our firm so that nearly all of the Critical Shared Services are provided by the JPMCB Bank Chain, all of which will continue to operate through the Resolution Period;
- our Key Operating Entities are party to intragroup servicing and licensing agreements with resolution-appropriate provisions so that they can continue to pay for and receive Critical Shared Services during resolution;
- for Critical Shared Services provided by our Objects of Sale, to the extent necessary we have identified where we may need to enter into transition services agreements at the time of the sale or divestiture so that our other Key Operating Entities can continue to receive Critical Shared Services in resolution or so that the purchaser can continue to receive such services through its integration process; and
- in the event a Key Operating Entity needs to be wound down, other entities within our firm have the capabilities and stand ready to continue providing the Critical Shared Services previously provided by the wound-down entity.

Derivatives and Trading Activities

Q. How do you estimate the resolution costs of unwinding your derivatives and trading activities portfolio?

A. Although some positions are expected to close during the filing preparation period, for purposes of estimates, the active wind-down of the derivative positions would, at a high level, be accomplished in the following three ways:

- **Terminated Trades.** In line with the Agencies' guidance, the ISDA Protocols are assumed to be in place and effective for counterparties of the firm;
- **Maturing Trades.** Positions with maturity of less than 24 months (with the exception of Prime Brokerage and Global Clearing, which would be transferred to alternate brokers) are assumed to mature without being renewed; and
- **Novated Trades.** Most of the positions with maturities greater than 24 months are assumed to be packaged and sold (novated) to other dealers active in the market.

We further segment our derivatives portfolio based on input from subject-matter experts, using dimensions such as product, currency, counterparty type and region, to develop novation packages. For each of these segments, we estimate the price that could be realized in stressed markets. We maintain a business as usual process for refreshing wind-down results and analysis on a quarterly basis. As noted, our modeling of a derivatives wind-down over 24 months assumes (per the 2019 Final Guidance) that the 2018 ISDA U.S. Resolution Stay Protocol is in effect for all counterparties.

Based on our orderly active wind-down analysis, we have:

- modeled that we can successfully unwind substantially all of our derivatives portfolio over a 24-month period;
 - estimated costs of re-hedging or replacing risk, under the assumption that all hedges must be executed with exchange-traded or centrally-cleared instruments; and
 - estimated the positions remaining after 24 months and determined that these positions are not systemically important.
-

Q. What do the ISDA Protocols do?

A. The ISDA Protocols each, among other things, override cross-default rights that arise under certain Qualified Financial Contracts when a parent company that provides a guarantee or credit support for the Qualified Financial Contracts files for Chapter 11 bankruptcy, if one of the following two sets of conditions is met:

- the parent company's obligations under the guarantees are transferred to (1) an unaffiliated third-party or (2) a company organized to hold the parent's assets in connection with the parent's bankruptcy proceedings for the benefit of the bankruptcy estate, but that is not controlled by the parent company, its creditors or its affiliates; or
- the bankruptcy court elevates legal claims based on the parent company's Guarantee Obligations to a certain priority status in the parent's bankruptcy case.

One of the two sets of conditions above must be satisfied by the later of 48 hours, or 5:00 p.m. on the first business day, after the parent company files for bankruptcy.

Q. What do the Qualified Financial Contracts Stay Rules do?

A. The U.S. banking regulators adopted the Qualified Financial Contracts Stay Rules to facilitate the orderly reorganization or resolution of systemically important financial institutions like our firm. The Qualified Financial Contracts Stay Rules require entities covered by the rules, referred to as Covered Entities, to amend Qualified Financial Contracts to:

- include an express recognition of the statutory stay-and-transfer powers of the FDIC under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Act, and
- override any cross-default rights based, directly or indirectly, on an affiliate's entry into bankruptcy or resolution proceedings, as well as any restrictions that could impede the transfer in resolution of guarantees or other credit enhancements of Qualified Financial Contracts furnished by an affiliate.

JPMC and, subject to certain minor exceptions, all of its subsidiaries are Covered Entities under the Qualified Financial Contracts Stay Rules.

Resolution Process

Q. How does the Single Point of Entry strategy support the wind-down of an entity and its operations (as opposed to an entity being stabilized and continuing and/or being divested)?

A. Our Single Point of Entry strategy is designed so that all of our Key Operating Entities would have access to sufficient capital and liquidity support to carry out the strategy for that specific entity. This means, for example, that an entity which would be wound down under the strategy has sufficient resources to orderly close out transactions, to retain essential employees and to meet all obligations as they come due while it is being wound down. This requires active monitoring and forecasting of capital and liquidity needs as stress increases, managing resources across JPM Group and the assessment and identification by management and our board that the Point of Non-Viability has been or is close to being breached, requiring the activation of our plan and the filing for Chapter 11 proceedings by JPMC.

Q. Why would “problem” entities that contributed to the failure of the organization be supported?

A. Our resolution strategy is a value-preserving strategy, designed to ensure the continuity of Critical Operations, and to maximize the value of the company as a whole for the benefit for our parent company’s creditors in the event it files for bankruptcy. As such, all of our Key Operating Entities, including any potential problem entities that may have contributed to the failure of the organization, are provided support in order to remain as solvent, going concerns throughout resolution. We would expect, however, that senior management of any so-called problem entities would have to take responsibility and be replaced, and the cause of any “problem” would be remediated.

Q. Why do you believe there will be willing buyers of your Objects of Sale in a resolution scenario?

A. We have conducted detailed reviews of potential acquirers and their ability and appetite to purchase our Objects of Sale in a resolution scenario. We believe that our Objects of Sale are highly attractive businesses. Many of them are global leaders and top competitors in the products and markets in which they compete. As a result, we expect each Object of Sale to have multiple, diverse and not necessarily overlapping potential buyers. Additionally, we have developed optionality to allow us to consider the sale of either a business or its portfolios, further diversifying the universe of buyers and execution options.

International Stakeholder and Regulator Coordination

Q. How can you assume cooperation and coordination with key international stakeholders?

A. We designed our resolution strategy to minimize or eliminate the need for global regulatory cooperation by having only our parent company enter resolution proceedings in the United States, while our Key Operating Entities receive necessary capital and liquidity support and continue as going concerns under a trust insulated from the resolution process. This means that the only necessary actions by foreign regulators to support execution of our strategy are generally the processing of or approving the indirect change in control to the trust. Because moving the Key Operating Entities under a trust enables them to continue providing services to local clients, depositors or other stakeholders without interruption, and the entities will have sufficient capital and liquidity to meet local regulatory and other obligations, those actions are aligned as closely as possible with local regulatory concerns and goals of home-country financial stability and encourage, to the extent required, global regulatory cooperation. While we believe the structure and incentives exist to encourage this cooperation, foreign regulators may nonetheless take further protective actions.

Resolution and Recovery Planning—General

Q. Can you provide more information on the First Republic Bank Acquisition and its impact your resolution planning?

A. On May 1, 2023, the firm acquired the substantial majority of assets and assumed the deposits and certain other liabilities of First Republic Bank from the FDIC (the Acquisition). The firm believes that the Acquisition will be accretive to earnings, will help to further advance the firm's wealth management strategy, and is expected to be complementary to the firm's existing franchises.

The FDIC provided loss sharing agreements with respect to the following loans acquired in the Acquisition: 80% of losses on single family residential mortgage loans will be covered for seven years, and 80% of losses on commercial loans will be covered for five years.

The firm is estimating the impact that the Acquisition will have on its financial statements, and expects to record an estimated \$2.6 billion post-tax bargain purchase gain in connection with the Acquisition. The firm also expects to recognize restructuring costs of approximately \$2.0 billion post-tax over the course of 2023 and 2024. The firm expects that these estimates will be further refined over the purchase accounting measurement period.

The firm repaid the \$25 billion of deposits placed by large U.S. banks with First Republic Bank on March 16, 2023. The firm will eliminate its \$5 billion deposit in consolidation and release the associated allowance for credit losses. The financial information and other disclosures contained in this 2023 Resolution Plan Public Document do not give effect to the Acquisition.

Given that the Acquisition is complementary to our existing lines of business we determined that its execution does not require a change to either our Preferred Strategy or our resolution plan.

Q. How do the efforts undertaken for Title I Resolution Planning mitigate the potential for failure in times of stress such as those experienced by certain banks in the spring of 2023?

A. Title I Resolution Planning is centered on maintaining the firm's financial resilience to minimize the likelihood of severe financial stress in the first instance. We actively manage our capital and liquidity resources to ensure they are sufficient to meet our needs during BAU, stress, and if necessary, resolution and recovery. As of December 31, 2022, we had \$1,427 billion in liquidity sources, including \$733 billion of HQLA, available to meet cash outflows. Additionally, the firm held \$486 billion of TLAC to support the capital needs of its businesses.

These financial resources coupled with our resolution and recovery plans, provide the firm the flexibility to identify contingent actions and deploy resources as stress events unfold.

The firm maintains, among other playbooks and plans, a Contingency Funding Plan, a Contingency Capital Plan and a Recovery Plan to support the evaluation of stress events, identification of available actions and governance and monitoring of related execution.

The firm's resolution plan was developed across financial and operation disciplines and utilizes playbooks that provide management and the board with guidance and tools they can use to raise liquidity and capital and/or minimize their consumption.

Our firmwide governance emphasizes testing and consistent review of our resolution plans so that we can update with lessons learned and to ensure readiness to execute the plan if needed.

Collectively this planning supports the financial resilience of our firm and our ability to rapidly respond to spectrum of stress events, including those with characteristics similar to the recent bank failures.

Q. Does JPMC rely on AT-1 bonds similar to those issued by Credit Suisse and recently written down by the Swiss government?

A. Our total loss-absorbing resources do not rely on contingent convertible bonds, also known as CoCos or Additional Tier-1 (AT-1) bonds, issued to the private sector. CoCos are a form of debt that like our total loss-absorbing debt, can be written-down or converted into equity to provide additional capital resources during a resolution event, but features a unique structure and design. Unlike our debt, which can only be converted to equity or written-down at a Point of Non-Viability when necessary to prevent the firm's insolvency, CoCos generally include one or more additional triggers, which allow the bonds to be converted or written down based on metrics such as a share price of book value threshold before failure is inevitable. Moreover, unlike CoCos, which must be perpetual and generally have deferrable coupons, our debt features set maturity dates and non-deferrable coupons. We believe these are meaningful differences between our long-term debt and CoCos.

Q. If JPMC were to nonetheless face the Point of Non-Viability and file for Chapter 11 protection, how would the framework for your Single Point of Entry strategy serve to stabilize its Key Operating Entities, meet liquidity obligations, including depositor outflows, and ensure that sufficient capital is available to support its operations and wind down without the need for extraordinary government support?

A. We believe our Single Point Of Entry strategy is a powerful tool, for our management, board and our regulators, to support the orderly resolution of our firm in the unlikely event of JPMorgan Chase's entering into Chapter 11 proceedings. The SPOE strategy is driven by the core belief that it is better to recapitalize, reorganize and wind down our Key Operating Entities than to retain resources at our top tier holding company and allow these entities to potentially fail.

The key components of the Single Point Of Entry strategy that support its execution and minimize the risk of challenges are: (i) a secured Support Agreement; (ii) strategies for the prepositioned and centralized resources with the ability to bail in or contribute as needed; (iii) agile forecasting capabilities to dynamically estimate needs of our key operating entities; (iii) contingency playbooks to guide management and board actions; (iv) operational strategies to support continued provision of Critical Services across our group and to our customers and counterparties; and (v) well developed divestiture playbooks for the further unwind of our operations.

Single Point Of Entry requires active monitoring of capital and liquidity resources, at the firm and MLE level, against specific triggers developed to drive contingency action decisions, including, in the extreme, the implementation of our resolution plan. The strategy is designed to identify an insolvency event and manage financial resources to support the orderly resolution of the firm.

Should the firm reach the Point of Non-Viability, JPMorgan Chase and the IHC are contractually required to use their financial resources to recapitalize or provide liquidity to the Key Operating Entities under the terms of the Support Agreement. As noted, we

- center our financial resilience around maintaining a fortress balance sheet specifically to absorb financial stress events,
- pre-position our resources at our Key Operating Entities to meet their expected resolution needs and maintain unencumbered, centralized resources at our IHC to meet unexpected requirements,
- develop playbooks across the firm and at our Key Operating Entities to guide the implementation of the various elements of the Single Point Of Entry strategy, including the bail-in or contribution of necessary resources, the generation or conservation of capital and liquidity through contingency actions,
- maintain forecasting capabilities to provide daily updates to estimated liquidity and capital needs in resolution reflecting actual market developments and stresses,

Through this recapitalization, the Key Operating Entities are able to continue operating as going concerns as their resolution strategies are implemented.

Single Point of Entry and the work undertaken for Title I Resolution Planning contemplate the measures necessary to ensure the operational continuity of our businesses and the critical services that we provide to the market. This includes: (1) implementing resolution friendly terms in our third-party vendor and intercompany service contracts; and (2) developing strategies to respond to potential enhanced requirements of FMUs such as terminating access or membership. We also maintain significant MIS reporting capabilities with respect to the assets supporting our Material Legal Entities, lines of business, Critical Operations and overall collateral availability for the firm.

Finally, if needed, we have developed playbooks to support the rapid divestiture of our Objects of Sale. These playbooks provide business valuations, capital and liquidity impacts from sale, identification of potential strategic and financial buyers and the operational considerations given the businesses interconnections across Key Operating Entities and other lines of business.

Taken together this planning provides a credible basis for the orderly resolution of JPMorgan Chase without the need for extraordinary government support or causing systemic impact to the U.S. financial system.

Q. What resources has the firm dedicated to resolution planning? A. Since the passage of the Dodd Frank Act and the issuance of the original Title I Plan Guidance in 2011, we have devoted considerable resources in order to embed operational, financial and legal considerations related to resolution and recovery planning into our business as usual decision-making and management of the firm.

Q. How does the firm's resolution plan differ from a traditional corporate bankruptcy? A. The focus of a traditional corporate bankruptcy is on maximizing the amount of recovery for creditors. By insulating all of our Key Operating Entities from resolution proceedings, our Single Point of Entry strategy is a highly effective way to preserve the value of our enterprises for the benefit of our parent company's creditors. Preservation of value is not, however, the sole focus of our resolution plan.

A significant focus of our resolution plan is on facilitating the orderly and timely resolution of JPMorgan Chase in a manner that does not threaten the rest of the U.S. financial system and does not require U.S. taxpayer support. To this end, our resolution plan is designed to quickly stabilize the firm so as to: (1) limit financial contagion and disruptive knock-on effects; (2) ensure the continuity of Critical Operations; (3) minimize the risk of adverse counterparty actions; (4) minimize deposit attrition; (5) reduce or eliminate the need for cooperation by non-U.S. regulators; and (6) ensure that creditors and shareholders—not taxpayers—bear any losses. In addition, under our resolution plan, senior management and culpable personnel will be held responsible for their role in the firm's failure to the extent appropriate. In this sense, resolution is the same as bankruptcy in any other industry.

Q. What was the Agencies' feedback on our 2021 Targeted Submission? A. In a November 2022 letter, the Agencies noted meaningful improvements over our prior resolution plan submissions and did not identify shortcomings or deficiencies in the 2021 Submission. They did note areas in which we should continue to improve our resolution capabilities with respect to governance mechanisms and the ability to operationalize our Support Agreement, specifically through additional tabletop simulations and testing. The Agencies also noted that the firm should continue to improve its liquidity and capital forecasting capabilities and complete projects to identify and map its critical shared services. This letter may be found here: [November 2022 Letter](#).

Q. How have the regulations implementing the resolution planning requirements of Section 165(d) of the Dodd-Frank Act changed since our last submission? A. No new guidance has been issued by the Agencies since our 2021 Submission.

Q. What guidance is applicable to the 2023 Resolution Plan? A. The Final Resolution Plan Rule makes clear that the 2019 Final Guidance, including its scope and content, is not modified by the Final Resolution Plan Rule. The 2019 Final Guidance describes the Agencies' expectations regarding how firms are expected to address key vulnerabilities in resolution plans and updated and superseded prior guidance. The guidance may be found [here](#). Most significantly, the 2019 Final Guidance updated requirements related to payment, clearing and settlement activities as well as to derivatives and trading activities.

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Lines of Business

Defined terms are capitalized and may be found in the Glossary beginning on page 124.

JPMorgan Chase, a financial holding company incorporated under Delaware law in 1968, is a leading financial services firm based in the United States and has operations worldwide; JPMorgan Chase had \$3.7 trillion in assets and \$292.3 billion in stockholders' equity as of December 31, 2022. The firm is a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing and asset management. Under the J.P. Morgan and Chase brands, we serve millions of customers, predominantly in the U.S., and many of the world's most prominent corporate, institutional and government clients globally.

For resolution planning purposes, JPMorgan Chase has identified "core business lines." Under the Final Resolution Plan Rule, core business lines means "those business lines of the covered company, including associated operations, services, function and support, that, in the view of the covered company, upon failure would result in a material loss of revenue, profit, or franchise value." We have identified 21 core business lines, which we refer to as lines of business or sub-lines of business, which represent the firm's four principal business segments, as well as Corporate, and the 16 sub-segments that report into the segments that we believe satisfy the definition of core business line. Figure 15 sets out all of our lines of business and sub-lines of business, and Figure 16 illustrates the relative size of our five lines of business based on total assets and revenue.

The lines of business and sub-lines of business discussed in this Public Filing are core business lines identified solely for resolution planning purposes.

Figure 15. Resolution Plan Lines of Business and Sub-Lines of Business

Consumer & Community Banking	Corporate & Investment Banking	Commercial Banking	Asset & Wealth Management	Corporate
<ul style="list-style-type: none"> Banking & Wealth Management Home Lending Card Services Auto 	<ul style="list-style-type: none"> Fixed Income Equities Securities Services Payments Global Investment Banking Lending 	<ul style="list-style-type: none"> Middle Market Banking Corporate Client Banking Commercial Real Estate Banking 	<ul style="list-style-type: none"> Asset Management Global Private Bank 	<ul style="list-style-type: none"> Treasury and CIO

In some circumstances, resolution sub-lines of business listed in this Public Filing might differ from JPMC's sub-segments discussed in the 2022 Form 10-K.

Figure 16. Relative Sizes of the Lines of Business



Consumer & Community Banking

Consumer & Community Banking, or CCB, offers products and services to consumers and small businesses through bank branches, ATMs, digital (including mobile and online) and telephone banking. CCB is organized into Banking & Wealth Management (including Consumer Banking, J.P. Morgan Wealth Management and Business Banking), or BWM, Home Lending (including Home Lending Production, Home Lending Servicing and Real Estate Portfolios), and Card Services & Auto. BWM offers deposit and investment and lending products, cash management, payments and services to consumers, and lending, deposit, and cash management and payment solutions to small businesses. Home Lending includes mortgage origination and servicing activities, as well as portfolios consisting of residential mortgages and home equity loans. Card Services issues credit cards and offers travel services. Auto originates and services auto loans and leases.

The following sub-segments within CCB have also been designated as sub-lines of business for resolution planning purposes.

Banking & Wealth Management

BWM offers deposit, investment and lending products and services to consumers, and lending, deposit, and cash management and payment solutions to small businesses. These products generally are available through multiple distribution channels including approximately 4,800 bank branches and almost 16,000 ATMs, as well as through telephone banking, online banking and mobile banking. BWM serves consumers through its branch and ATM network in the United States.

Home Lending

Home Lending consists of Home Lending Production, Home Lending Servicing and Real Estate Portfolios. Home Lending offers purchase and refinance home loans to first-time and experienced home buyers, helps customers access the equity in their homes, services residential mortgage loans on behalf of investors and for its own portfolio, and holds portfolios of residential mortgages.

Home Lending Production represents the mortgage origination business, and includes Sales, Operations, Underwriting and support teams.

Home Lending Servicing assists customers for the life of their loan by delivering customer service through functions including sending monthly statements, collecting payments, supporting customers who need assistance in paying their mortgage or in resolving delinquency and generally managing loan servicing.

Home Lending Support Services is a single utility of support functions that partner with each Home Lending business on project management, regulatory and business change management, employee communications, valuations, customer issue resolution and reporting.

Real Estate Portfolios consists of residential mortgage and home equity loans that JPMorgan Chase retains for investment purposes.

Card Services

Card Services consists of Credit Card and Connected Commerce. Credit Card offers a wide variety of bankcard products to cater to the needs of multiple consumer and small business customer segments. Connected Commerce offers a two-sided platform that brings digitally active customers together with relevant merchant brands.

Auto

Auto provides auto loans and leases to consumers, primarily through the purchase of retail installment sales contracts, through a national network of automotive dealers. Auto also provides commercial and real estate loans to auto dealers.

Corporate & Investment Bank

The Corporate & Investment Bank, which consists of Banking and Markets & Securities Services, offers a broad suite of investment banking, market-making, prime brokerage, and treasury and securities products and services to a global client base of corporations, investors, financial institutions, merchants, government and municipal entities.

Banking offers a full range of investment banking products and services in all major capital markets, including advising on corporate strategy and structure, capital-raising in equity and debt markets, as well as loan origination and syndication. Banking also includes Payments, which provides payments services enabling clients to manage payments and receipts globally, and cross-border financing.

Markets & Securities Services includes Markets, a global market-maker across products, including cash and derivative instruments, which also offers sophisticated risk management solutions, prime brokerage, and research. Markets & Securities Services also includes Securities Services, a leading global custodian which provides custody, fund accounting and administration, and securities lending products principally for asset managers, insurance companies and public and private investment funds.

The following sub-segments within CIB have been designated as sub-lines of business for resolution planning purposes.

Banking

Global Investment Banking

Global Investment Banking provides advisory, full-service capital raising, credit solutions and risk management solutions to help clients achieve their financial objectives.

Lending

The Lending business provides traditional credit products, including loans and revolving commitments to CIB Banking clients globally.

Payments

Payments comprises several businesses: Payments and Commerce Solutions (P&CS), Merchant Services, Global Clearing and Onyx, Liquidity and Account Solutions, and Trade and Working Capital. The P&CS business is a full-service provider of cash management and electronic financial services. Merchant Services primarily processes transactions for merchants. Global Clearing provides currency clearing services globally. Onyx leverages blockchain technology and focuses on digital solutions for the transfer and clearing of money and information exchange networks for seamless data sharing between institutions. Liquidity and Account Solutions provides Liquidity and Escrow services to our clients. Trade and Working Capital includes loans tied directly to goods crossing borders, export/import loans, commercial and standby letters of credit, bank guarantees and supply chain finance and collections.

Markets & Securities Services

Fixed Income

Fixed Income is active across credit, rate, currency and securitized product markets and includes the following segments: Global Rates & Rates Exotics; Currencies & Emerging Markets; Commodities; Credit Trading & Syndicate; Global Credit Correlation; Global Securitized Products; Public Finance; Fixed Income Financing; Sales & Marketing; and Fixed Income Research.

Equities

Equities provides equity solutions to corporate, institutional and hedge fund clients, distributors, private investors and broker-dealers worldwide. Solutions provided include trade execution, program and special equity trading services, equity-linked services and structuring for new equity-linked issuances, marketing, structuring and trading services on equity-based or fund-based derivatives products. Equities also provides derivatives and OTC Clearing services in an agency capacity to external and internal clients and non-cleared OTC derivative intermediation services. Prime Finance

offers a comprehensive range of financing, clearing, settlement and trade execution services to hedge funds across the world.

Securities Services

Securities Services is a leading global custodian which primarily offers custody, fund accounting and administration, securities lending products, and data solutions principally for asset managers, insurance companies and public and private investment funds.

Commercial Banking

Commercial Banking, or CB, provides comprehensive financial solutions, including lending, payments, investment banking and asset management products across three primary client segments: Middle Market Banking, Corporate Client Banking and Commercial Real Estate Banking. Other includes amounts not aligned with a primary client segment.

CB product revenue consists of the following:

Lending includes a variety of financing alternatives, which are primarily provided on a secured basis; collateral includes receivables, inventory, equipment, real estate or other assets. Products include term loans, revolving lines of credit, bridge financing, asset-based structures, leases, and standby letters of credit.

Payments includes revenue from a broad range of products and services that enable CB clients to manage payments and receipts globally, as well as invest and manage funds.

Investment banking includes investment banking fees and markets revenue from a full range of products and services providing CB clients with advisory, loan syndications, capital-raising in equity and debt markets, and risk management solutions.

Other revenue primarily includes tax-equivalent adjustments generated from Community Development Banking and activity derived from principal transactions.

Middle Market Banking

Middle Market Banking (MMB) is a sub-segment within the CB LOB and predominantly aligned to the JPMCB. MMB covers small and midsized companies, local governments and nonprofit clients. MMB provides comprehensive financial solutions, including lending, payments, investment banking and asset management products. MMB predominantly operates in the United States and Canada, and also operates in Europe, Asia Pacific and Latin America.

Corporate Client Banking

Corporate Client Banking (CB-CCB) is a sub-segment within the CB LOB which covers large corporations. CB-CCB provides comprehensive financial solutions, including lending, payments, investment banking and asset management products. CB-CCB predominantly operates in the United States and Canada and is currently expanding in Europe, Asia Pacific and Latin America.

Commercial Real Estate Banking

Commercial Real Estate Banking (CREB) is a sub-segment within the CB LOB and predominantly aligned to JPMCB. CREB covers investors, developers, and owners of multifamily, office, retail, industrial and affordable housing properties. CREB provides comprehensive financial solutions, including lending, payments, investment banking and other products. CREB predominantly operates in the United States.

Asset & Wealth Management

Asset & Wealth Management is a global leader in investment and wealth management. AWM clients include institutions, high net worth individuals and retail investors in many major markets throughout the world. AWM offers investment management across most major asset classes including equities, fixed income, alternatives and money market funds. AWM also offers multi-asset investment management, providing solutions for a broad range of clients' investment needs. For Global Private Bank clients, AWM also provides retirement products and services, brokerage and banking services including trusts and estates, loans, mortgages and deposits. The majority of AWM's client assets are in actively managed portfolios.

The following sub-segments within Asset & Wealth Management have been designated as sub-lines of business for resolution planning purposes.

Asset Management

Asset Management provides comprehensive global investment management services and products globally across multiple asset classes to retail investors and institutional clients.

Global Private Bank

Global Private Bank offers investment advice and wealth management services, including investment management, capital markets and risk management, trust and estate planning, banking, lending, custody, mortgage, and specialty wealth advisory services.

Corporate

Treasury and CIO is predominantly responsible for measuring, monitoring, reporting and managing the firm's liquidity, funding, capital, structural interest rate and foreign exchange risks. The major Other Corporate functions include Real Estate, Global Technology, Legal, Compliance, Conduct, and Operational Risk, or CCOR, Corporate Finance, Human Resources, Internal Audit, Risk Management, Control Management, Corporate Responsibility and various Other Corporate groups.

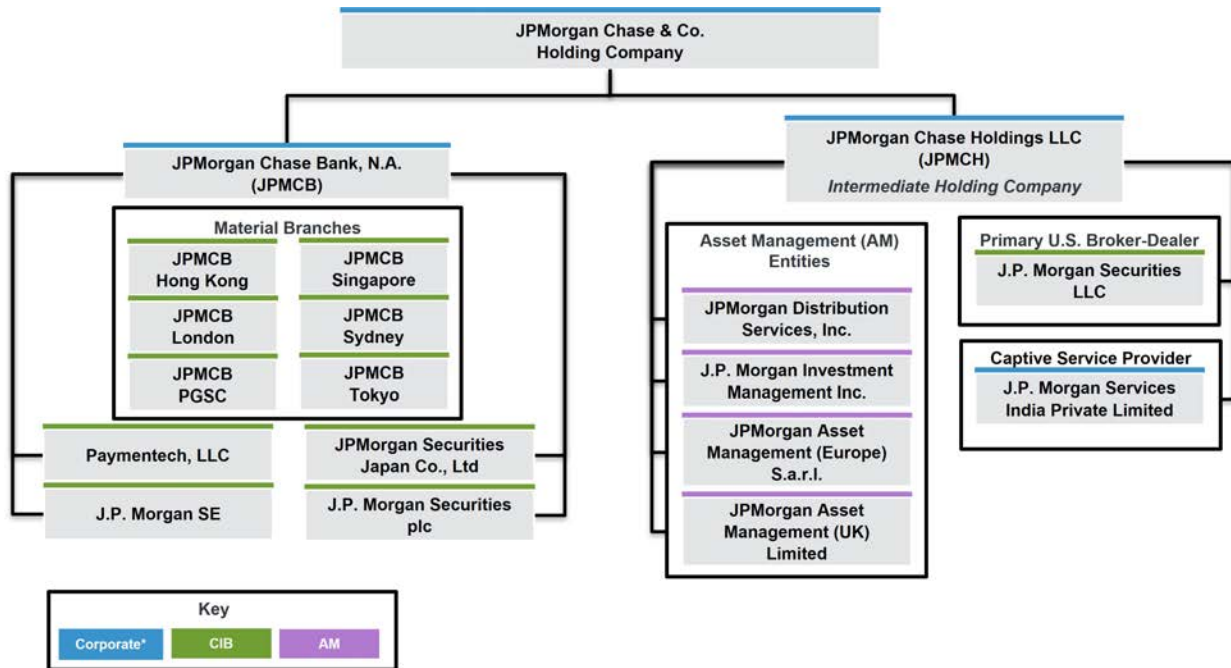
Treasury and CIO

Treasury and CIO is predominantly responsible for measuring, monitoring, reporting and managing the firm's liquidity, funding, capital structural interest rate and foreign exchange risks. The risks managed by Treasury and CIO arise from the activities undertaken by the firm's four major reportable business segments to serve their respective client bases, which generate both on- and off-balance sheet assets and liabilities.

Material Legal Entities

Under the Final Resolution Plan Rule, a “material entity” is “a subsidiary or foreign office of the covered company that is significant to the activities of a critical operation or core business line, or is financially or operationally significant to the resolution of the covered company.” For resolution planning purposes, we have identified 19 material entities, which we refer to as Material Legal Entities, including 13 that are legal entities and six that are branches. The Material Legal Entities and their organizational structure are set out in Figure 17, which reflects the MLE structure on June 30, 2023. Figure 18 and Figure 19 describe the jurisdiction, chain of ownership and entity type for each Material Legal Entity.

Figure 17. Material Legal Entities (as of June 30, 2023)



Notes:
 An MLE is a subsidiary or branch that is significant to the activities of a Critical Operation of Core Business Line. MLEs reported under the Dogg-Frank Act may differ from the significant legal entity subsidiaries that are reported in JPM Group's SEC filings.
 * MLEs designated as Corporate include JPMCH, JPMSIPL and JPMCB which supports all lines of business.

Figure 18. Jurisdiction, Chain of Ownership and Entity Type for Each Material Legal Entity (as of December 31, 2022)

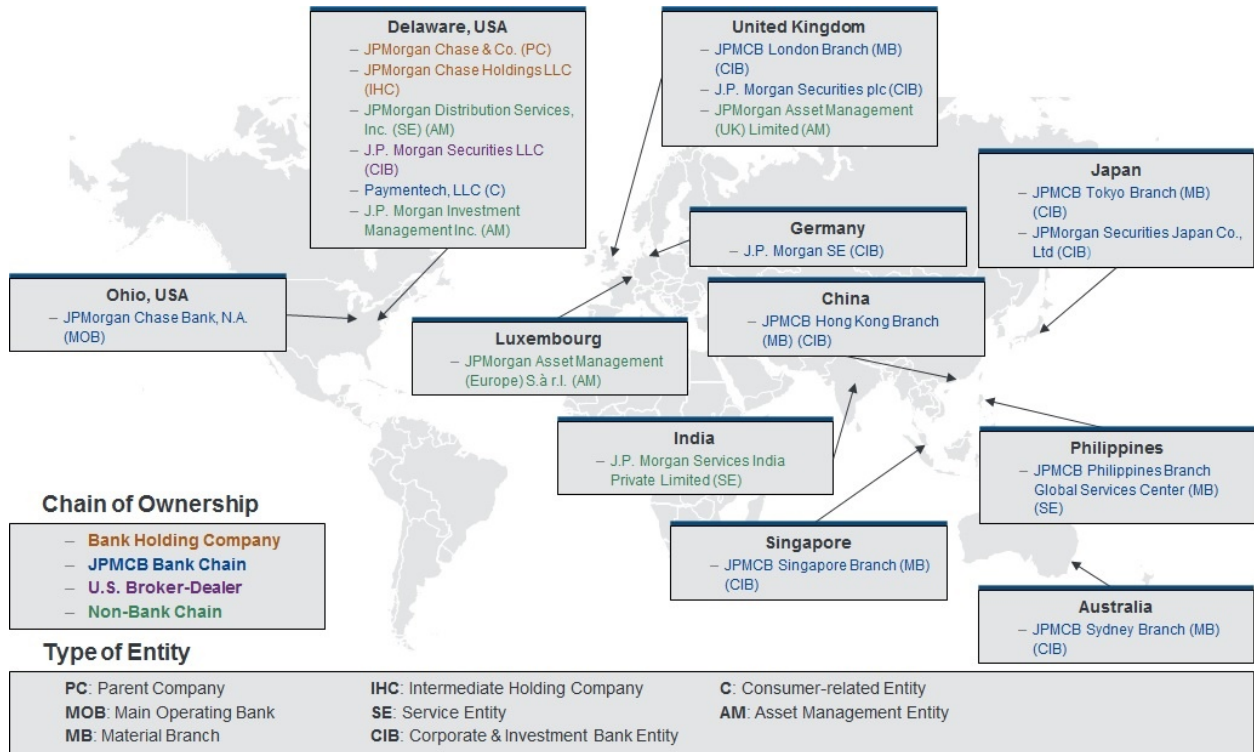


Figure 19. Material Legal Entities (as of December 31, 2022)

Entity Name	Abbreviation	Description
JPMorgan Chase & Co.	JPMC	The Company is the top-tier financial holding company and is subject to supervision by the Federal Reserve Board.
JPMorgan Chase Holdings LLC	JPMCH or IHC	Wholly owned subsidiary of JPMC. This entity is the holding company for non-JPMCB subsidiaries.
JPMorgan Chase Bank, N.A.	JPMCB	Wholly owned national bank subsidiary of JPMC. This entity offers a wide range of banking services to its customers, both domestically and internationally.
JPMorgan Chase Bank, N.A. London	JPMCB London Branch	London is a material foreign branch of JPMCB.
JPMorgan Chase Bank, N.A. Hong Kong	JPMCB Hong Kong Branch	Hong Kong is a material foreign branch of JPMCB.
JPMorgan Chase Bank, N.A. Philippines Global Service Center	JPMCB PGSC	Philippines is a material foreign branch of JPMCB.
JPMorgan Chase Bank, N.A. Singapore	JPMCB Singapore Branch	Singapore is a material foreign branch of JPMCB.
JPMorgan Chase Bank, N.A. Sydney	JPMCB Sydney Branch	Sydney is a material foreign branch of JPMCB.
JPMorgan Chase Bank, N.A. Tokyo	JPMCB Tokyo Branch	Tokyo is a material foreign branch of JPMCB.
J.P. Morgan Services India Private Limited	JPMSIPL	Captive service provider located in India, providing operating services to JPM Group affiliates, including data processing, transaction processing, IT operations, IT build, IT infrastructure, voice and call center, and research support.
JPMorgan Distribution Services, Inc.	JPMDS	The U.S. underwriter, distributor and shareholder servicing agent for JPMorgan's mutual funds.
J.P. Morgan SE	JPMSE	EU headquartered European banking entity.
JPMorgan Securities Japan Co., Ltd.	JPMSJ	A registered broker-dealer and investment advisor.
J.P. Morgan Securities LLC	JPMS LLC	A registered U.S. broker-dealer, investment advisor and futures commission merchant. It is the Firm's primary broker-dealer in the U.S.
J.P. Morgan Securities plc	JPMS plc	One of the principal investment banking entities in the EMEA region. Its activities include underwriting, trading, brokerage, advisory and prime services.
Paymentech, LLC	Paymentech	The Firm's primary merchant processing entity in the U.S.
JPMorgan Asset Management (Europe) S.a.r.l.	JPMAME	The primary fund management and distribution entity for the Luxembourg mutual fund range.
JPMorgan Asset Management (UK) Limited	JPMAMUK	The primary U.K. investment advisory entity within J.P. Morgan Asset Management.
J.P. Morgan Investment Management Inc.	JPMIM	The primary U.S. investment advisory entity within J.P. Morgan Asset Management.

Financial Interconnectedness

Parent holding company and subsidiary funding

The vast majority of our inter-affiliate funding is coordinated through two Material Legal Entities: IHC and JPMCB. JPMC funds itself through unsecured funding in the capital markets and stockholders' equity and uses the proceeds to capitalize JPMCB and IHC. JPMCB primarily funds its activities as well as those of its subsidiaries, branches and bank affiliates through deposits and may access funding through short- or long-term secured borrowings or through the issuance of unsecured long-term debt. On a going-concern basis, IHC provides funding support to JPMCB and nonbank subsidiaries, including JPMS LLC, through either equity and debt investments and placements.

Our use of a centralized funding framework is designed to optimize liquidity sources and uses, and to ensure flexibility firmwide so that we can allocate liquidity when and wherever it may be needed. This centralized framework, by design, creates a degree of financial interconnectedness between the firm's Material Legal Entities, in particular between top level MLEs (IHC and JPMCB) and their subsidiaries. Figure 20 sets out, for each MLE, meaningful relationships of financial interconnectedness which exist beyond equity investment and ordinary banking services.

Figure 20. Inter-affiliate Funding (as of December 31, 2022)

Material Legal Entity		Primary Inter-affiliate Financial Transaction Counterparties																		
		JPMC	JPMCH	JPMCB	JPMCB Hong Kong Branch	JPMCB Tokyo Branch	JPMCB London Branch	JPMCB Singapore Branch	JPMCB Sydney Branch	JPMS plc	JPMSJ	JPMS LLC	JPMSE	JPMCB PGSC	JPM SIPL	Paymentech	JPMDS	JPMIM	JPMAME	JPMAMUK
Material Legal Entities	JPMC	✓																		
	JPMCH		✓																	
	JPMCB			✓																
	JPMCB Hong Kong Branch				✓															
	JPMCB Tokyo Branch					✓							✓							
	JPMCB London Branch						✓													
	JPMCB Singapore Branch							✓	✓	✓	✓	✓								
	JPMCB Sydney Branch									✓										
	JPMS plc									✓										
	JPMSJ										✓									
	JPMS LLC											✓								
	JPMSE												✓							
	JPMCB PGSC													✓						
	JPM SIPL														✓					
	Paymentech															✓				
	JPMDS																✓			
	JPMIM																	✓		
	JPMAME																		✓	
	JPMAMUK																			✓

Financial Interconnectedness

The firm's Material Legal Entities obtain capital and funding resources on both an intercompany basis, as well as through public and private issuances of debt and equity instruments to third parties. Additionally, certain of the Material Legal Entities raise funding through the financing of debt and equity securities. Figure 21 highlights the sources of third-party and intercompany capital and funding sources by Material Legal Entity as of December 31, 2022.

Figure 21. Capital and Funding Resources (as of December 31, 2022)

Capital and Funding Resources Material Legal Entity	Third-Party			Intercompany		
	Deposits	Debt	Equity Capital	Deposits	Debt	Equity Capital
JPMC		✓	✓		✓	
JPMCH					✓	✓
JPMCB	✓	✓		✓	✓	✓
JPMCB London Branch	✓			✓	✓	
JPMCB Hong Kong Branch	✓			✓	✓	
JPMCB PGSC						✓
JPMCB Singapore Branch	✓			✓	✓	
JPMCB Sydney Branch	✓			✓	✓	
JPMCB Tokyo Branch	✓			✓	✓	
JPMSE	✓			✓	✓	✓
JPMSE					✓	✓
JPMSE		✓			✓	✓
JPMSE	✓	✓		✓	✓	✓
Paymentech						✓
JPMAME						✓
JPMAMUK						✓
JPMIM					✓	✓

Inter-affiliate Derivative Transactions

JPMCB, through its branches, acts as the primary centralized hedge counterparty for inter-affiliate derivative transactions within JPMorgan Chase. Transactions entered into between JPMCB's branches and JPMorgan Chase affiliates are documented under standard ISDA Master Agreement contracts and include terms for collateralization between the parties, specified termination events and the closeout methodology to be applied in the event of a default. As part of its resolution planning process, JPMorgan Chase has removed cross-default provisions from all inter-affiliate ISDA Master Agreements.

Financial Interconnectedness in Resolution Event

At any point in time, including at the inception of a resolution event, various borrowings undertaken in the ordinary course will be outstanding between JPMorgan Chase entities. Such borrowings are recorded in the subsidiaries' books and records and captured within the firm's liquidity management systems. During a resolution event, action plans will be implemented to manage liquidity flow between entities, subject to limits and indicators and in compliance with legal, regulatory and operational restrictions, to optimize each entity's ability to meet its liquidity demands. JPMorgan Chase has outlined the steps that would be taken in the Hypothetical Resolution Scenario for the 2023 Resolution Plan with the Agencies, with detailed, substantiated assumptions. The 2023 Resolution Plan as submitted to the Agencies demonstrates the firm's ability to meet the required net funding outflows generated by the resolution event in compliance with the assumptions prescribed by the Agencies for purposes of the planning for the 2023 Resolution Plan.

Sources of Funds

Management believes that the firm's unsecured and secured funding capacity is sufficient to meet its on- and off-balance sheet obligations, which includes both short- and long-term cash requirements.

The firm funds its global balance sheet through diverse sources of funding including stable deposits, secured and unsecured funding in the capital markets and stockholders' equity. Deposits are the primary funding source for JPMorgan Chase Bank, N.A. Additionally, JPMorgan Chase Bank, N.A. may also access funding through short- or long-term secured borrowings, through the issuance of unsecured long-term debt, or from borrowings from the IHC. The firm's non-bank subsidiaries are primarily funded from long-term unsecured borrowings and short-term secured borrowings, which are primarily securities loaned or sold under repurchase agreements. Excess funding is

invested by Treasury and CIO in the firm's investment securities portfolio or deployed in cash or other short-term liquid investments based on their interest rate and liquidity risk characteristics.

Refer to Note 28 of the 2022 Annual Report on Form 10-K for additional information on off-balance sheet obligations.

Deposits

Figure 22 below summarizes, by line of business and Corporate, the period-end and average deposit balances as of and for the years ended December 31, 2022 and 2021.

The firm believes that deposits provide a stable source of funding and reduce the firm's reliance on the wholesale funding markets. A significant portion of the firm's deposits are consumer deposits and wholesale operating deposits, which are both considered to be stable sources of liquidity. Wholesale operating deposits are generally considered to be stable sources of liquidity because they are generated from customers that maintain operating service relationships with the firm.

Figure 22. Deposit Balances

As of or for the year ended December 31, (in millions)	2022		2021		Average	
	2022	2021	2022	2021	2022	2021
Consumer & Community Banking	\$ 1,131,611	\$ 1,148,110	\$ 1,162,680	\$ 1,054,956		
Corporate & Investment Bank	689,893	707,791	739,700	760,048		
Commercial Banking	271,342	323,954	294,180	301,343		
Asset & Wealth Management	233,130	282,052	261,489	230,296		
Corporate	14,203	396	9,866	511		
Total Firm	\$ 2,340,179	\$ 2,462,303	\$ 2,467,915	\$ 2,347,154		

The firm believes that average deposit balances are generally more representative of deposit trends than period-end deposit balances. However, during periods of market disruption those trends could be affected.

Certain deposits are covered by insurance protection that provides additional funding stability and results in a benefit to the LCR. Deposit insurance protection may be available to depositors in the countries in which the deposits are placed. For example, the FDIC provides deposit insurance protection for deposits placed in a U.S. depository institution. At December 31, 2022 and 2021, the firmwide estimated uninsured deposits were \$1,383.7 billion and \$1,489.6 billion, respectively, primarily reflecting wholesale operating deposits.

Refer to the discussion of the firm's Consolidated Balance Sheets Analysis and the Business Segment Results on pages 55-56 and 61-80 pages, respectively in the 2022 Annual Report on Form 10-K for further information on deposit and liability balance trends.

Figure 23 below summarizes short-term and long-term funding, excluding deposits, as of December 31, 2022 and 2021, and average balances for the years ended December 31, 2022 and 2021. For additional information refer to the Consolidated Balance Sheets Analysis on pages 55-56 and Note 20 in the 2022 Annual Report on Form 10-K.

Figure 23. Source of Funds (excluding deposits)

As of or for the year ended December 31. (in millions)	2022		2021		Average	
	2022	2021	2022	2021	2022	2021
Commercial paper	\$ 12,557	\$ 15,108	\$ 16,151	\$ 12,285		
Other borrowed funds	8,418	9,999	12,250	12,903		
Federal funds purchased	1,684	1,769	1,567	2,197		
Total short-term unsecured funding	\$ 22,659	\$ 26,876	\$ 29,968	\$ 27,385		
Securities sold under agreements to repurchase ^(a)	\$ 198,382	\$ 189,806	\$ 236,192	\$ 250,229		
Securities loaned ^(a)	2,547	2,765	5,003	6,876		
Other borrowed funds	23,052	28,487	25,211	28,138		
Obligations of firm-administered multi-seller conduits ^(b)	9,236	6,198	7,387	9,283		
Total short-term secured funding	\$ 233,217	\$ 227,256	\$ 273,793	\$ 294,526		
Senior notes	\$ 188,025	\$ 191,488	\$ 189,047	\$ 181,290		
Subordinated debt	21,803	20,531	20,125	20,877		
Structured notes ^(c)	70,839	73,956	68,656	75,152		
Total long-term unsecured funding	\$ 280,667	\$ 285,975	\$ 277,828	\$ 277,319		
Credit card securitization ^(b)	\$ 1,999	\$ 2,397	\$ 1,950	\$ 3,156		
FHLB advances	11,093	11,110	11,103	12,174		
Other long-term secured funding ^(d)	4,105	3,920	3,837	4,384		
Total long-term secured funding	\$ 17,197	\$ 17,427	\$ 16,890	\$ 19,714		
Preferred stock^(e)	\$ 27,404	\$ 34,838	\$ 31,893	\$ 33,027		
Common stockholders' equity^(e)	\$ 264,928	\$ 259,289	\$ 253,068	\$ 250,968		

(a) Primarily consists of short-term securities loaned or sold under agreements to repurchase.

(b) Included in beneficial interests issued by consolidated variable interest entities on the firm's consolidated balance sheets.

(c) Includes certain TLAC-eligible long-term unsecured debt issued by the parent company.

(d) Includes long-term structured notes which are secured.

(e) Refer to Capital Risk Management on pages 86-96, Consolidated statements of changes in stockholders' equity on page 162, and Note 21 and Note 22 for additional information on preferred stock and common stockholders' equity in the Annual Report on Form 10-K.

Short-Term Funding

The firm's sources of short-term secured funding primarily consist of securities loaned or sold under agreements to repurchase. These instruments are secured predominantly by high-quality securities collateral, including government issued debt and U.S. GSE and government agency MBS. Securities sold under agreements to repurchase increased at December 31, 2022, compared with December 31, 2021, due to higher secured financing of trading assets in Markets, partially offset by lower secured financing of AFS investment securities in Treasury and CIO.

The balances associated with securities loaned or sold under agreements to repurchase fluctuate over time due to investment and financing activities of clients, the firm's demand for financing, the ongoing management of the mix of the firm's liabilities, including its secured and unsecured financing (for both the investment securities and market-making portfolios), and other market and portfolio factors.

The firm's sources of short-term unsecured funding primarily consist of issuances of wholesale commercial paper and other borrowed funds. The decrease in period-end commercial paper and the increase in average balances for the year ended December 31, 2022 compared to the respective prior year periods, was due to changes in net issuance levels primarily for short-term liquidity management.

Long-Term Funding and Issuance

Long-term funding provides an additional source of stable funding and liquidity for the firm. The firm's long-term funding plan is driven primarily by expected client activity, liquidity considerations, and regulatory requirements, including TLAC. Long-term funding objectives include maintaining diversification, maximizing market access and optimizing funding costs. The firm evaluates various funding markets, tenors and currencies in creating its optimal long-term funding plan.

The significant majority of the firm's long-term unsecured funding is issued by the parent company to provide flexibility in support of the funding needs of both bank and non-bank subsidiaries. The parent company advances substantially all net funding proceeds to its subsidiary, the IHC. The IHC does not issue debt to external counterparties. The following table summarizes long-term unsecured issuance and maturities or redemptions for the years ended December 31, 2022 and 2021. For additional information on the IHC and long-term debt, refer to Note 20 of the 2022 Annual Report on Form 10-K.

Figure 24. Long-Term Unsecured Funding

Year ended December 31, (Notional in millions)	2022		2021					
	Parent Company		Subsidiaries					
Issuance								
Senior notes issued in the U.S. market	\$	32,600	\$	39,500	\$	–	\$	–
Senior notes issues in non-U.S. markets		2,752		5,581		–		–
Total senior notes		35,352		45,081		–		–
Subordinated debt		3,500		–		–		–
Structured notes ^(a)		2,535		4,113		35,577		32,714
Total long-term unsecured funding - issuance	\$	41,387	\$	49,194	\$	35,577	\$	32,714
Maturities/redemptions								
Senior notes	\$	16,700	\$	10,840	\$	65	\$	65
Subordinated debt		–		9		–		–
Structured notes		1,594		4,694		25,481		33,023
Total long-term unsecured funding - maturities/redemptions	\$	18,294	\$	15,543	\$	25,546	\$	33,088

(a) Includes certain TLAC-eligible long-term unsecured debt issued by the parent company.

The firm can also raise secured long-term funding through securitization of consumer credit card loans and through FHLB advances. The following table summarizes the securitization issuance and FHLB advances and their respective maturities or redemptions for the years ended December 31, 2022 and 2021.

Figure 25. Long-Term Secured Funding

Year ended December 31, (in millions)	Issuance		Maturities/Redemptions					
	2022	2021	2022	2021				
Credit card securitization	\$	999	\$	–	\$	1,400	\$	2,550
FHLB advances		–		–		14		3,011
Other long-term secured funding ^(a)		476		525		268		741
Total long-term secured funding	\$	1,475	\$	525	\$	1,682	\$	6,302

(a) Includes long-term structured notes which are secured.

The firm's wholesale businesses also securitize loans for client-driven transactions; those client-driven loan securitizations are not considered to be a source of funding for the firm and are not included in the table above. For further description of the client-driven loan securitizations, refer to Note 14 of the 2022 Annual Report on Form 10-K.

Overview of Capital Management and Liquidity Management Frameworks

Capital

A strong capital position is essential to JPMorgan Chase's business strategy and competitive position. Our capital management framework is designed to facilitate a rapid and orderly wind-down of JPMC in the event of its resolution under the U.S. Bankruptcy Code.

Our approach to capital management is designed to ensure that JPMorgan Chase operates with resiliency throughout the business cycle, maintains long-term stability, serves as a source of strength to subsidiaries and maintains sufficient capital resources, appropriately allocated to its Material Legal Entities, to operate throughout resolution. JPMorgan Chase's capital management framework consists of internal minimum capital targets and strong capital governance processes that include a series of capital monitoring triggers at both the JPMC and MLE level.

Resolution Capital Adequacy and Positioning and Prepositioned Capital Resources

JPMorgan Chase has established a RCAP and RCEN calculation methodology for the purposes of meeting the Final Resolution Plan Rule and 2019 Final Guidance.

The RCAP and RCEN methodology establishes one of a number of Resolution triggers for JPMC. It also establishes a prepositioned resources and RCEN calculation methodology for the Material Legal Entities.

In addition to monitoring RCAP at the consolidated JPMorgan Chase level, it is necessary to consider the appropriate level of loss-absorbing resources to protect against losses at the Material Legal Entity level. Resources available to a Material Legal Entity consist of:

- the loss-absorbing or prepositioned resources in place at that entity, which is the capital on the Material Legal Entity's balance sheet and eligible debt issued to JPMCB, the IHC or an immediate parent (including unfunded commitments); and
- contributable capital resources available at JPMCB or our IHC, which are not on the entity's balance sheet but that may be used to increase the entity's on-balance sheet loss-absorbing resources, if needed.

A Material Legal Entity's prepositioned capital resources have been defined based on instruments that would qualify under external TLAC requirements, and comprises:

- CET1, as defined by U.S. or local Basel capital rules, as applicable, or other equivalent;

- preferred equity issued either to an immediate parent or directly to the IHC or directly to JPMCB for subsidiaries of JPMCB; and
- eligible intercompany debt issued either to an immediate parent or directly to the IHC or directly to JPMCB for subsidiaries of JPMCB, which is unsecured.

Resolution Capital Execution Need

RCEN is calculated for each individual Material Legal Entity, including JPMorgan Chase at the consolidated level, in order to determine an appropriate amount of prepositioned capital resources required by each such entity. The framework informs the timing of when our parent company would consider filing for bankruptcy. RCEN is made up of two components:

- the minimum required for regulated Material Legal Entities to be considered "well capitalized" or for unregulated Material Legal Entities to be considered "investment grade" or "have an equivalent level of financial soundness," and
- the amount of capital depletion due to losses that JPMorgan Chase estimates would occur during the period after JPMC has commenced bankruptcy proceedings.

During Business As Usual, JPMorgan Chase requires that each Material Legal Entity maintain prepositioned capital resources in excess of its calculated total RCEN requirement.

Contingency Capital Plan

The firm's Contingency Capital Plan establishes the capital management framework for the firm and specifies the principles underlying the firm's approach towards capital management in normal economic conditions and in stressed environments. The Contingency Capital Plan defines how the firm calibrates its targeted capital levels and meets minimum capital requirements, monitors the ongoing appropriateness of planned capital distributions, and sets out the capital contingency actions that are expected to be taken or considered at various levels of capital depletion during a period of stress.

Liquidity

We view the firm's liquidity position as a source of strength to JPMorgan Chase. In order to effectively manage liquidity at the firm, we apply a comprehensive framework for estimating MLE liquidity needs prior to, and during, resolution leveraging the RLAP and RLEN frameworks. The liquidity frameworks also detail material intercompany flows in each Material Legal Entity by counterparty, with product-level breakouts and daily cash flows for 365 days. We have prepositioned liquidity at Material Legal Entities, and maintain simplified material intercompany funding relationships and limited interconnectedness. We also hold a liquidity buffer at IHC to provide additional resiliency and flexibility in meeting resolution liquidity needs. We believe that this framework, together with the significant increase in JPMC's excess liquidity resources and the related forecasting capabilities, supports the resiliency of JPMC and the ability to execute the resolution plan.

Resolution Liquidity Adequacy and Positioning Framework

RLAP is integrated into the firm's day-to-day liquidity risk management approach to sizing and managing liquidity needs. The RLAP framework estimates the stand-alone liquidity requirements as well as the resulting net liquidity position of each Material Legal Entity under stress, prior to resolution. The RLAP framework incorporates identification and quantification of potential frictions at Material Legal Entities, including those associated with Material Legal Entities positioning liquidity resources at other Material Legal Entities. Additionally, the framework is supported by a liquid asset buffer centrally at IHC to support potential liquidity shortfalls at Material Legal Entities. In doing so, we consider daily contractual mismatches between inflows and outflows, daily movement of cash and collateral for intercompany transactions, daily stressed liquidity flows and trapped liquidity. The RLAP framework is also supported by a detailed analysis of the interconnectedness between Material Legal Entities.

RLAP Framework Assumptions and Analysis

The baseline for the RLAP framework is the JPM Liquidity Stress Testing Framework, which is designed to estimate potential cash outflows under severe stress and ensure that the firm has sufficient liquidity resources to meet such cash outflows throughout the stress horizon. The JPM Liquidity Stress Testing Framework assumes that a severe stress event results in JPMorgan Chase issuer credit ratings being downgraded by all three major rating agencies to one notch below investment grade on the first day of stress. This leads to a severe liquidity crisis owing to a loss of wholesale and retail funding, additional collateral margin postings, customer and

counterparty outflows, a rapid decline in the trading value of JPMC's debt and other market factors. The framework also assumes that JPMorgan Chase would suffer severe deposit attrition, draws on unfunded lending commitments and significant derivative outflows, and would be unable to refinance maturing wholesale funding obligations, except for secured funding or lending transactions backed by high-quality assets.

The RLAP framework includes a Restricted Liquidity Framework for funding frictions, which assesses jurisdictional, operational, counterparty and tax frictions. The Restricted Liquidity Framework is used to identify liquidity that could potentially be trapped within JPMorgan Chase legal entities. JPMC has created an enhanced Restricted Liquidity Framework to assess liquidity transfer restrictions at the MLE level (including between branches of JPMCB).

The RLAP framework measures peak net funding outflows for each Material Legal Entity on a stand-alone basis, reflecting daily cash flows throughout the Stress Period. Intercompany transactions are treated similarly to third-party transactions, with no fungibility of surplus liquidity across Material Legal Entities (including between branches of JPMCB). The RLAP framework provides an estimate of the amount of liquidity resources necessary to effectively meet the anticipated cumulative net peak funding outflows (inclusive of restricted liquidity) and, after taking into consideration liquidity prepositioned at the Material Legal Entity, any additional liquidity buffer that may be required to be maintained at IHC to support any liquidity shortfalls within the Material Legal Entities. The RLAP estimates reflect a conservative view of available sources of liquidity.

Material Legal Entities will primarily rely on prepositioned liquidity resources at the MLE level and, if necessary, the central liquidity buffer at IHC.

RLEN Framework Assumptions and Analysis

The RLEN framework uses as a baseline the RLAP framework, subject to certain additional, resolution-specific modifications.

The estimates used in the RLEN framework reflect the minimum liquidity required at each Material Legal Entity to execute the Preferred Strategy throughout the Resolution Period and, thus, inform the timing of when JPMC should file for bankruptcy. The minimum liquidity required at each Material Legal Entity is calculated as the sum of:

- the minimum operating liquidity required to ensure that the Material Legal Entity can operate without disruption throughout the Resolution Period, including net operating expenses, intraday funding requirements and restricted liquidity;
- the liquidity required to ensure the Material Legal Entity can undertake an orderly wind-down of its derivatives and trading assets, where applicable; and
- the Material Legal Entity's projected peak cumulative net funding outflows during the Resolution Period.

RLEN identifies the peak cumulative net funding needed to stabilize each Material Legal Entity after JPMC files for bankruptcy. We currently do not assume access to third-party unsecured funding markets throughout the Resolution Period in our RLEN framework.

As part of our resolution liquidity forecasting, we provide daily views of estimated RLEN cash flows for 365 days, in addition to the Runway Period.

The Restricted Liquidity Framework used in the RLAP framework is also used in the RLEN framework. The framework primarily applies to intercompany unsecured and secured transactions, commitments and derivatives, including transactions between Material Legal Entities and non-Material Legal Entities, and all other significant transactions. We implemented an additional third-party friction analysis to capture other funding frictions in the estimation of the minimum operating liquidity required by each Material Legal Entity.

Contingency Funding Plan

The firm's Contingency Funding Plan sets out the strategies for addressing and managing liquidity resource needs during a liquidity stress event and incorporates liquidity risk limits, indicators and risk appetite tolerances. The Contingency Funding Plan also identifies the alternative contingent funding and liquidity resources available to the firm and its legal entities in a period of stress.

Liquidity Coverage Ratio and High-Quality Liquid Assets

The Liquidity Coverage Ratio, or LCR, rule requires that the firm and JPMorgan Chase Bank, N.A. maintain an amount of eligible HQLA that is sufficient to meet their respective estimated total net cash outflows over a prospective 30 calendar-day period of significant stress. Eligible HQLA, for purposes of calculating the LCR, is the amount of unencumbered HQLA that satisfy certain operational considerations as defined in the LCR rule. HQLA primarily consist of cash and certain high-quality liquid securities as defined in the LCR rule.

Under the LCR rule, the amount of eligible HQLA held by JPMorgan Chase Bank, N.A. that is in excess of its standalone 100% minimum LCR requirement, and that is not transferable to non-bank affiliates, must be excluded from the firm's reported eligible HQLA.

Estimated net cash outflows are based on standardized stress outflow and inflow rates prescribed in the LCR rule, which are applied to the balances of the firm's assets, sources of funds, and obligations. The LCR for both the firm and JPMorgan Chase Bank, N.A. is required to be a minimum of 100%.

The following table summarizes the firm's and JPMorgan Chase Bank, N.A.'s average LCR for the three months ended December 31, 2022, September 30, 2022 and December 31, 2021 based on the firm's interpretation of the LCR framework.

Figure 26. High-Quality Liquid Assets

Average amount (in millions)	Three months ended		
	December 31, 2022	September 30, 2022	December 31, 2021
JPMorgan Chase & Co.:			
HQLA			
Eligible cash ^(a)	\$ 542,847	\$ 589,158	\$ 703,384
Eligible securities ^{(b)(c)}	190,201	126,913	34,738
Total HQLA^(d)	\$ 733,048	\$ 716,071	\$ 738,122
Net cash outflows	\$ 652,580	\$ 635,072	\$ 664,801
LCR	112%	113%	111%
Net excess eligible			
HQLA^(d)	\$ 80,468	\$ 80,999	\$ 73,321
JPMorgan Chase Bank, N.A.:			
LCR	151%	165%	178%
Net excess eligible			
HQLA	\$ 356,733	\$ 450,260	\$ 555,300

(a) Represents cash on deposit at central banks, primarily the Federal Reserve Banks.

(b) Predominantly U.S. Treasuries, U.S. GSE and government agency MBS, and sovereign bonds net of applicable haircuts under the LCR rule.

(c) Eligible HQLA securities may be reported in securities borrowed or purchased under resale agreements, trading assets, or investment securities on the firm's consolidated balance sheets.

(d) Excludes average excess eligible HQLA at JPMorgan Chase Bank, N.A. that are not transferable to non-bank affiliates.

JPMorgan Chase Bank, N.A.'s average LCR decreased during the three months ended December 31, 2022, compared with the three-month period ended September 30, 2022, reflecting a decrease in JPMorgan Chase Bank, N.A.'s HQLA, primarily due to a reduction in cash associated with a decline in deposits, and loan growth.

JPMorgan Chase Bank, N.A.'s average LCR for the three months ended December 31, 2022, decreased when, compared with the same period in the prior year, reflecting a decrease in JPMorgan Chase Bank, N.A.'s HQLA as a result of a reduction in cash from loan growth and a decline in deposits as well as lower market values of HQLA-eligible investment securities. Refer to Note 10 of the 2022 Annual Report on Form 10-K for additional information on the firm's investment securities portfolio.

The firm and JPMorgan Chase Bank, N.A.'s average LCR fluctuates from period to period due to changes in its eligible HQLA and estimated net cash outflows as a result of ongoing business activity. Refer to the firm's U.S. LCR Disclosure reports, which are available on the firm's website for a further discussion of the firm's LCR.

In addition to the assets reported in the firm's eligible HQLA above, the firm had unencumbered marketable securities, such as equity and debt securities, that the firm believes would be available to raise liquidity. This includes excess eligible HQLA securities at JPMorgan Chase Bank, N.A. that are not transferable to non-bank affiliates. The fair value of these securities was approximately \$694 billion and \$914 billion as of December 31, 2022 and 2021, respectively, although the amount of liquidity that could be raised at any particular time would be dependent on prevailing market conditions. The fair value decreased compared to December 31, 2021, primarily due to a decrease in excess eligible HQLA securities at JPMorgan Chase Bank, N.A., as noted above.

The firm also had available borrowing capacity at the FHLBs and the discount window at the Federal Reserve Banks as a result of collateral pledged by the firm to such banks of approximately \$323 billion and \$308 billion as of December 31, 2022 and 2021, respectively. This borrowing capacity excludes the benefit of cash and securities reported in the firm's eligible HQLA or other unencumbered securities that are currently pledged at the Federal Reserve Banks discount window and other central banks. Available borrowing capacity increased from December 31, 2021 primarily due to increased credit card receivables pledged at the Federal Reserve Banks. Although available, the firm does not view this borrowing capacity at the Federal Reserve Banks discount window and the other central banks as a primary source of liquidity.

Derivatives and Hedging Activities

Descriptions of Derivatives and Hedging Activities

Derivative Instruments

Derivative contracts derive their value from underlying asset prices, indices, reference rates, other inputs or a combination of these factors and may expose counterparties to risks and rewards of an underlying asset or liability without having to initially invest in, own or exchange the asset or liability. JPMorgan Chase makes markets in derivatives for clients and also uses derivatives to hedge or manage its own risk exposures. Predominantly all of the firm's derivatives are entered into for market-making or risk management purposes.

Market-Making Derivatives

The majority of the firm's derivatives are entered into for market-making purposes. Clients use derivatives to mitigate or modify interest rate, credit, foreign exchange, equity and commodity risks. The firm actively manages the risks from its exposure to these derivatives by entering into other derivative contracts or by purchasing or selling other financial instruments that partially or fully offset the exposure from client derivatives.

Risk Management Derivatives

The firm manages certain market and credit risk exposures using derivative instruments, including derivatives in hedge accounting relationships and other derivatives that are used to manage risks associated with specified assets and liabilities.

The firm generally uses interest rate derivatives to manage the risk associated with changes in interest rates. Fixed-rate assets and liabilities appreciate or depreciate in market value as interest rates change. Similarly, interest income and expense increase or decrease as a result of variable-rate assets and liabilities resetting to current market rates, and as a result of the repayment and subsequent origination or issuance of fixed-rate assets and liabilities at current market rates. Gains and losses on the derivative instruments related to these assets and liabilities are expected to substantially offset this variability.

Foreign currency derivatives are used to manage the foreign exchange risk associated with certain foreign currency-denominated (i.e., non-U.S. dollar) assets and liabilities and forecasted transactions, as well as the firm's net investments in certain non-U.S. subsidiaries or branches whose functional currencies are not the U.S. dollar. As a result of fluctuations in foreign currencies, the U.S. dollar-equivalent values of the foreign currency-denominated assets and liabilities or the forecasted revenues or expenses increase or decrease. Gains or

losses on the derivative instruments related to these foreign currency-denominated assets or liabilities, or forecasted transactions, are expected to substantially offset this variability.

Commodities derivatives are used to manage the price risk of certain commodities inventories. Gains or losses on these derivative instruments are expected to substantially offset the depreciation or appreciation of the related inventory.

Credit derivatives are used to manage the counterparty credit risk associated with loans and lending-related commitments. Credit derivatives compensate the purchaser when the entity referenced in the contract experiences a credit event, such as bankruptcy or a failure to pay an obligation when due. Credit derivatives primarily consist of CDS. For a further discussion of credit derivatives, refer to the discussion in the Credit derivatives section on pages 205-207 in the 2022 Annual Report on Form 10-K.

For more information about risk management derivatives, refer to the risk management derivatives gains, and losses tables and the hedge accounting gains and losses tables on pages 202-204 in the 2022 Annual Report on Form 10-K.

Derivative Counterparties and Settlement Types

The firm enters into OTC derivatives, which are negotiated and settled bilaterally with the derivative counterparty. The firm also enters into, as principal, certain ETDs such as futures and options, and OTC-cleared derivative contracts with CCPs. ETD contracts are generally standardized contracts traded on an exchange and cleared by the CCP, which is the firm's counterparty from the inception of the transactions. OTC-cleared derivatives are traded on a bilateral basis and then novated to the CCP for clearing.

Derivative Clearing Services

The firm provides clearing services for clients in which the firm acts as a clearing member at certain exchanges and clearing houses. The firm does not reflect the clients' derivative contracts in its Consolidated Financial Statements. For further information on the firm's clearing services, please refer to Note 28 in the 2022 Annual Report on Form 10-K.

For information on the accounting treatment of derivatives, please refer to Note 5 in the 2022 Annual Report on Form 10-K and other JPMorgan Chase & Co. '34 Act reports.

Notional Amount of Derivative Contracts

The following table summarizes the notional amount of derivative contracts outstanding as of December 31, 2022 and 2021.

Figure 27. Derivative contracts

December 31, (in billions)	Notional amounts ^(b)	
	2022	2021
Interest rate contracts		
Swaps	\$ 24,491	\$ 24,075
Futures and forwards	2,636	2,520
Written options	3,047	3,018
Purchased options	2,992	3,188
Total interest rate contracts	33,166	32,801
Credit derivatives^(a)	1,132	1,053
Foreign exchange contracts		
Cross-currency swaps	4,196	4,112
Spot, futures and forwards	7,017	7,679
Written options	775	741
Purchased options	759	727
Total foreign exchange contracts	12,747	13,259
Equity contracts		
Swaps	618	612
Futures and forwards	110	139
Written options	636	654
Purchased options	580	598
Total equity contracts	1,944	2,003
Commodity contracts		
Swaps	136	185
Spot, future, and forwards	136	188
Written options	117	135
Purchased options	98	111
Total commodity contracts	487	619
Total derivative notional amounts	\$ 49,476	\$ 49,735

(a) For more information on volumes and types of credit derivative contracts, refer to the credit derivatives discussion on pages 205-207 in the 2022 Annual Report on Form 10-K for more information on volumes and types of credit derivative contracts.

(b) Represents the sum of gross long and gross short third-party notional derivative contracts.

While the notional amounts disclosed above give an indication of the volume of the firm's derivatives activity, the notional amounts significantly exceed, in the firm's view, the possible losses that could arise from such transactions. For most derivative contracts, the notional amount is not exchanged; it is simply a reference amount used to calculate payments.

Operational Interconnectedness

The firm's Material Legal Entities enter into transactions with each other for services and financing in the ordinary course of business.

To the extent possible, these services and functions are centralized to maximize efficiency and economies of scale, to facilitate risk management oversight, and to ensure an effective organizational and management design. These centralized functions inherently and by design result in operational interconnectedness amongst and between our Material Legal Entities.

The majority of the shared services provided among legal entities are provided by the JPMCB Bank Chain.

Shared services, including Critical Shared Services, provided by one Material Legal Entity to another Material Legal Entity are governed by inter-affiliate service agreements, not unlike standard third-party vendor contracts.

These inter-affiliate service agreements specify the contractual terms and conditions for providing the products, services and operations. JPMorgan Chase's inter-affiliate service agreements contain appropriate contractual provisions to ensure that inter-affiliate services continue in a resolution event and are not immediately terminated, thereby ensuring operational continuity.

JPMorgan Chase is organized whereby the majority of its Critical Shared Services are concentrated in the JPMCB Bank Chain, as well as its nonbank, self-sustaining service company, JPMSIPL.

Operations that do not qualify as bank eligible, such as certain broker-dealer activities, cannot be housed in banking entities. Any such Critical Shared Services that are not bank eligible are largely undertaken in the U.S. broker-dealer Material Legal Entities.

Importantly, the firm's main operating bank entity, JPMCB, acts as the main contracting agent firmwide. This results in the majority of JPMorgan Chase's third-party vendor contracts for its Critical Shared Services being centralized in JPMCB, its branches and subsidiaries. Furthermore, JPMCB is the central repository and manager of the majority of the firmwide technology, real estate, personnel and other resources supporting the firm's Critical Shared Services.

Material Legal Entity Operational Interconnectivity

Figure 28 illustrates the operational interconnectivity of JPMorgan Chase's Material Legal Entities. As expected, JPMCB is the primary provider of inter-affiliate services and the main receiver of inter-affiliate services.

Figure 28. Summary of Inter-affiliate Services (as of December 31, 2022)

Material Legal Entity	Primarily Receives Inter-affiliate Services from	Top Service Received	Primarily Provides Inter-affiliate Services to	Top Service Provided
JPMC	JPMCB	Audit and Tax Services	JPMIM	Training and Human Resources
			JPMSE	
			JPMS LLC	
			JPMS plc	
			JPMAMUK	
			JPMCB	
			Paymenttech	
JPMDS	JPMCB	General Svcs (Sourcing/ Procurement/Records Mgmt/ Cafeterias)		
JPMCH	JPMCB	General Svcs (Sourcing/ Procurement/Records Mgmt/ Cafeterias)	JPMS LLC	Financial Services and Global Finance Operations
			JPMS plc	
			JPMCB	
Paymenttech	JPMC	Application Software Development and Production Support	JPMCB	Credit Card Servicing
	JPMCB			
JPMCB	JPMIM	Offshore Operational Services	JPMIM	Application Software Development and Production Support
	JPMSE		JPMSE	
	JPMS LLC		JPMS LLC	
	JPMS plc		JPMS plc	
	JPMSIPL		JPMAME	
	JPMAMUK		JPMAMUK	
	JPMC		JPMC	
	JPMCH		JPMCH	
	JPMSJ		JPMSJ	
	Paymenttech		Paymenttech	

Material Legal Entity	Primarily Receives Inter-affiliate Services from	Top Service Received	Primarily Provides Inter-affiliate Services to	Top Service Provided
JPMS LLC	JPMIM	Financial Services and Global Finance Operations	JPMSE	Financial Services and Global Finance Operations
	JPMSE		JPMS plc	
	JPMS plc		JPMCB	
	JPMSIPL		JPMSJ	
	JPMC			
	JPMCB			
	JPMCH			
	JPMSJ			
JPMIM	JPMSE	Technology Hardware and Infrastructure	JPMSE	Application Software Development and Production Support
	JPMSIPL		JPMS LLC	
	JPMAME		JPMAMUK	
	JPMAMUK		JPMCB	
	JPMC			
	JPMCB			
JPMAME	JPMSE	AM Investment Management Activities	JPMAMUK	AM Investment Management Activities
	JPMCB		JPMIM	
	JPMAMUK		JPMSE	
JPMAMUK	JPMIM	AM Investment Management Activities	JPMIM	AM Investment Management Activities
	JPMSE		JPMAME	
	JPMSIPL		JPMCB	
	JPMAME			
	JPMC			
	JPMCB			
JPMS plc	JPMSE	Application Software Development and Production Support	JPMSE	Research
	JPMS LLC		JPMS LLC	
	JPMSIPL		JPMCB	
	JPMC			
	JPMCB			
	JPMCH			
	JPMSJ			
JPMSE	JPMIM	Application Software Development and Production Support	JPMIM	Application Software Development and Production Support
	JPMS LLC		JPMS LLC	
	JPMS plc		JPMS plc	
	JPMSIPL		JPMAME	
	JPMAME		JPMAMUK	
	JPMC		JPMCB	
	JPMCB			
	JPMSJ			

Material Legal Entity	Primarily Receives Inter-affiliate Services from	Top Service Received	Primarily Provides Inter-affiliate Services to	Top Service Provided
JPMSIPL			JPMIM	Offshore Operational Services
			JPMSE	
			JPMS LLC	
			JPMS plc	
			JPMAMUK	
			JPMCB	
JPMSJ	JPMS LLC	Application Software Development and Production Support	JPMSJ	Internal Technology Professional Services and Helpdesk
	JPMSIPL		JPMS LLC	
	JPMCB		JPMS plc	
			JPMCB	

Under the Preferred Strategy, the capital and liquidity management frameworks ensure that the funding needed to support the required services is both available and provided to the Material Legal Entities needed to undertake the activities necessary to directly and indirectly support JPMorgan Chase's Critical Shared Services.

Material Legal Entity Connectivity by Shared Services

JPMCB, including its MLE branches, is the main provider of shared services, followed by JPMSIPL and JPMS LLC.

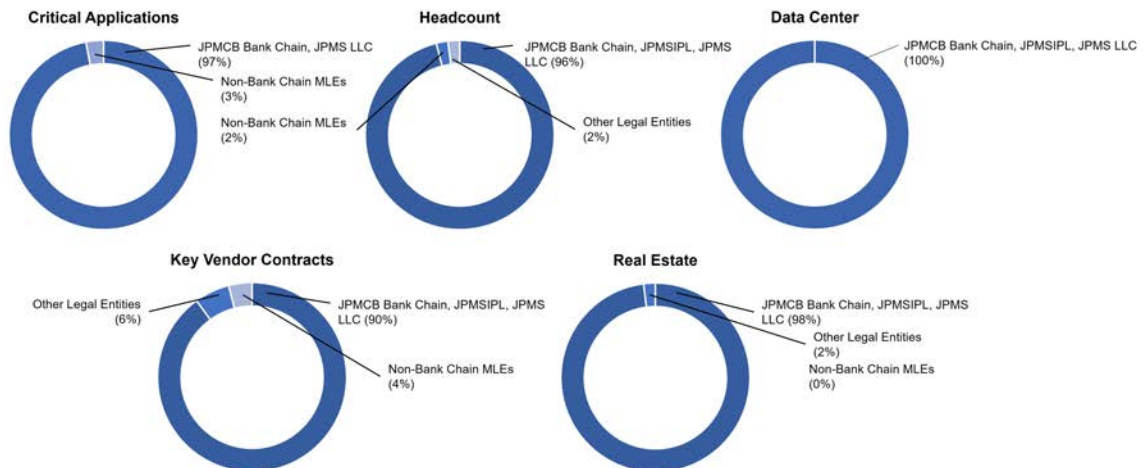
As illustrated by Figure 29, JPMorgan Chase also concentrates the resources supporting the shared services (e.g., assets, personnel, IT, facilities, IP, contracts) within the JPMCB Bank Chain and JPMSIPL, and, where appropriate JPMS LLC.

The legal entity and Preferred Strategy benefits from this approach and the management principles it employs:

- the vast majority of personnel, critical vendor relationships and management information systems applications directly supporting the Critical Shared Services, as noted above, are held through the JPMCB Bank Chain and JPMSIPL; and
- regardless of the resolution strategy, the frameworks are designed to ensure that the funding needed to support the required Critical Shared Services are both available and provided to the legal entities needed to undertake the activities necessary to directly and indirectly support JPMorgan Chase’s Critical Shared Services.

JPMC believes this concentration and funding framework help meet the objective of operational continuity during resolution.

Figure 29. Overview of JPMorgan Chase Critical Shared Services



Financial Market Utilities and Payment, Clearing and Settlement

Membership in Material Payment, Clearing and Settlement Systems

JPM Group maintains memberships and/or participations (either directly or indirectly) in significant FMUs and agent banks to facilitate the clearing and settlement of customer securities, derivatives and cash transactions.

Among the FMUs and agent banks used by JPM Group, the most important are listed in Figure 30 below.

Figure 30. Key FMUs and Agent Banks

FMU / Agent Bank	Description of Service
Payment Systems	
FedWire Funds Service	The FedWire Funds Service is a Payment System that is owned and operated by the Federal Reserve Banks. Fedwire Funds is a real-time gross settlement system that enables participants to initiate funds transfer that is immediate, final and irrevocable, once processed, with payments continuously settled on an individual, order-by-order basis without netting. Depository institutions and certain other financial institutions that hold an account with the Fed are eligible to participate in Fedwire Funds. Fedwire Funds is a credit transfer service and is generally used to make large-value, time-critical payments. Participants originate funds transfers by instructing the Fed to debit funds from its own account and credit funds to the account of another participant. Participants may originate funds transfers online, by initiating a secure electronic message, or offline, via telephone procedures.
The Clearing House Interbank Payments System (CHIPS)	CHIPS is a real-time system for transmitting and settling large-value USD payments among participant banks. Its settlement model enables final settlement of net positions immediately upon the release of netted payments to the CHIPS receiving participant.
FedACH Services (FedACH)	An electronic payment system providing automated clearing house (ACH) services that is owned and operated by the Federal Reserve Banks. The ACH system exchanges batched debit and credit payments among business, consumer and government accounts. The system processes preauthorized recurring payments such as payroll, Social Security, mortgage and utility payments, and nonrecurring payments such as telephone-initiated payments and checks converted into ACH payments at lockboxes and points of sale. It also processes outbound Key FMUs and Agent Banks cross-border ACH payments through the FedGlobal service.
Electronic Payments Network (EPN)	EPN is an electronic payment system providing ACH services; EPN facilitates exchanges of batched debit and credit payments among business, consumer and government accounts. The system processes pre-authorized recurring payments such as payroll, Social Security, mortgage and utility payments, as well as non-recurring payments such as telephone-initiated payments and the conversion of checks into ACH payments at lockboxes and points of sale. It also processes inbound and outbound cross-border ACH payments through foreign gateway operators.
Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET2)	TARGET2 is a real-time gross settlement linking system for cross border payments in euro, with settlement in central bank money. Participating commercial banks access the TARGET2 system via the national central banks of Eurozone Member States. TARGET2 has to be used for all payments involving the Eurosystem, as well as for the settlement of operations of all large-value net settlement systems and securities settlement systems handling the euro (e.g., EURO1).
Euro Banking Association - EURO1	EURO1 is the only private sector owned payment system for domestic and cross-border single same-day euro transactions at a pan-European level. EURO1 participants exchange commercial and financial payments to other participants through the EURO1/STEP1 system, which is operated by EBA Clearing (the trading name of ABE Clearing S.A.S.) and is subject to the lead oversight of the European Central Bank with the involvement of National Central Banks of the Eurosystem.
Clearinghouse Automated Payment System (CHAPS)	The U.K.'s interbank payment system for large value sterling payments; depends on real-time gross settlement IT infrastructure of the Bank of England. CHAPS system is subject to the supervision of the Bank of England's Financial Market Infrastructure Directorate.

FMU / Agent Bank	Description of Service
FX Yen Clearing System	<p>FXYCS is the system that handles the exchange and clearing of Japanese yen transactions related to foreign exchange, including large value transactions which encompass dealings in foreign exchange markets, transfers to yen accounts of correspondents and yen-dominated fund transfers. The processing of payments takes place on the Bank of Japan Financial Network System; with settlement occurring on a real-time gross settlement basis using central bank money.</p>
U.S. Securities	
Fedwire Securities Service	<p>A national securities book entry system owned and operated by the Federal Reserve Banks which conducts real-time transfers of securities and related funds, on a gross basis. Fedwire Securities provides for the issuance, maintenance, safekeeping, transfer and settlement for U.S. Treasury securities, for many federal government agency and government sponsored enterprise securities and for certain international organizations' securities. Fedwire Securities serves depository institutions, the U.S. Treasury and federal government agencies and is primarily governed by the Federal Reserve and the Federal Reserve Banks. The U.S. Treasury also oversees specified fiscal agency activities of Fedwire Securities.</p>
The Depository Trust Company (DTC)	<p>DTC is a central securities depository providing depository and book-entry services for eligible securities and other financial assets to its participants, principally banks and broker dealers. DTC processes the movement of securities for trades that are cleared and settled in the Continuous Net Settlement system operated by its affiliate National Securities Clearing Corporation, or NSCC, a central counterparty for the clearance of trades in U.S. cash markets; processes transactions settled in Canadian dollars through its interface with credit default swap Clearing and Depository Services, Inc.; provides settlement services for institutional trades (which typically involve money and securities transfers between custodian banks and broker dealers); and supports the issuance of money market instruments (MMI) and settlement of MMI transactions.</p>
National Securities Clearing Corporation (NSCC)	<p>NSCC is a U.S. securities clearing agency that provides clearing, settlement, risk management, central counterparty services and a guarantee of completion for certain transactions for virtually all U.S. broker-to-broker trades involving equities, corporate and municipal debt, American depository receipts, exchange-traded funds, and unit investment trusts. NSCC supports more than 50 exchanges, alternative trading systems and other trading centers, as well as banks, broker-dealers and other clearing members. NSCC generally clears and settles trades on a T+3 basis. It is regulated by the SEC and supervised by the Federal Reserve.</p>
FICC Government Securities Division	<p>Government Securities Division is a central counterparty and provides real-time trade matching, netting and clearing services for trades in U.S. government debt issues, including repurchase agreements. Securities transactions processed by Government Securities Division include Treasury bills, bonds, notes and government agency securities.</p>
FICC Mortgage-Backed Securities Division	<p>Mortgage-Backed Securities Division is a central counterparty and provides automated post-trade comparison, netting, electronic pool notification, pool comparison, pool netting and pool settlement services to the mortgage-backed securities market. FICC is registered as a clearing agency with the SEC and supervised by the Federal Reserve.</p>
Chicago Mercantile Exchange Clearing (CME)	<p>Provides clearing and settlement services for futures, options, and over-the-counter derivatives products; designated by the Financial Stability Oversight Council as a systemically important FMU pursuant to Title VIII of the Dodd-Frank Wall Street Reform and Consumer Protection Act. CME is registered with the CFTC as a derivatives clearing organization, and is regulated by the CFTC. As a systemically important FMU, CME is also subject to regulatory oversight by the Federal Reserve.</p>
Euroclear ESES	<p>Euroclear Belgium, together with Euroclear France and Euroclear Nederland, form the group of CSDs called ESES. Together, the ESES CSD services cover the majority of domestic (in France, the Netherlands and Belgium) and cross-border securities, from (government and corporate) bonds and equities and investment funds and span the securities lifecycle. The ESES CSDs offer settlement services in Central Bank Money through T2S - ESES clients open a Dedicated Cash Account (DCA) with one of the Central Banks connected to T2S, (or use an Agent which has such a DCA) in order to settle instructions against cash and to receive income and corporate actions proceeds.</p>

FMU / Agent Bank	Description of Service
Clearstream Bank Frankfurt	Clearstream Banking Frankfurt (CBF) is the national central securities depository (CSD) of Germany and is incorporated in Frankfurt am Main, Germany. It is part of the Deutsche Börse Group and authorized as a deposit-taking credit institution under the German Banking Act (Kreditwesengesetz, KWG). CBF provides CSD services in Germany for German and foreign securities that it holds in collective safe custody including custody, administration and settlement services for German securities and for foreign securities for which CBF maintains links to CSDs to serve foreign securities markets.
European Securities	
Euroclear UK & Ireland Limited (EUI)	Euroclear UK & International, or EUI is the national central securities depository of the United Kingdom and operator of the CREST system, providing facilities for the dematerialized holding of U.K. equities, exchange traded funds, gilt securities and money market instruments (as well as certain foreign securities through CREST depository instruments). CREST is the securities settlement system for the settlement of these instruments. For UK equities, corporate debt and government securities, external registrars maintain a copy of the CREST legal register known as the 'issuers record'. Through its links to securities settlement system in other jurisdictions (including the United States) settlement of some non-U.K. securities is also possible in CREST. EUI is regulated in the United Kingdom by the Bank of England and is part of the Euroclear Group.
Euroclear Bank SA/NV (Euroclear)	Provides international central securities depository services and settlement services for cross-border transactions involving domestic and international bonds, equities, derivatives and investment funds. Euroclear is a primary provider of settlement services for Eurobonds. The Euroclear group includes Euroclear Belgium, Euroclear Finland, Euroclear France, Euroclear Nederland, Euroclear Sweden, and EUI, which provide settlement services in their respective local markets. Euroclear also provides related banking services to its settlement participants.
Clearstream Banking SA	Clearstream is an international central securities depository and securities settlement system servicing a wide range of financial instruments (spanning a variety of equity and debt instruments and warrants) for deposit and transfer; providing custody-related services (corporate action processing, withholding tax services, etc.) for securities. Also provides securities borrowing and lending services to customers as well as a tri-party collateral management service (including a tri-party repo service) and subject to the oversight of the Central Bank of Luxembourg.
LCH Limited (LCH Ltd)	A central counterparty incorporated under the laws of England and Wales and provides central clearing for a wide range of products including, credit default swaps (SWAPClear), FX contracts (ForexClear), RepoClear Ltd, EquityClear Ltd and LCH's cleared Listed Rates business. It is regulated by the Financial Services Authority and is also subject to the oversight of the Bank of England. LCH Ltd is also a derivatives clearing organization in the United States, and is subject to CFTC rules and the U.S. Commodity Exchange Act.
LCH SA	LCH SA is a central counterparty incorporated under the laws of France and provides central clearing of a wide range of products, including: CDSClear, RepoClear SA, EquityClear SA and CommodityClear SA. LCH SA is regulated as a credit institution and central counterparty by a regulatory college consisting of the market regulators and central banks from the jurisdictions of France, Netherlands, Belgium and Portugal; is also regulated in the United Kingdom by the Bank of England as a recognized overseas clearing house.
EUREX Clearing AG	Eurex Clearing AG (ECAG) is a wholly owned subsidiary of Eurex Frankfurt AG, which in turn is wholly owned by Deutsche Boerse AG and is a leading global cross -asset class CCP. It clears equities, fixed income securities and listed and OTC derivatives for 215 members in 21 countries. ECAG ensures the performance of delivery and payment obligations after transactions are concluded on Eurex Deutschland, Eurex Zurich AG, the Frankfurter Wertpapierbörse, Eurex Repo GmbH and for off-exchange transactions on approved trade sources.

FMU / Agent Bank	Description of Service
ICE Clear Europe	ICE Clear Europe is authorised as a Recognised Clearing House under the UK Financial Services and Markets Act 2000 and supervised by the Bank of England. ICE Clear Europe provides clearing services for futures and options contracts traded on ICE Futures Europe, ICE Endex, ICE Futures U.S. Energy Division and ICE Futures Abu Dhabi. ICE Clear Europe also provides clearing services for European CDS index contracts. In addition to Bank of England oversight, ICE Clear Europe's CDS clearing services operate as an SEC Securities Clearing Agency (SCA) and a Covered Clearing Agency (CCA) under the U.S. Securities and Exchange Commission (SEC).
Others	
CLS	CLS Bank International, or CLS Bank, is a multi-currency cash settlement system. Through its Continuous Linked Settlement, or CLS, platform, CLS Bank settles payment instructions related to trades in traded FX spot contracts, FX forwards, FX options, FX swaps, credit derivatives across eighteen major currencies. CLS Bank's parent company, CLS Group Holdings, is a Swiss company that owns CLS UK Intermediate Holdings, Ltd., which in turn owns CLS Bank and CLS Services, a company organized under the laws of England that provides technical and operational support to CLS Bank. As an Edge Act corporation, CLS Bank is regulated and supervised in the United States by the Board of Governors of the Federal Reserve System. In the United Kingdom, Her Majesty's Treasury has specified CLS Bank as a recognized payment system, and it is subject to regulation by the Bank of England.
Society for Worldwide Interbank Financial Telecommunication (SWIFT)	A telecommunication platform for the exchange of standardized financial messages between financial institutions, between financial institutions and market infrastructures, and between financial institutions and their corporate clients. Although SWIFT is neither a payment system nor a settlement system and, as such, is not regulated by central banks or bank supervisors, a large and growing number of systemically important payment systems have become dependent on SWIFT as a critical service provider. SWIFT is therefore subject to oversight by the central banks of the G10 led by the National Bank of Belgium.
Agent Banks	
Royal Bank of Canada (RBC)	The largest bank in Canada by market capitalization, RBC is the 10th largest bank globally and the 5th largest in North America, as measured by market capitalization, and ranks among the top 20 banks globally by market capitalization; operating in five key market segments. RBC is listed as a Schedule I bank by the Canadian Bankers Association, authorized by the Office of the Superintendent of Financial Institutions to operate in Canada and authorized under the Bank Act to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation. RBC acts as our correspondent bank and subcustodian in Canada. The RBC is named as a G-SIB by the Financial Stability Board.
BNP Paribas	Provides clearing and settlement services for transactions involving domestic and international bonds, equities, derivatives and investment funds; provides subcustody services via its proprietary network in 26 countries globally. Is regulated by the French regulators Autorité de Contrôle Prudentiel et de Résolution and Autorité des Marchés Financiers, which provides them with a European passport. Local regulators such as the Dutch Autoriteit Financiële Markten or the German Bundesanstalt für Finanzdienstleistungsaufsicht may regulate specific local businesses undertaken. BNP acts as JPMorgan Chase's subcustodian across nine markets in Europe and as JPMorgan Chase's correspondent bank in France. The BNP Paribas Group is named as a G-SIB by the Financial Stability Board.
Bank of New York Mellon (BNYM)	The Bank of New York (BNYM) is a custody and clearance service provider to JPMorgan Chase including servicing U.S. government securities and tri-party repurchase activity. BNYM is the predominant service provider for U.S. government clearing. BNYM was formed in 2007 through the merger of The Bank of New York Company, Inc. and Mellon Financial Corporation. BNYM operates in four key market segments; Investment Services, Investment Management, Markets, and Wealth Management. The US government clearing business is operated in the Investment Services division through Broker-Dealer Services (BDS). To specifically service the US government clearing activity, BNYM has set-up a separate wholly owned subsidiary: BNY Mellon Government Securities Services Corp. (BNYM GSS Corp). BNYM is named a Global Systemically Important Bank (G-SIB) by the Financial Stability Board (FSB).

Description of Management Information Systems

Description of Material Management Information

JPMorgan Chase maintains a comprehensive set of management information surrounding its risk, liquidity, financial and regulatory reporting and monitoring.

JPMorgan Chase's risk management framework and governance structure are intended to provide comprehensive controls and ongoing management of the major risks inherent in its business activities. The firm employs a holistic approach to risk management intended to ensure the broad spectrum of risk types are considered in managing its business activities. The firm's risk management framework is intended to create a culture of risk awareness and personal responsibility throughout the firm where collaboration, discussion, escalation and sharing of information are encouraged.

The firm's exposure to risk through its daily business dealings, including lending and capital markets activities and operational services, is identified and aggregated through the firm's risk management infrastructure. There are several major risk types identified in the business activities of the firm: strategic, capital, liquidity, reputation, credit, investment portfolio, market, country, climate, operational, compliance, conduct, legal, and estimations and model risks.

Governance and Oversight

The firm's overall appetite for risk is governed by "Risk Appetite" frameworks for quantitative and qualitative risks. Periodically the firm's risk appetite is set and approved by senior management (including the CEO and CRO) and approved by the Board Risk Committee. Quantitative and qualitative risks are assessed to monitor and measure the firm's capacity to take risk consistent with its stated risk appetite. Risk Appetite results are reported to the Board Risk Committee.

The firm's risk governance framework is managed on a firmwide basis. The firm has an IRM function, which is comprised of Risk Management and Compliance. The firm's CEO appoints, subject to approval by the Risk Committee of the Board of Directors, the firm's CRO to lead the IRM function and maintain the risk governance framework of the firm. The framework is subject to approval by the Board Risk Committee through its review and approval of the Risk Governance and Oversight Policy.

The firm's CRO oversees and delegates authority to FREs, the CROs of the LOBs and Corporate, and the firm's CCO, who, in turn, establish Risk Management and Compliance organizations, develop the firm's risk governance policies and standards, and define and

oversee the implementation of the firm's risk governance framework. The LOB CROs oversee risks that arise in their lines of business and Corporate, while FREs oversee risks that span across LOBs and Corporate, functions and regions. For further discussion see Firmwide Risk Management on pages 81-84 in the 2022 Annual Report on Form 10-K.

Credit Risk Monitoring and Management

The firm has developed policies and practices that are designed to preserve the independence and integrity of the approval and decision-making process of extending credit to ensure credit risks are assessed accurately, approved properly, monitored regularly and managed actively at both the transaction and portfolio levels. The policy framework establishes credit approval authorities, concentration limits, risk-rating methodologies, portfolio review parameters and guidelines for management of distressed exposures. In addition, certain models, assumptions and inputs used in evaluating and monitoring credit risk are independently validated by groups that are separate from the lines of business.

Liquidity Management

Treasury and CIO is responsible for liquidity management.

The primary objectives of the firm's liquidity management are to:

- Ensure that the firm's core businesses and Material Legal Entities are able to operate in support of client needs and meet contractual and contingent financial obligations through normal economic cycles as well as during stress events, and
- Manage an optimal funding mix and availability of liquidity sources.

The firm addresses these objectives through:

- Analyzing and understanding the liquidity characteristics of the assets and liabilities of the firm, lines of business and legal entities, taking into account legal, regulatory and operational restrictions;
- Developing internal liquidity stress testing assumptions;
- Defining and monitoring firmwide and legal entity- specific liquidity strategies, policies, reporting and contingency funding plans;

- Managing liquidity within the firm's approved liquidity risk appetite tolerances and limits;
- Managing compliance with regulatory requirements related to funding and liquidity risk; and
- Setting funds transfer pricing in accordance with underlying liquidity characteristics of balance sheet assets and liabilities as well as certain off-balance sheet items.

Risk Management's Independent Review Framework;

- Monitoring and reporting internal firmwide and legal entity liquidity stress tests, regulatory defined metrics, as well as liquidity positions, balance sheet variances and funding activities; and
- Approving or escalating for review new or updated liquidity stress assumptions.

As part of the firm's overall liquidity management strategy, the firm manages liquidity and funding using a centralized, global approach designed to:

- Optimize liquidity sources and uses;
- Monitor exposures;
- Identify constraints on the transfer of liquidity between the firm's legal entities; and
- Maintain the appropriate amount of surplus liquidity at a firmwide and legal entity level, where relevant.

Liquidity Governance

Committees responsible for liquidity governance include the firmwide ALCO as well as line of business and regional ALCOs, the Treasurer Committee, and the CTC Risk Committee. In addition, the Board Risk Committee reviews and recommends to the Board of Directors, for formal approval, the firm's liquidity risk tolerances, liquidity strategy, and liquidity policy. For further information on ALCO and other risk-related committees, refer to pages 81-84 in the 2022 Annual Report on Form 10-K.

Liquidity Risk

Liquidity risk is the risk that the firm will be unable to meet its contractual and contingent financial obligations as they arise or that it does not have the appropriate amount, composition and tenor of funding and liquidity to support its assets and liabilities.

Liquidity Risk Management

The firm has a Liquidity Risk Management function whose primary objective is to provide independent oversight of liquidity risk across the firm. Liquidity Risk Management's responsibilities include:

- Defining, monitoring and reporting liquidity risk metrics;
- Independently establishing and monitoring limits and indicators, including liquidity risk appetite;
- Developing a process to classify, monitor and report limit breaches;
- Performing independent review of liquidity management processes to evaluate their adequacy and effectiveness based on Liquidity

Internal Stress Testing

Liquidity stress tests are intended to ensure that the firm has sufficient liquidity under a variety of adverse scenarios, including scenarios analyzed as part of the firm’s resolution and recovery planning. Stress scenarios are produced for the parent company and the firm’s Material Legal Entities on a regular basis, and other stress tests are performed in response to specific market events or concerns. Liquidity stress tests assume all of the firm’s contractual financial obligations are met and take into consideration:

- Varying levels of access to unsecured and secured funding markets;
- Estimated non-contractual and contingent cash outflows;
- Considerations of credit rating downgrades;
- Collateral haircuts; and
- Potential impediments to the availability and transferability of liquidity between jurisdictions and Material Legal Entities such as regulatory, legal or other restrictions.

Liquidity outflows are modeled across a range of time horizons and currency dimensions and contemplate both market and idiosyncratic stresses.

Results of stress tests are considered in the formulation of the firm’s funding plan and assessment of its liquidity position. The parent company acts as a source of funding for the firm through equity and long-term debt issuances, and its IHC provides funding support to the ongoing operations of the parent company and its subsidiaries. The firm maintains liquidity at the parent company, IHC, and operating subsidiaries at levels sufficient to comply with liquidity risk tolerances and minimum liquidity requirements, and to manage through periods of stress when access to normal funding sources may be disrupted.

Liquidity, Finance, Risk and Regulatory Management Reporting

Maintaining a strong balance sheet to manage through economic volatility is a key principle and strategy at JPMorgan Chase. This balance sheet philosophy consists of conservative accounting prudent risk management and sound business practices, supported by robust liquidity and capital standards. JPM Group believes that in addition to a strong balance sheet, it is also important to have strong and diversified earnings. These high standards provide the ability to offer our

products and services to clients throughout business cycles and extreme conditions, which we believe is integral to a healthy economy.

We measure each of JPMC’s businesses objectively in relation to performance targets, competitor performance, quality of earnings and the current point within the credit cycle.

Importantly, each business is evaluated against “fully loaded” income statements and balance sheets, which include both direct costs and allocated costs based on arm’s-length agreements and market-based pricing. The firm’s disciplined approach to financial management includes a continual focus on a strong capital position and the maintenance of a strong liquidity profile, especially during stressed environments, coupled with a conservative reserving approach.

JPMC’s management reporting processes are structured to promptly identify key information, escalate and engage the appropriate level of management to review and assess key information and swiftly decision appropriate sets of actions and responses to any emerging situations and ongoing results. There are a host of daily, weekly, monthly and quarterly reporting processes at the firm. We aim to provide transparent, accurate, reliable and timely financial information that can be used by management to make sound financial decisions; for analysts to assess the firm’s financial position; investors to make informed decisions; and regulators to supervise and examine us appropriately. Our goal is to continuously improve the reporting process through enhancements to the control and financial reporting environment that focus on analytics, compliance and reporting; a continued focus on accuracy and transparency and efficiency of the firm’s financial reporting, internally and across regulatory and external reporting.

JPMC has specific technology aligned groups to support the firm’s risk, liquidity, financial and regulatory reporting needs. These groups build applications and tools which support our risk and finance professionals to meet external reporting obligations and perform their internal management reporting functions. The technology functions include business aligned application development and enterprise wide technology groups. They are coordinated around a firmwide organizational structure reporting to the JPMC Chief Information Officer and, in certain cases, also to line of business executives. The JPMC information security program is designed to provide for the security and confidentiality of customer, client and employee information.

Capital Management

Treasury and CIO are responsible for capital management. The primary objectives of the firm's capital management are to:

- Maintain sufficient capital in order to continue to build and invest in the firm's businesses through the cycle and in stressed environments;
- Retain flexibility to take advantage of future investment opportunities;
- Promote the firm's ability to serve as a source of strength to its subsidiaries;
- Ensure the firm operates above the minimum regulatory capital ratios as well as maintains "well-capitalized" status for the firm and its IDI subsidiaries at all times under applicable regulatory capital requirements;
- Meet capital distribution objectives; and
- Maintain sufficient capital resources to operate throughout a Resolution Period in accordance with the firm's Preferred Strategy.

The firm addresses these objectives through:

- Establishing internal minimum capital requirements and maintaining a strong capital governance framework. The internal minimum capital levels consider the firm's regulatory capital requirements as well as an internal assessment of capital adequacy, in normal economic cycles and in stress events;
- Retaining flexibility in order to react to a range of potential events; and
- Regular monitoring of the firm's capital position and follows prescribed escalation protocols, both at the firm and material legal entity levels.

Capital Risk

Capital risk is the risk the firm has an insufficient level or composition of capital to support the firm's business activities and associated risks during normal economic environments and under stressed conditions. A strong capital position is essential to the firm's business strategy and competitive position. Maintaining a strong balance sheet to manage through economic volatility is considered a strategic imperative of the firm's Board of

Directors, CEO and Operating Committee. The firm's fortress balance sheet philosophy focuses on risk-adjusted returns, strong capital and robust liquidity. The firm's capital risk management strategy focuses on maintaining long-term stability to enable the firm to build and invest in market-leading businesses, including in highly stressed environments. Senior management considers the implications on the firm's capital prior to making any significant decisions that could impact future business activities. In addition to considering the firm's earnings outlook, senior management evaluates all sources and uses of capital with a view to ensuring the firm's capital strength.

Capital Risk Management

The firm has a Capital Risk Management function whose primary objective is to provide independent oversight of capital risk across the firm. Capital Risk Management's responsibilities include:

- Defining, monitoring and reporting capital risk metrics;
- Establishing, calibrating and monitoring capital risk limits and indicators, including capital risk appetite;
- Developing a process to classify, monitor and report capital limit breaches; and
- Performing an assessment of the firm's capital management activities, including changes made to the Contingency Capital Plan described below; and
- Conducting assessments of the firm's regulatory capital framework intended to ensure compliance with applicable regulatory capital rules.

Capital Governance

Committees responsible for overseeing the firm's capital management include the Capital Governance Committee, the firmwide ALCO and LOB and regional ALCOs, and the CTC Risk Committee. In addition, the Board Risk Committee periodically reviews the firm's capital risk tolerance. Refer to firmwide Risk Management on pages 81-84 in the 2022 Annual Report on Form 10-K for additional discussion on the firmwide ALCO and other risk-related committees.

Capital Planning and Stress Testing

Comprehensive Capital Analysis and Review

The Federal Reserve requires large BHCs, including the firm, to submit at least annually a capital plan that has been reviewed and approved by the Board of Directors. The Federal Reserve uses CCAR and other stress testing processes to ensure that large BHCs have sufficient capital during periods of economic and financial stress and have robust, forward-looking capital assessment and planning processes in place that address each BHC's unique risks to enable it to absorb losses under certain stress scenarios. Through CCAR, the Federal Reserve evaluates each BHC's capital adequacy and internal capital adequacy assessment processes or ICAAP, as well as its plans to make capital distributions, such as dividend payments or stock repurchases. The Federal Reserve uses results under the severely adverse scenario from its supervisory stress test to determine each firm's Stress Capital Buffer, or SCB, requirement for the coming year.

On April 5, 2023, the firm submitted its 2023 Capital Plan to the Federal Reserve under the Federal Reserve's CCAR process. The firm anticipates that the Federal Reserve will disclose summary information regarding the firm's stress test results by June 30, 2023. Following the Federal Reserve's disclosure, the firm expects to disclose its indicative SCB requirement, which will become effective October 1, 2023. The firm's SCB is currently 4.0%.

Refer to Capital actions on page 94 in the 2022 Annual Report on Form 10-K for additional information on actions taken by the firm's Board of Directors.

Internal Capital Adequacy Assessment Process

Annually, the firm prepares the ICAAP, which informs the Board of Directors of the ongoing assessment of the firm's processes for managing the sources and uses of capital as well as compliance with supervisory expectations for capital planning and capital adequacy. The firm's ICAAP integrates stress-testing protocols with capital planning. The firm's Audit Committee is responsible for reviewing and approving the capital planning framework.

Stress testing assess the potential impact of alternative economic and business scenarios on the firm's earnings and capital. Economic scenarios, and the parameters underlying those scenarios, are defined centrally and applied uniformly across the businesses. These scenarios are articulated in terms of macroeconomic factors, which are key drivers of business results; global market shocks, which generate short-term but severe trading losses; and idiosyncratic operational risk events.

The scenarios are intended to capture and stress key vulnerabilities and idiosyncratic risks facing the firm. In addition to CCAR and other periodic stress testing, management also considers tailored stress scenarios and sensitivity analyses, as necessary.

Key Regulators of JPMC and JPMCB

As we conduct a range of financial activities in multiple countries, JPMorgan Chase is supervised by multiple regulators. The Federal Reserve acts as the principal regulator, and certain of JPMC's subsidiaries are regulated directly by additional authorities based on the particular activities of those subsidiaries. The firm's national bank subsidiary, JPMCB, is subject to supervision and regulation by the OCC and, with respect to certain matters, by the Federal Reserve and the FDIC. Outside the United States, JPMCB's branches are also supervised by local bank regulators, such as the Japan Financial Services Agency for JPMCB Tokyo Branch, and the Hong Kong Monetary Authority and Hong Kong Securities Finance Company for JPMCB Hong Kong Branch.

JPMCB's foreign subsidiaries and JPMC's non-bank subsidiaries are subject to supervision and regulation by other regulators. For example, JPMS LLC is supervised and regulated by the SEC and, with respect to certain futures-related and swaps-related activities, by the CFTC. The firm conducts securities underwriting, dealing and brokerage activities in the United States through JPMS LLC and other broker-dealer subsidiaries, all of which are subject to SEC regulations and those of the Financial Industry Regulatory Authority and the New York Stock Exchange, among others. The firm conducts similar securities activities outside the United States subject to local regulatory requirements. For example, in the United Kingdom, those activities are conducted by JPMS plc, which is regulated by the UK Prudential Regulation Authority, a subsidiary of the Bank of England with responsibility for prudential regulation of banks and other systemically important institutions, and the UK Financial Conduct Authority, which regulates prudential matters for other firms and conduct matters for all market participants. In Japan, the firm's securities activities are conducted by JPMSJ, which is regulated by the Japan Financial Services Agency. In Europe, those activities are conducted using JPMSE, an EU headquartered pan-European banking entity. JPMSE is subject to the prudential supervision of the European Central Bank, in cooperation with the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and the Deutsche Bundesbank in Germany.

The firm's investment management business is subject to significant regulation in numerous jurisdictions around the world relating to, among other things, the safeguarding of client assets, offerings of funds, marketing activities, transactions among affiliates and management of client funds. Certain of the firm's subsidiaries are registered with, and subject to oversight by, the SEC as investment advisers. As such, the firm's registered investment advisers are subject to the fiduciary and other obligations imposed under the Investment Advisers Act of 1940 and the rules and

regulations promulgated thereunder, as well as various states securities laws.

The firm has subsidiaries that are members of futures exchanges in the United States and abroad and are registered accordingly. In the United States, one subsidiary is registered as a futures commission merchant, and other subsidiaries are either registered with the CFTC as commodity pool operators and commodity trading advisors or exempt from such registration. These CFTC-registered subsidiaries are also members of the National Futures Association. The firm's commodities business is also subject to regulation by the Chicago Mercantile Exchange, London Metals Exchange and the Federal Energy Regulatory Commission. JPMCB, JPMS LLC and JPMS plc have registered with the CFTC as swap dealers. JPMCB and JPMS LLC are also registered with the SEC as Security Based Swap Dealers.

The firm and its subsidiaries also are subject to federal, state and international laws and regulations concerning the use and protection of certain customer, employee and other personal and confidential information, including those imposed by the Gramm-Leach-Bliley Act and the Fair Credit Reporting Act, as well as the EU Data Protection Directive, among others. The firm is also subject to laws and regulations relating to corrupt and illegal payments to government officials and others in the jurisdictions in which it operates, such as the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act.

For further details on material supervisory authorities, please refer to the 2022 Annual Report on Form 10-K and other JPMC 1934 Act reports.

Principal Officers

Figure 31. Executive officers of JPMC and JPMCB (as of December 31, 2022)

Name	Positions and offices
James Dimon	Chairman of the Board of the Board since December 2006 Chief Executive Officer since December 2005
Ashley Bacon	Chief Risk Officer since June 2013
Jeremy Barnum	Chief Financial Officer since May 2021, prior to which he was head of Global Research for the Corporate & Investment Bank since February 2021. He previously served as Chief Financial Officer of the Corporate & Investment Bank from July 2013 until February 2021.
Lori A. Beer	Chief Information Officer since September 2017, prior to which she had been Chief Information Officer of the Corporate & Investment Bank since June 2016.
Mary Callahan Erdoes	Chief Executive Officer of Asset & Wealth Management since September 2009.
Stacey Friedman	General Counsel since January 2016.
Marianne Lake	Co-Chief Executive Officer of Consumer & Community Banking since May 2021, prior to which she had been Chief Executive Officer of Consumer Lending since May 2019. She was Chief Financial Officer from January 2013 until May 2019.
Robin Leopold	Head of Human Resources since January 2018, prior to which she had been Head of Human Resources for the Corporate & Investment Bank since August 2012.
Douglas B. Petno	Chief Executive Officer of Commercial Banking since January 2012.
Jennifer Piepszak	Co-Chief Executive Officer of Consumer & Community Banking since May 2021, prior to which she had been the Chief Financial Officer since May 2019. She previously served as Chief Executive Officer for Card Services from February 2017 until May 2019.
Daniel E. Pinto	President and Chief Operating Officer since January 2022 and Chief Executive Officer of the Corporate & Investment Bank since March 2014, having previously served as Co-President and Co-Chief Operating Officer since January 2018.
Peter Scher	Vice Chairman since March 2021. He previously served as Chairman of the Mid-Atlantic Region from February 2015 until December 2022 and Head of Corporate Responsibility from April 2011 until September 2021.

Additional, select officer titles with JPMorgan Chase Bank, N.A.

Stephen B. Burke	Non-executive Chairman of the Board
Charles Bristow	Chief Investment Officer
Louis Rauchenberger	General Auditor
Frank Pearn	Chief Compliance Officer
Albert Moffitt	Treasurer
John H. Tribolati	Secretary
Giovanna Acquilano	Controller

**Resolution Planning Corporate Governance
Structure and Processes**

Resolution planning at JPMorgan Chase is coordinated in a resolution planning office led by a senior officer of the firm in the Treasury and CIO organization. The JPMorgan Chase Recovery and Resolution Executive is a senior officer with firmwide responsibility to ensure that the firm is adopting business organizational strategies, policies and procedures that appropriately address the challenges faced in establishing a comprehensive and credible resolution regime.

The JPMorgan Chase Recovery and Resolution Executive works closely with the management teams of each of the lines of business and sub-lines of business, as well as with the management teams of functional support groups (e.g., Risk, Finance, Treasury, Legal, HR, Technology & Operations, Mergers & Acquisitions, etc.) to assess resolution strategies. The Resolution and Recovery Planning Function is responsible for compiling, reviewing and maintaining all resolution-related information.

To support and maintain the sustainability of resolution planning at the firm, we embed required resolution related information into the ongoing, business as usual control processes, reporting and governance of the firm. Development of the resolution plan is subject to independent review and challenge.

The JPMorgan Chase Recovery and Resolution Executive reports to the Treasurer. The Chief Financial Officer is ultimately accountable for the resolution plan. A governance body consisting of the JPMC CFO, CRO, and General Counsel, among others, is in place to provide oversight and guidance to the resolution planning process. The process is reviewed with the Board Risk Committee, and updates on progress are made regularly to the Board Risk Committee. The submission of our 2023 Resolution Plan has been approved by the JPMC Board.

**Other Required
Financial
Information
Disclosures in
the Public Filing**

Other Required Financial Information Disclosures in the Public Filing

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Summary Financial Information

Defined terms in this section are capitalized and may be found either in the Glossary beginning on page 124 or in the 2022 Annual Report.

Figure 32 is the firm's consolidated balance sheets from the firm's Annual Report on Form 10-K for the period ended December 31, 2022. For a more detailed discussion on each of the specific line captions on the Consolidated Balance Sheets, please refer to the 2022 Annual Report on Form 10-K and other JPMorgan Chase & Co. '34 Act reports.

Figure 32. JPMorgan Chase - Consolidated Balance Sheets

JPMorgan Chase - Consolidated Balance Sheets		
December 31, (in millions)	2022	2021
Assets		
Cash and due from banks	\$ 27,697	26,438
Deposits with banks	539,537	714,396
Federal funds sold and securities purchased under resale agreements	315,592	261,698
Securities borrowed	185,369	206,071
Trading assets	453,799	433,575
Available-for-sale securities	205,857	308,525
Held-to-maturity securities	425,305	363,707
Investment securities, net of allowance for credit losses	631,162	672,232
Loans	1,135,647	1,077,714
Allowance for loan losses	(19,726)	(16,386)
Loans, net of allowance for loan losses	1,115,921	1,061,328
Accrued interest and accounts receivable	125,189	102,570
Premises and equipment	27,734	27,070
Goodwill, MSRs and other intangible assets	60,859	56,691
Other assets	182,884	181,498
Total assets	\$ 3,665,743	3,743,567
Liabilities		
Deposits	\$ 2,340,179	2,462,303
Federal funds purchased and securities loaned or sold under repurchase agreements	202,613	194,340
Short-term borrowings	44,027	53,594
Trading liabilities	177,976	164,693
Accounts payable and other liabilities	300,141	262,755
Beneficial interests issued by consolidated VIEs	12,610	10,750
Long-term debt	295,865	301,005
Total liabilities	3,373,411	3,449,440
Commitments and contingencies		
Stockholders' equity		
Preferred stock	27,404	34,838
Common stock	4,105	4,105
Additional paid-in capital	89,044	88,415
Retained earnings	296,456	272,268
Accumulated other comprehensive losses	(17,341)	(84)
Treasury stock, at cost	(107,336)	(105,415)
Total stockholders' equity	292,332	294,127
Total liabilities and stockholders' equity	\$ 3,665,743	3,743,567

In addition to providing summary financial information on a consolidated basis regarding JPMorgan Chase, the Figure 33 highlights total assets, total liabilities, total net revenue and net income as of December 31, 2022, for JPMCB on a consolidated basis and the remaining Material Legal Entities on a stand-alone basis.

Figure 33. Selected Financial Metrics

December 31, 2022 (\$ in millions) ^(a)	Total Assets	Total Liabilities	Total Net Revenue	Net Income
Consolidated JPMorgan Chase Bank, N.A.	\$ 3,201,942	\$ 2,898,322	\$ 118,977	\$ 34,342
JPMCB Bank Branches				
JPMCB London Branch	365,386	366,107	8,449	337
JPMCB Hong Kong Branch	16,303	16,304	1,493	29
JPMCB PGSC	504	152	466	29
JPMCB Singapore Branch	40,052	40,085	2,007	395
JPMCB Sydney Branch	27,531	27,620	407	51
JPMCB Tokyo Branch	54,902	54,890	120	(2)
JPMCB Subsidiaries				
J.P. Morgan SE	252,165	226,812	5,847	1,461
JPMorgan Securities Japan Co., Ltd.	70,286	68,141	753	210
J.P. Morgan Securities plc	447,352	405,322	9,413	2,333
Paymentech, LLC	14,649	12,236	1,003	(236)
IHC and Subsidiaries				
JPMorgan Chase Holdings LLC	233,329	4,207	10,334	10,299
J.P. Morgan Services India Private Limited	2,185	792	2,157	189
J.P. Morgan Securities LLC	674,280	659,301	17,611	6,426
JPMorgan Asset Management (Europe) S.a.r.l.	1,785	1,127	2,582	211
JPMorgan Asset Management (UK) Limited	1,388	444	1,248	192
JPMorgan Distribution Services, Inc.	500	78	994	124
J.P. Morgan Investment Management Inc.	4,169	1,243	4,535	1,226

(a) With the exception of consolidated JPMorgan Chase Bank, N.A., financial information is being presented for individual entities, including branches but not consolidating subsidiaries, and follow the accounting and financial reporting policies of the firm, the basis of which is US GAAP.

Description of Foreign Operations

International operations

The following table presents income statement and balance sheet-related information for JPMorgan Chase by major international geographic area. The firm defines international activities for purposes of this presentation as business transactions that involve clients residing outside of the U.S., and the information presented below is based predominantly on the domicile of the client, the location from which the client relationship is managed, booking location or the location of the trading desk. However, many of the firm's U.S. operations serve international businesses.

As the firm's operations are highly integrated, estimates and subjective assumptions have been made to apportion revenue and expense between U.S. and international operations. These estimates and assumptions are consistent with the allocations used for the firm's segment reporting as set forth in Note 32 of the 2022 Annual Report on Form 10-K.

The firm's long-lived assets for the periods presented are not considered by management to be significant in relation to total assets. The majority of the firm's long-lived assets are located in the U.S.

For further details on foreign operations, please refer to the 2022 Annual Report on Form 10-K and other JPMorgan Chase & Co. '34 Act reports.

As of or for the year ended December 31, (in millions)	Revenue ^(b)	Expense ^(c)	Income before income tax expense	Net income	Total assets
2022					
Europe/Middle East Africa	\$ 18,765	\$ 11,754	\$ 7,011	\$ 5,158	\$ 558,430 ^(d)
Asia-Pacific	10,025	6,763	3,262	2,119	281,479
Latin America/Caribbean	3,178	1,697	1,481	1,156	78,673
Total international	31,968	20,214	11,754	8,433	918,582
North America ^(a)	96,727	62,315	34,412	29,243	2,747,161
Total	\$ 128,695	\$ 82,529	\$ 46,166	\$ 37,676	\$ 3,665,743
2021					
Europe/Middle East Africa	\$ 16,561	\$ 10,833	\$ 5,728	\$ 4,202	\$ 517,904 ^(d)
Asia-Pacific	9,654	6,372	3,282	2,300	277,897
Latin America/Caribbean	2,756	1,589	1,167	878	65,040 ^(e)
Total international	28,971	18,794	10,177	7,380	860,841
North America ^(a)	92,678	43,293	49,385	40,954	2,882,726 ^(e)
Total	\$ 121,649	\$ 62,087	\$ 59,562	\$ 48,334	\$ 3,743,567
2020					
Europe/Middle East Africa	\$ 16,566	\$ 10,987	\$ 5,579	\$ 3,868	\$ 530,687 ^(d)
Asia-Pacific	9,289	5,558	3,731	2,630	252,553
Latin America/Caribbean	2,740	1,590	1,150	837	63,853 ^(e)
Total international	28,595	18,135	10,460	7,335	847,093
North America ^(a)	91,356	66,001	25,355	21,796	2,537,664 ^(e)
Total	\$ 119,951	\$ 84,136	\$ 35,815	\$ 29,131	\$ 3,384,757

(a) Substantially reflects the U.S.

(b) Revenue is composed of net interest income and noninterest revenue.

(c) Expense if composed of noninterest expense and the provision for credit losses.

(d) Total assets for the U.K. were approximately \$357 billion, \$365 billion and \$353 billion at December 31, 2022, 2021, and 2020, respectively.

(e) Prior-period amounts have been revised to conform with the current presentation.

Line of Business Equity

Each business segment is allocated capital by taking into consideration a variety of factors including capital levels of similarly rated peers and applicable regulatory capital requirements. ROE is measured and internal targets for expected returns are established as key measures of a business segment's performance.

The firm's allocation methodology incorporates Basel III Standardized RWA, Basel III Advanced RWA, the GSIB surcharge, and a simulation of capital in a severe stress environment. At least annually, the assumptions, judgements and methodologies used to allocate capital are reassessed and, as a result, the capital allocated to the LOBs may change. As of January 1, 2023, the firm has changed its line of business capital allocations primarily as a result of updates to the firm's capital requirements and changes in RWA for each LOB.

Other Capital Requirements

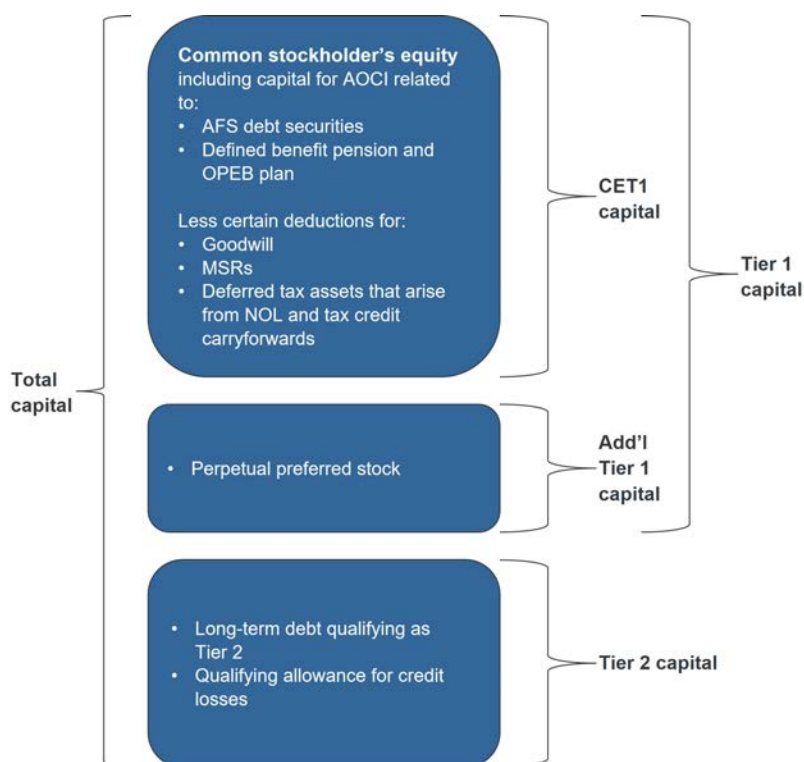
The Federal Reserve establishes capital requirements, including well-capitalized requirements, for the consolidated financial holding company. The OCC establishes similar minimum capital requirements and standards for the firm's principal IDI subsidiary, JPMorgan Chase Bank, N.A.

The capital rules under Basel III establish minimum capital ratios and overall capital adequacy standards for large and internationally active U.S. BHCs and banks, including the firm and its IDI subsidiaries, including JPMorgan Chase Bank, N.A. The minimum amount of regulatory capital that must be held by BHCs and banks is determined by calculating RWA, which are on-balance sheet assets and off-balance sheet exposures, weighted according to risk. Two comprehensive approaches are prescribed for calculating RWA: a standardized approach (Basel III Standardized), and an advanced approach (Basel III Advanced). For each of the risk-based capital ratios, the capital adequacy of the firm and JPMorgan Chase Bank, N.A. is evaluated against the lower of the Standardized or Advanced approaches compared to their respective regulatory capital ratio requirements. The firm's Basel III Standardized risk-based ratios are currently more binding than the Basel III Advanced risk-based ratios.

Basel III establishes capital requirements for calculating credit risk RWA and market risk RWA, and in the case of Basel III Advanced, operational risk RWA. Key differences in the calculation of credit risk RWA between the Standardized and Advanced approaches are that for Basel III Advanced, credit risk RWA is based on risk-sensitive approaches which largely rely on the use of internal credit models and parameters, whereas for Basel III Standardized, credit risk RWA is generally based on supervisory risk-weightings which vary primarily by counterparty type and asset class. Market risk RWA is calculated on a generally consistent basis between Basel III Standardized and Basel III Advanced. In addition to the RWA calculated under these approaches, the firm may supplement such amounts to incorporate management judgment and feedback from its regulators.

Basel III also includes a requirement for Advanced Approaches banking organizations, including the firm, to calculate the SLR. For further details on SLR, please refer to page 93 in the 2022 Annual Report on Form 10-K.

The three components of regulatory capital under the Basel III rules are as illustrated below:



Under the risk-based capital and leverage-based guidelines of the Federal Reserve, JPMorgan Chase is required to maintain minimum ratios for CET1 capital, Tier 1 capital, Total capital, Tier 1 leverage and the SLR. Failure to meet these minimum requirements could cause the Federal Reserve to take action. IDI subsidiaries are also subject to these capital requirements established by their respective primary regulators.

Key Regulatory Developments

Current Expected Credit Losses (CECL) regulatory capital transition

Until December 31, 2021, the firm's capital reflected a two year delay of the effects of CECL provided by the Federal Reserve Board in response to the COVID-19 pandemic.

Beginning January 1, 2022, the \$2.9 billion CECL capital benefit is being phased out at 25% per year over a three-year period. As of December 31, 2022, the firm's CET1 capital reflected the remaining \$2.2 billion benefit associated with the CECL capital transition provisions.

Additionally, effective January 1, 2022, the firm phased out 25% of the other CECL capital transition provisions which impacted Tier 2 capital, adjusted average assets, total leverage exposure and RWA, as applicable.

Refer to Note 1 on page 166 in the 2022 Annual Report on Form 10-K for further information on the CECL accounting guidance.

Standardized Approach for Counterparty Credit Risk

On January 1, 2022, the firm adopted "Standardized Approach for Counterparty Credit Risk" (SA-CCR), which replaced the Current Exposure Method used to measure derivatives counterparty exposure under the Standardized and Advanced approach RWA where internal models are not used, as well as leverage exposure used to calculate the SLR in the regulatory capital framework. The rule issued by the U.S. banking regulators in November 2019 applies to Basel III Advanced Approaches banking organizations, such as the firm and JPMorgan Chase Bank, N.A.

The adoption of SA-CCR on January 1, 2022 increased the firm's Standardized RWA by approximately \$40 billion based on the firm's derivatives exposure as of December 31, 2021, which resulted in a decrease of approximately 30 bps to the firm's CET1 capital ratio and a modest decrease in its total leverage exposure. In addition, the adoption of SA-CCR increased the firm's advanced RWA, but to a lesser extent than Standardized RWA.

The following tables present the firm's risk-based capital metrics under both the Basel III Standardized and Advanced approaches and leverage-based capital metrics. Refer to Note 27 in the 2022 Annual Report on Form 10-K for JPMorgan Chase Bank, N.A.'s risk-based and leverage-based capital metrics.

Figure 34. Standardized and Advanced in Risk - Based and Leverage - Based Capital Metrics

(in millions, except ratios)	Standardized			Advanced		
	December 31, 2022	December 31, 2021	Capital ratio requirements ^(b)	December 31, 2022	December 31, 2021	Capital ratio requirements ^(b)
Risk-based capital metrics:^(a)						
CET1 capital	\$218,934	\$213,942		\$218,934	\$213,942	
Tier 1 capital	245,631	246,162		245,631	246,162	
Total capital	277,769	274,900		264,583	265,796	
Risk-weighted assets	1,653,538	1,638,900		1,609,773	1,547,920	
CET1 capital ratio	13.2%	13.1%	12.0%	13.6%	13.8%	10.5 %
Tier 1 capital ratio	14.9	15.0	13.5	15.3	15.9	12.0
Total capital ratio	16.8	16.8	15.5	16.4	17.2	14.0

^(a) The capital metrics reflect the CECL capital transition provisions.

^(b) Represents minimum requirements and regulatory buffers applicable to the Firm for the period ended December 31, 2022. For the period ended December 31, 2021, the Basel III Standardized CET1, Tier 1, and Total capital ratio requirements applicable to the firm were 11.2%, 12.7%, and 14.7%, respectively. Refer to Note 27 on Form 10-K for additional information.

Three months ended (in millions, except ratios)	December 31, 2022	December 31, 2021	Capital ratio requirements ^(c)
Leverage-based capital metrics:^(a)			
Adjusted average assets ^(b)	\$3,703,873	3,782,035	
Tier 1 leverage ratio	6.6%	6.5%	4.0%
Total leverage exposure	4,367,092	4,571,789	
SLR	5.6%	5.4%	5.0%

^(a) The capital metrics reflect the CECL capital transition provisions.

^(b) Adjusted average assets, for purposes of calculating the leverage ratios, includes quarterly average assets adjusted for on-balance sheet assets that are subject to deduction from Tier 1 capital, predominantly goodwill, inclusive of estimated equity method goodwill, and other intangible assets.

^(c) Represents minimum requirements and regulatory buffers applicable to the firm. Refer to Note 27 on Form 10-K for additional information.

The following table presents reconciliations of total stockholders' equity to Basel III CET1 capital, Tier 1 capital and Total capital as of December 31, 2022 and 2021.

Figure 35. Capital Components

(in millions)	December 31, 2022	December 31, 2021
Total stockholders' equity	\$ 292,332	\$ 294,127
Less: Preferred stock	27,404	34,838
Common stockholders' equity	264,928	259,289
Add:		
Certain deferred tax liabilities ^(a)	2,510	2,499
Other CET1 capital adjustments ^(b)	6,221	3,351
Less:		
Goodwill	53,501 ^(f)	50,315
Other intangible assets	1,224	882
Standardized/Advanced CET1 capital	218,934	213,942
Add: Preferred stock	27,404	34,838
Less: Other Tier 1 adjustments ^(c)	707	2,618
Standardized/Advanced Tier 1 capital	\$ 245,631	\$ 246,162
Long-term debt and other instruments qualifying as Tier 2 capital	\$ 13,569	\$ 14,106
Qualifying allowance for credit losses ^(d)	19,353	15,012
Other	(784)	(380)
Standardized Tier 2 capital	\$ 32,138	\$ 28,738
Standardized Total capital	\$ 277,769	\$ 274,900
Adjustment in qualifying allowance for credit losses for Advanced Tier 2 capital ^(e)	(13,186)	(9,104)
Advanced Tier 2 capital	\$ 18,952	\$ 19,634
Advanced Total capital	\$ 264,583	\$ 265,796

(a) Represents deferred tax liabilities related to tax-deductible goodwill and to identifiable intangibles created in nontaxable transactions, which are netted against goodwill and other intangibles when calculating CET1 capital.

(b) As of December 31, 2022 and 2021, includes a net benefit associated with cash flow hedges and debit valuation adjustments ("DVA") related to structured notes recorded in AOCI of \$5.2 billion and \$1.4 billion and the benefit from the CECL capital transition provisions of \$2.2 billion and \$2.9 billion, respectively.

(c) As of December 31, 2021, Other Tier 1 adjustments included \$2.0 billion of Series Z preferred stock called for redemption on December 31, 2021 and subsequently redeemed on February 1, 2022.

(d) Represents the allowance for credit losses eligible for inclusion in Tier 2 capital up to 1.25% of credit risk RWA, including the impact of the CECL capital transition provision with any excess deducted from RWA.

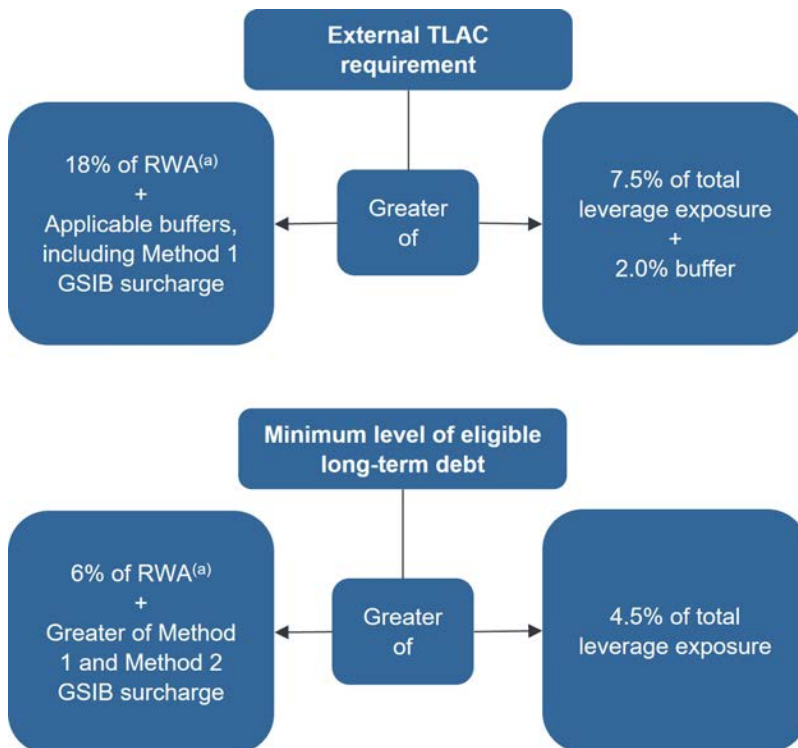
(e) Represents an adjustment to qualifying allowance for credit losses for the excess of eligible credit reserves over expected credit losses up to 0.6% of credit risk RWA, including the impact of the CECL capital transition provision with any excess deducted from RWA.

(f) Goodwill deducted from capital includes goodwill associated with equity method investments in nonconsolidated financial institutions based on regulatory requirements. Refer to Principal investment risk on page 130 of the 2022 Form 10-K for additional information.

Total Loss Absorbing Capacity (TLAC)

The Federal Reserve's TLAC rule requires the U.S. GSIB top-tier holding companies, including the firm, to maintain minimum levels of external TLAC and eligible long-term debt.

The external TLAC requirements and the minimum level of eligible long-term debt requirements are shown below:



(a) RWA is the greater of Standardized and Advanced compared to their respective regulatory capital ratio requirements.

Failure to maintain TLAC equal to or in excess of the regulatory minimum plus applicable buffers will result in limitations to the amount of capital that the firm may distribute, such as through dividends and common share repurchases, as well as on certain executive discretionary bonus payments.

Other Required Financial Information Disclosures in the Public Filing

Summary Financial Information

As of January 1, 2023, the regulatory requirement for TLAC to RWA and LTD to RWA ratios has increased by 50 bps to 23.0% and 10.0%, respectively, due to the increase in the firm's GSIB requirements. For information on the GSIB surcharge, refer to Risk-based Capital Regulatory Requirements on pages 89-90 in the 2022 Annual Report on Form 10-K.

The following table presents the eligible external TLAC and eligible LTD amounts, as well as a representation of the amounts as a percentage of the firm's total RWA and total leverage exposure applying the impact of the CECL capital transition provisions as of December 31, 2022 and 2021.

(in billions, except ratio)	December 31, 2022				December 31, 2021			
	External TLAC		LTD		External TLAC		LTD	
Total eligible amount	\$	486.0	\$	228.5	\$	464.6	\$	210.4
% of RWA		29.4%		13.8%		28.4%		12.8%
Regulatory requirements		22.5%		9.5%		22.5%		9.5%
Surplus/(shortfall)	\$	114.0	\$	71.4	\$	95.9	\$	54.7
% of total leverage exposure		11.1%		5.2%		10.2%		4.6%
Regulatory requirements		9.5%		4.5%		9.5%		4.5%
Surplus/(shortfall)	\$	71.2	\$	32.0	\$	30.3	\$	4.6

Refer to Liquidity Risk Management on pages 97-104 of the 2022 Annual Report on Form 10-K for further information on long-term debt issued by the parent company.

Refer to Part I, Item 1A: Risk Factors on pages 9-32 of the 2022 Annual Report on Form 10-K for information on the financial consequences to holders of the firm's debt and equity securities in a resolution scenario.

Glossary

Term	Definition
165(d)	Joint FDIC and Federal Reserve rule promulgated pursuant to Section 165(d) of the Dodd-Frank Act requiring the submission of resolution plans for certain bank holding companies and nonbank financial institutions
1934 Act	Securities Exchange Act of 1934
2022 Annual Report or 2022 Form 10-K	JPMC's annual report on Form 10-K for year ended December 31, 2022, filed with the SEC
2019 Final Guidance	Resolution planning guidance, which updated and superseded prior guidance, issued by the Agencies and published in the Federal Register in February 2019
2019 Submission or 2019 Resolution Plan	Resolution plan submitted by JPMC to the Agencies by July 1, 2019 pursuant to Section 165(d)
2021 Targeted Submission	A subset of JPMC's full resolution plan submitted by JPMC to the Agencies by July 1, 2021 pursuant to Section 165(d)
2023 Resolution Plan	Resolution plan submitted by JPMC to the Agencies by July 1, 2023 pursuant to Section 165(d)
ACH	Automated clearinghouse
Acquisition	The May 1, 2023 acquisition of the substantial majority of assets and assumed deposits and certain other liabilities of First Republic Bank from the FDIC
Advanced RWA	Risk-weighted assets determined using the Advanced Approach to Third Basel Accord by the Basel Committee on Banking Supervision
Agencies	The Federal Reserve and FDIC
Agency Feedback	Feedback on the firm's 2019 Submission which was provided in December 2019
ALCO	Asset Liability Committee
Asset & Wealth Management or AWM	Asset & Wealth Management line of business or Object of Sale, as indicated in this Public Filing
Asset Management or AM	Asset Management sub-line of business or Object of Sale, as indicated in this Public Filing
ATM	Automated teller machine
Auto	Auto sub-line of business, or JPMC's Auto Object of Sale
Banking	Banking sub-line of business
Banking & Wealth Management or BWM	Banking & Wealth Management sub-line of business or Object of Sale, as indicated in this Public Filing
Bankruptcy Playbook	Necessary actions for JPMorgan Chase & Co. (JPMC, the holding company of JPM Group) to expeditiously file for Chapter 11 Proceedings
Basel III	Third Basel Accord by the Basel Committee
Basel Committee	Basel Committee on Banking Supervision
BHC	Bank holding company
Board	Board of directors
Board Risk Committee	The risk policy committee of the JPMC board
Business as Usual or BAU	The period during which JPMorgan Chase is considered to be operating normally and none of the triggers associated with recovery or resolution plan actions have occurred
Capital Governance Committee	JPMC's committee that oversees the capital adequacy assessment process

Term	Definition
Capital and Liquidity Management	A function within the office of the CFO
Card Services	Credit Card sub-line of business or Object of Sale, as indicated in this Public Filing
CCAR	Comprehensive Capital Analysis and Review
CCO	JPMC's Chief Compliance Officer
CCOR	Compliance, Conduct, and Operations Risk
CDS	Credit Default Swap
CECL	Current Expected Credit Losses
CEO	JPMC's Chief Executive Officer
CET1	Common equity tier 1 capital, as defined in 12 C.F.R. Part 217
CFO	JPMC's Chief Financial Officer
CFTC	U.S. Commodity Futures Trading Commission
CHAPS	The Clearing House Automated Payment System
CHIPS	The Clearing House Interbank Payments System
CIO	Chief Investment Office
CLS	Continuous linked settlement
CLS Bank	CLS Bank International
CME	Chicago Mercantile Exchange Inc.
CoCos	Convertible bonds coupons issued to the private sector that are perpetual and generally have deferrable coupons. They are a form of debt which can be written-down or converted into equity to provide additional capital resources during a resolution event
Commercial Banking or CB	Commercial Banking line of business
Commercial Real Estate Banking	Commercial Real Estate Banking sub-line of business
Commercial Term Lending	Commercial Term Lending Object of Sale, as indicated in this Public Filing
Comprehensive Firmwide Crisis Management Framework	Framework to support the JPMC resolution plan, designed around our resolution strategy, capital and liquidity resources and operational resilience
Consumer & Community Banking or CCB	Consumer and Community Banking line of business
Consumer/Business Banking or CBB	Consumer/Business Banking sub-line of business
Consumer, Community & Commercial Banking	A new line of business formed during resolution by combining Commercial Banking and Consumer & Community Banking; Consumer, Community & Commercial Banking would then be divided into seven regional Objects of Sale
Contingency Capital Plan or CCP	Provides action plans for managing capital through stress events for all MLEs
Contingency Funding Plan of CFP	Provides an action plan for managing liquidity through stress events
Continuous Net Settlement	NSCC's core netting, allotting and fail-control engine; each security is netted to one position per participant, with NSCC as its central counterparty
Corporate	Corporate line of business
Corporate & Investment Bank or CIB	Corporate & Investment Bank line of business
Corporate Client Banking	Corporate Client Banking sub-line of business
Corporate Treasury	The firm's Corporate Treasury
Covered Entities	Entities covered by the QFC Regulations
COVID-19 pandemic	Global pandemic of coronavirus disease 2019, caused by the novel severe acute respiratory syndrome coronavirus 2

Term	Definition
Credit Support Annexes or CSAs	A document that defines the terms for the provision of collateral by the parties in derivatives transactions
Crisis Management Communications Plan	Communications framework with key stakeholders in a resolution event for the firm, all lines of business and all Critical Operations
Crisis Management Framework	Collective framework to support the JPMC resolution and recovery planning efforts, designed around our recovery plan, resolution strategy, capital and liquidity resources and operational resilience
Crisis Management Playbooks	Communications framework with key stakeholders in a resolution event for the firm, lines of business and Critical Operations
Critical Operations	An operation of JPM Group, including associated services, functions and support, the failure or discontinuance of which would pose a threat to the financial stability of the United States
Critical Services	Services deemed to provide material operational support to one or more Critical Operation or line of business
Critical Shared Services	Collectively the Critical Operations, which act as central utilities for the firm, certain Corporate or staff functions managed centrally for the benefit of the firm globally that support Critical Operations, and the essential, centrally managed line of business staff functions necessary to support the Critical Operations or another line of business
CRO	JPMC's Chief Risk Officer
CTC Risk Committee	CIO, Treasury and Corporate Risk Committee
Data Room	A secured electronic data repository containing objects of sale specific information to assist potential buyers with their assessment
DFAST	Dodd-Frank Act Stress Test
Discount Window	The Federal Reserve Discount Window
Divestiture Playbook	Assessment of potential acquirers, obstacles and mitigants and other relevant divestiture-related information for all identified Objects of Sale
Dodd-Frank Act	The Dodd-Frank Wall Street Reform and Consumer Protection Act
DTC	The Depository Trust Company
EBA Clearing	The trading name of ABE Clearing S.A.S
Edge Act	1919 Amendment to the Federal Reserve Act of 1913
EMEA	Europe, Middle East and Africa
Emergency Transfer Motion	An emergency motion to, among other things, transfer the interests of IHC to NewCo and the stock of JPMCB to IHC (and indirectly to NewCo and the Trust), to be filed immediately after commencement of JPMC's Chapter 11 Proceedings
Emergency Transfer Order	Draft form of order to be submitted to the bankruptcy court together with the Emergency Transfer Motion pursuant to which the court will approve the transfer of the IHC to NewCo and, thereafter, JPMCB to the IHC
EPN	Electronic Payments Network
Equities	Equities sub-line of business
EU	European Union
EUI	Euroclear UK & Ireland (formerly CREST)
Euroclear	Euroclear Bank
ETD	Exchange-traded derivatives
FDIC	Federal Deposit Insurance Corporation
FedACH	FedACH Services

Term	Definition
Federal Reserve	Board of Governors of the Federal Reserve System
Fedwire Funds	Fedwire Funds Service
Fedwire Securities	Fedwire Securities Service
FHLB	Federal Home Loan Banks
FICC	Fixed Income Clearing Corporation
Filing Preparation Period	Period that commences with the occurrence of a Filing Preparation Period Trigger and ends upon the onset of Resolution Weekend
Final Resolution Plan Rule	Final rule issued by the Agencies in October 2019 pursuant to Section 165(d), amending and restating the original 165(d) resolution planning rule
Fixed Income	Fixed Income sub-line of business
FMU	Financial market utility
FMU/Agent Bank Playbooks	Detailed playbooks to maintain continuity of access to FMUs and Agent Banks
FREs	Firmwide Risk Executives
FX	Foreign exchange
G10	Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Sweden, Switzerland, United Kingdom and United States
General Counsel	JPMC's General Counsel
Global Investment Banking	Global Investment Banking sub-line of business
Global Treasury	The Treasury function of JPMC within the Corporate Core Business Line
Global Private Bank	Asset Management sub-line of business or Object of Sale, as indicated in this Public Filing
Governance Playbooks	Documents that provide actions from BAU through resolution for boards and senior management for all MLEs
GSIB	Global systemically important bank
Guarantee Obligations	JPMC's guarantee or credit support obligations of certain Qualified Financial Contracts which the Covered Subsidiaries' counterparties will have the contractual right to close out based on the commencement of JPMC's bankruptcy case
Home Lending	Home Lending sub-line of business
HQLA	High-Quality Liquid Assets
HR	Human resources
Hypothetical Loss Scenario	Hypothetical scenario in which JPMorgan Chase is modeled for purposes of resolution planning to suffer extraordinary and severe capital losses and liquidity outflows
Hypothetical Resolution Scenario	JPM Group modeled hypothetical resolution scenario for the 2023 Resolution Plan
IDI	Insured depository institution
IHC	JPMorgan Chase Holdings LLC, our intermediate holding company
IHC Central Buffer	Additional liquidity and capital resources held at IHC to cover liquidity and capital needs in resolution, if needed
IHC Chain	IHC and subsidiaries
Independent Review Framework	For Liquidity Risk Management to evaluate liquidity management processes
IP	Intellectual property
IPO	Initial public offering
IRM	Independent Risk Management

Term	Definition
ISDA	International Swaps and Derivatives Association, Inc.
ISDA Master Agreements	Master agreement published by the International Swaps and Derivatives Association
ISDA Protocols	The 2018 ISDA U.S. Resolution Stay Protocol and 2015 ISDA Universal Resolution Stay Protocol
IT	Information technology
JPM Liquidity Stress Framework	Framework designed to measure liquidity risk to ensure that JPM Group has sufficient liquidity resources to meet minimum operating liquidity and peak cash outflows
JPMAME	JPMorgan Asset Management (Europe) S.a.r.l
JPMAMUK	JPMorgan Asset Management (UK) Limited
JPMC	JPMorgan Chase & Co.
JPMCB	JPMorgan Chase Bank, N.A.
JPMCB Bank Chain	JPMCB and its branches and subsidiaries
JPMCB London Branch	JPMorgan Chase Bank, N.A. London
JPMCB PGSC	JPMorgan Chase Bank, N.A. Philippine Global Service Center
JPMCH	JPMorgan Chase Holdings LLC
JPMDS	JPMorgan Distribution Services, Inc.
JPMIM	J.P. Morgan Investment Management Inc.
JPMorgan Chase or JPM Group	JPMC and its subsidiaries
JPMorgan Chase Recovery and Resolution Executive	A senior officer who has responsibility for resolution and recovery planning at JPMorgan Chase
JPMS LLC	J.P. Morgan Securities LLC
JPMS plc	J.P. Morgan Securities plc
JPMSIPL	J.P. Morgan Services India Private Limited
JPMSJ	JPMorgan Securities Japan Co., Ltd.
Jurisdictional Modular Protocol	ISDA Resolution Stay Jurisdictional Modular Protocol
Key Operating Entities	Material Legal Entities other than JPMC or IHC
LCH Ltd	LCH.Clearnet Limited
LCH SA	LCH.Clearnet SA
LCR	Liquidity coverage ratio
Legal Entity Rationalization or LER	Key resolution term for policies, procedures and governance around the firm's legal entity structure
Lending	Lending sub-line of business
LER Criteria	The factors used by JPMC to evaluate its legal entities from a resolvability perspective
Limit and Indicators Policy	JPMC's firmwide limit and indicator policy
Liquidity and Capital Contingency Playbooks	Firmwide and MLE level liquidity and capital contingency playbooks which detail out our liquidity and capital monitoring triggers through each of the stages of stress from Business as Usual through Resolution
LTD	Long-term debt
Material Legal Entity or MLE	A subsidiary or branch of JPMC that meets the definition of "material entity" under the relevant regulations
Merchant Services	Merchant Services Object of Sale, as indicated in this Public Filing
Middle Market Banking	Middle Market Banking sub-line of business
MIS	Management Information Systems
Mortgage Servicing Rights	Mortgage Servicing Object of Sale

Term	Definition
NewCo	A holding company subsidiary of JPMC with no third-party debt created to receive and hold the interests of IHC after the failure of JPMC
NSCC	National Securities Clearing Corporation
Objects of Sale	Components of JPM Group's businesses that JPMC believes are the most promising to be absorbed by the market in a timely and orderly manner in the case of its resolution
Objects of Unwind	Components of JPM Group's businesses that JPMC believes would be unwound in the case of its resolution
OCC	Office of the Comptroller of the Currency
Office of the CFO	Office of the JPMC Chief Financial Officer
Operating Committee	JPMC's operating committee
OTC	Over the counter
Other Corporate	Sub-segment of Corporate line of business; includes corporate staff units and expense that is centrally managed
Parent Final Contribution	JPMC's final contribution to IHC of nearly all of its remaining assets (with the exception of a holdback and certain excluded assets, including shares of JPMCB and interests of IHC) under the Support Agreement upon the occurrence of a Point of Non-Viability
Paymentech	Paymentech, LLC
Payments	Payments sub-line of business
Point of Non-Viability	The point in time in material financial distress at which sufficient financial resources still remain at the Key Operating Entities and IHC to carry out the Single Point of Entry strategy. This event is related to the secured Support Agreement, which contractually obligates our parent company to downstream resources to IHC at the Point of Non Viability, thereby assisting in timing our parent company's bankruptcy filing appropriately to preserve the continued viability of our Key Operating Entities.
Portfolio of Auto Loans	Portfolio of Auto Loans Object of Sale
Portfolio of CTL Loans	Portfolio of CTL Loans Object of Sale
Portfolio of Non-Trust Credit Card Loans	Portfolio of Non-Trust Credit Card Loans Object of Sale
Post-Resolution Event Period	The period beginning on the first business day after JPMC files for bankruptcy and lasting until JPMC's Chapter 11 Proceedings are concluded
Preferred Strategy	Single Point of Entry resolution strategy underlying the resolution plan
Prime Finance	Prime Finance sub-line of business or Object of Sale, as indicated in the public filing
Prime Brokerage Account Transfer Playbook	Playbook with specific steps by which JPM Group would timely and orderly transfer prime brokerage accounts to peer prime brokers
Public Filing	This public section portion of the 2023 Resolution Plan
Qualified Financial Contracts	Certain common financial transactions such as agreements for derivatives, securities lending transactions and repurchase, or repo, transactions, subject to the ISDA Protocol
Qualified Financial Contracts Stay Rules	Rules adopted by the U.S. banking regulators to facilitate the orderly reorganization or resolution of systemically important financial institutions
RBC	Royal Bank of Canada
Resolution Capital Adequacy and Positioning or RCAP	Resolution capital adequacy and positioning, which means the total loss-absorbing capacity of JPM Group

Term	Definition
Resolution Capital Execution Need or RCEN	Resolution capital execution need, which means the amount of capital that JPMC (or an MLE) requires in order to maintain market confidence as required under the Preferred Strategy. Specifically, capital levels should meet or exceed all applicable regulatory capital requirements for “well capitalized” status and meet all estimated additional capital needs throughout a resolution scenario. MLEs that are not subject to capital requirements may be considered sufficiently recapitalized when they have achieved capital levels typically required to obtain an investment grade credit rating or, if the entity is not rated, an equivalent level of financial soundness.
Real Estate Portfolios	Real Estate Portfolios sub-line of business
Recovery Period	The period following the Stress Period and during which the recovery plan is formally activated
Recovery Plan	A comprehensive plan detailing the actions JPM Group would take to avoid failure by staying well-capitalized and well-funded in the case of an adverse event
Resolution Period	The period that begins immediately after JPMC’s bankruptcy filing and extends through the completion of the Preferred Strategy
Resolution Weekend	The period following the Filing Preparation Period and lasting until JPMC commences Chapter 11 Proceedings
Restricted Liquidity Framework	Framework within the JPMC legal entity stress framework for funding frictions which assesses jurisdictional, operational, counterparty and tax frictions
Resolution Liquidity Adequacy and Positioning or RLAP	Resolution liquidity adequacy and positioning, which means an appropriate model and process for estimating and maintaining sufficient liquidity at, or readily available to, MLEs in resolution
Resolution Liquidity Execution Need or RLEN	Projection of resolution liquidity execution need, which means the total liquidity needed, as calculated, to satisfy a Supported Subsidiary’s peak funding needs and minimum operating liquidity throughout a full implementation of the Preferred Strategy, taking into account intercompany funding frictions, and to continue uninterrupted operation throughout such period, or, if applicable, to implement an orderly wind-down consistent with the resolution plan
RWA	Risk-weighted Assets
SCB	Stress Capital Buffer
SEC	U.S. Securities and Exchange Commission
Section 165(d)	Section 165(d) of the Dodd-Frank Act requiring the submission of resolution plans for certain bank holding companies and nonbank financial institutions, including the implementing regulations promulgated by the FDIC and the Federal Reserve thereunder
Securities Services	Securities Services sub-line of business or Object of Sale, as indicated in this Public Filing
Severely Adverse	One of three hypothetical, supervisory scenarios used by the Federal Reserve in supervisory stress testing
Shortcomings	Weaknesses or gaps that are not Deficiencies (as defined in 165(d)), but which raise questions as to the feasibility or operationalization of the Resolution Plan. JPMC remedied its shortcomings in the 2019 resolution plan
Single Point of Entry or SPOE	Single point of entry resolution strategy where the parent company files for bankruptcy and subsidiaries receive capital and liquidity support to continue operations
SLR	Supplementary leverage ratio

Term	Definition
Stabilization Period	A period in the Post-Resolution Event Period
Stage Triggers	JPM Group liquidity and capital triggers defining the start of each stage from Business as Usual through resolution
Standardized RWA	Risk-weighted assets determined using the Standardized Approach to Third Basel Accord by the Basel Committee on Banking Supervision
Stress Period	The period beginning upon the occurrence of a Stress Period Trigger and ending upon the onset of the Filing Preparation Period
Support Agreement	Secured support agreement pursuant to which IHC and JPMCB, as applicable, will provide capital and/or liquidity support to the Key Operating Entities
Support Period	The period during which a Key Operating Entity may receive a capital and/or liquidity support pursuant to, and in accordance with the terms of, the Support Agreement
Support Trigger	A point during the Support Period at which a Supported MLE has a projected near-term shortfall in capital or liquidity
Supported Subsidiary	Direct and indirect subsidiaries of JPMC that may receive support pursuant to the Support Agreement
SWIFT	The Society for Worldwide Interbank Financial Telecommunication
TARGET2	Trans-European Automated Real-time Gross Settlement Express Transfer
TCE	Tangible Common Equity
The Clearing House	The Clearing House Payments Company LLC
Tier 1 Common Equity	Tier 1 capital, as defined in 12 C.F.R. Part 217
Title II	Title II of the Dodd-Frank Act
TLAC	Total loss-absorbing capacity
Treasurer Committee	Committee comprised of the various LOB Treasurers
Treasury and CIO	Treasury and CIO sub-line of business
Trust	An independent private trust overseen by a trustee approved by a bankruptcy court solely for the benefit of the JPMC's Chapter 11 estate
U.K.	United Kingdom
U.S. Bankruptcy Code	Title 11 of the United States Code
U.S. GAAP	The SEC's Generally Accepted Accounting Principles
U.S. Treasuries	Securities issued by the U.S. Treasury
U.S. Treasury	U.S. Department of the Treasury

