2018

JPMorgan Chase Bank, N.A.
Insured Depository Institution
Resolution Plan Public Filing

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Introduction

Defined terms are capitalized and may be found in the Glossary beginning on page 72.

This document represents the public section of the JPMCB and CUSA bank resolution plans under the Federal Deposit Insurance Act. It is being filed pursuant to a Federal Deposit Insurance Corporation Rule that requires insured depository institutions with assets of $50 billion or more to submit periodically to the FDIC a resolution plan under the FDI Act, which we refer to as the IDI Rule. JPMCB and CUSA also submitted on June 22, 2018 a confidential section of each of their 2018 IDI Resolution Plans.

Separately, JPMorgan Chase & Co., which we refer to together with its subsidiaries as JPMC or the Firm, filed its latest version of the Firm's resolution plan under the U.S. Bankruptcy Code with the Federal Reserve and the FDIC on June 27, 2017. This plan is pursuant to a requirement under Title I of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The Firm received feedback on December 19, 2017 that it had no deficiencies or shortcomings in its Title I Resolution Plan and that the next submission was deferred to July 1, 2019. The Title I Resolution Plan is the Firm's road map for how its core businesses and operations would continue to operate or be wound down in an orderly manner, in a resolution event without jeopardizing the economy or global financial markets, or requiring any extraordinary government assistance or taxpayer support. A key element of the Title I Resolution Plan is the Firm's Preferred Resolution Strategy, which is a Single Point of Entry strategy where its Material Legal Entities, which are the key operating subsidiaries including JPMCB and CUSA, are recapitalized in resolution if necessary. The Firm believes the Single Point of Entry strategy is the optimal approach to resolve the Firm, JPMCB and CUSA in a resolution scenario. However, the IDI Rule requires Covered IDIs to submit separate resolution plans that do not contemplate recapitalization, but rather focus on how the FDIC could alternatively resolve an IDI in a proceeding under the FDI Act through a variety of divestiture and liquidation transactions.

JPMorgan Chase & Co., a financial holding company incorporated under Delaware law in 1968, is a leading global financial services firm and one of the largest banking institutions in the United States, with operations worldwide; the Firm had $2.6 trillion in assets and $256.2 billion in stockholders' equity as of March 31, 2018. 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, the Firm serves millions of customers in the United States and many of the world's most prominent corporate, institutional and government clients.

The Firm's principal bank subsidiaries are JPMCB, a national banking association with U.S. branches in 23 states, and CUSA, a national banking association that is the Firm's principal credit card-issuing bank. The Firm's principal non-bank subsidiary is J.P. Morgan Securities LLC, a U.S. broker-dealer. The bank and non-bank subsidiaries of the Firm operate nationally as well as through overseas branches and subsidiaries, representative offices and subsidiary foreign banks. The Firm's principal operating subsidiary in the United Kingdom is JPMS plc, a subsidiary of JPMCB.

The FDIC has, by rule and through the supervisory process, prescribed the assumptions, required approach and scope for resolution plans submitted under the IDI Rule, including the requirements for this public section. The 2018 IDI Resolution Plans reflect the actions that the Firm, JPMCB and CUSA believe it and other stakeholders could take in an FDI Act proceeding, but is hypothetical, and not binding upon the Firm, JPMCB and CUSA, a bankruptcy court, the FDIC or any other resolution, regulatory or supervisory authority.

Since last submitting the IDI Resolution Plans in 2015, the Firm has made a significant number of key enhancements to the Firm's, JPMCB's and CUSA's resolvability. Specifically, the Firm, JPMCB and/or CUSA have:

- increased the certainty and timeliness that the Firm's Material Legal Entities in resolution would receive incremental liquidity and capital in a resolution event;
- established an intermediate holding company with no third-party debt, and executed a secured Support Agreement for the benefit of the Firm's Material Legal Entities;
- prepositioned financial resources at the legal entity level or centrally at the intermediate holding company to meet the resolution capital and liquidity needs of the Firm's Material Legal Entities;
- developed Governance Playbooks for each Material Legal Entity;

- provided meaningful flexibility and optionality for separability in resolution by developing Divestiture Playbooks and data rooms for identified Objects of Sale;
- streamlined and simplified the Firm's legal entity structure, created new legal entity rationalization criteria and applied the criteria across all entities;
- incorporated an active unwind strategy for the Firm's derivative and trading positions in its Preferred Resolution Strategy, and separately analyzed the effects of a passive unwind;
- developed numerous crisis management and operational playbooks;
- developed a Bankruptcy Playbook and drafted emergency motions and filing papers;
- enhanced the Firm's operational capabilities to ensure it can produce and access key information on-demand in a crisis;
- simplified the Firm's booking models and enhanced governance;
- simplified the ownership, funding and guarantee structure for JPMS plc, a U.K. banking subsidiary of JPMCB;
- enhanced JPMCB's and CUSA's Critical Services analyses; and
- enhanced Firmwide recovery planning including addressing U.S. bank recovery requirements. The Firm, JPMCB and CUSA believe recovery planning is an important tool to avoid failure.

Additionally, since 2015, the Firm has invested substantial senior management and employee time and resources enhancing and simplifying the Firm's operating processes, governance, reporting, controls, infrastructure, capabilities, resolvability and support functions. Collectively, these enhancements make it dramatically less likely that the Firm, JPMCB or CUSA would enter resolution, and make it easier to execute upon its Single Point of Entry strategy if the Firm did fail. The majority of the enhancements are Firmwide and cover all lines of business and support functions.

Overview

Defined terms are capitalized and may be found in the Glossary beginning on page 72.

JPMCB and CUSA are pleased to present the banks' 2018 IDI Resolution Plan Public Filings. The banks filed their respective, confidential IDI resolution plans with the FDIC in June 2018. Those plans provide a road map for how each bank's core businesses and operations could continue to operate until they are sold or wound down in an orderly manner in a resolution event where the FDIC exercises its powers under the FDI Act. These plans differ from JPMC's Title I Resolution Plan and the Firm's Preferred Resolution Strategy, which is a Single Point of Entry strategy, where JPMCB and CUSA are recapitalized while JPMC fails and enters Chapter 11 bankruptcy proceedings. Under the IDI Rule, the FDIC requires larger banks to prepare a separate plan in case the FDIC needs to alternatively resolve the banks in a traditional FDI Act proceeding. This Public Filing is a high-level overview of those detailed, confidential plans.

The Public Section of the Firm's 2017 Title I Resolution Plan provides more information about the Firm's resolvability and can be found here: https://www.jpmorganchase.com/corporate/investor-relations/document/resolution-plan-2017.pdf

The banks last filed IDI Resolution Plans in September 2015. As required by the FDIC, this is our next submission.

The banks have had constructive dialogue with the FDIC about JPMCB's and CUSA's efforts to make meaningful resolvability improvements and have undertaken to not only meet, but exceed, the requirements set out by the FDIC for IDI Resolution Plans. The Firm is well positioned financially, with approximately $370 billion in Firmwide loss absorbing resources and $560 billion of Firmwide high quality liquid assets to withstand a variety of extreme loss scenarios. In developing and delivering their 2018 IDI Resolution Plans, JPMCB and CUSA believe that:

- their 2018 IDI Resolution Plans each respond fully to all feedback received to date from the FDIC and address aggregate standalone bank resolution planning requirements published by the FDIC;
- their 2018 IDI Resolution Plans each meet the high standards established by the Firm for addressing their resolvability;
- each have appropriate triggers, governance and reporting capabilities in place, coupled with the operational capabilities necessary to execute their resolution plans if ever needed; and
- their IDI resolution-based assumptions and options are appropriately conservative and are meaningfully supported through robust governance, review and challenge.

Taken together, JPMCB and CUSA believe that these elements evidence that the 2018 IDI Resolution Plans provide the basis to enable the FDIC to resolve each IDI in a manner that maximizes the proceeds received from the sales of their respective assets and businesses, limits if not eliminates losses to be borne by the Deposit Insurance Fund and minimizes the amount of time the FDIC must manage the IDIs in receivership all while ensuring access to insured deposits for customers within a maximum of two business days.

This Public Filing provides an expanded overview of:

- JPMCB's and CUSA's resolution planning;
- how JPMCB and CUSA are resolvable in an FDI Act proceeding;
- key enhancements made to JPMCB's and CUSA's resolvability;
- key facts and information about JPMCB and CUSA; and
- other information disclosures required for IDI Resolution Plan Public Filings.

How JPMCB and CUSA can be Resolved in an FDI Act Proceeding

High-Level Overview of Resolution Strategy

Defined terms are capitalized and may be found in the Glossary beginning on page 72.

Title I Preferred Resolution Strategy

The Firm's most recent resolution plan filing was its 2017 Title I Resolution Plan. The 2017 Title I Resolution Plan is designed to provide for the rapid and orderly resolution of the Firm under the U.S. Bankruptcy Code in a way that would not pose systemic risk to the U.S. or global financial system. The Firm's 2017 Title I Resolution Plan outlines how the resolution of JPMorgan Chase can be accomplished without resorting to the extraordinary resolution powers available to the FDIC under Title II, and would involve neither extraordinary government support nor taxpayer loss.

The Public Section of the Firm's 2017 Title I Resolution Plan provides more information about the Firm's resolvability and can be found here:
https://www.jpmorganchase.com/corporate/investor-relations/document/resolution-plan-2017.pdf

In December 2017, the Agencies provided joint feedback on the Firm's 2017 Title I Resolution Plan noting that they identified no deficiencies and no shortcomings in the submission. The next Title I Resolution Plan is due July 1, 2019.

The related press release from the Agencies may be found at:
https://www.fdic.gov/news/news/press/2017/pr17099.html

The joint feedback letter to JPMorgan Chase also may be found at:
https://www.federalreserve.gov/newsevents/pressreleases/files/bcreg20171219a5.pdf

The Firm believes that its Preferred Resolution Strategy, as documented within its 2017 Title I Resolution Plan, is credible and that it is operationally prepared to successfully execute that Single Point of Entry strategy. Over the past five years, the Firm has focused on enhancing the optionality of resolution strategies and actions available, all without taxpayer cost and government funding. The Firm has focused on further developing an implementation plan around its Title I Preferred Resolution Strategy and at the same time has focused efforts to enhance alternative resolution strategies and preparedness for a variety of actions. The Firm has now embedded resolvability factors into business-as-usual decision making and processes. Furthermore, the Firm has executed on a variety of de-risking actions as well as a significant simplification agenda that continues to be a focus at the Firm.

While the Firm believes that it can be satisfactorily resolved applying different resolution strategies, structures and actions, the Firm is nevertheless continually focused on initiatives to further enhance its resolvability and optionality. The Firm's ongoing business simplification initiatives include merging and eliminating legal entities, adhering to its legal entity principles and framework, automating or enhancing the efficiency of various management reporting systems and processes and simplifying interaffiliate connectivity.

The Firm has demonstrated that it has a deep and experienced management team with crisis credentials and a crisis management framework informed by the Firm's experience throughout 2008-2009 and subsequent events. The Firm continues to adapt to new regulatory and industry requirements, some of which have yielded material improvements in overall resolvability. The Firm believes that it would have the strategy, resources, expertise, talent and fortitude to resolve itself in the highly unlikely event that it became necessary to execute on the Firm's Title I Preferred Resolution.

IDI Rule Required Strategies

In the unlikely event that JPMC could not be resolved pursuant to the Firm's Title I Preferred Resolution Strategy or, in the alternative under Title II, the Firm believes that JPMCB and CUSA could be resolved through the FDIC's exercise of its receivership and bridge bank powers under the FDI Act. The IDI Rule specifically requires larger banks to prepare bank-only resolution plans under the FDI Act that assume that the bank has failed and enable the FDIC to resolve the IDI in a manner that:

- ensures that depositors receive access to their insured deposits within one business day of the IDI's failure (two business days if the failure occurs on a day other than Friday);
- maximizes the net present value return from the sale or disposition of the IDI's assets;
- minimizes the amount of any loss realized by creditors in the resolution; and
- minimizes the period of time for which the FDIC will need to maintain the IDI receivership or hold a beneficial interest in and be responsible for the operation of a bridge bank.

In addition to the IDI Rule, in 2014 the FDIC issued guidance regarding IDI Resolution Plans. This 2014 Guidance requires IDI resolution plans to focus on how the FDIC could resolve a Covered

IDI in a proceeding under the FDI Act through a variety of divestiture and liquidation transactions. Pursuant to the guidance, the IDI Resolution Plans for JPMCB and CUSA describe how each could be resolved in an FDI Act proceeding through a series of transactions through which each bank's deposit franchise, core business lines and major assets are sold to multiple acquirers or liquidated. The FDIC guidance requires that this Multiple Acquirer Strategy be accomplished through a combination of transactions including purchase and assumption, initial public offering of securities, and liquidation. In addition to this Multiple Acquirer Strategy, the FDIC guidance requires an analysis of a liquidation strategy, through which the FDIC could liquidate the IDI, including a payout of insured deposits.

Similar to how the Agencies have acted with respect to Title I resolution plans, the FDIC has, by rule, through guidance and the supervisory process, prescribed the assumptions, required approach and scope for resolution plans submitted under the IDI Rule. Requirements from the 2014 Guidance include the design of a hypothetical failure scenario identifying idiosyncratic loss events that would result in capital and liquidity impairments of a magnitude that would necessitate the commencement of proceedings under the FDI Act for JPMCB and CUSA.

JPMCB and CUSA considered many alternatives to comply with the 2014 Guidance. While the Multiple Acquirer Strategy was designed to respond to and address a hypothetical failure scenario, each bank has carefully evaluated and analyzed its assets and all of its businesses as potential divestiture opportunities and believes that there would be many alternatives in an actual resolution event. The hypothetical failure scenario for each bank could have been designed in multiple ways with different losses, outflows and assumptions that could have resulted in alternative strategic choices and actions.

Since 2015, the Firm has designated components of its businesses that can be sold or otherwise divested which are identified as Objects of Sale. Objects of Sale are defined as combinations of lines of business, sub-lines of business and assets that are the most attractive sale, spin-off or IPO candidates. These 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. The Firm has carefully analyzed its Objects of Sale, including potential obstacles to their divestiture, and completed many initiatives so that it is fully prepared to quickly divest each Object of Sale, even in a crisis and has incorporated this analysis into the respective IDI's Multiple Acquirer Strategies.

JPMCB IDI Strategy

Under the Multiple Acquirer Strategy for JPMCB, the FDIC could transfer virtually all of JPMCB's assets and liabilities to a newly-chartered bridge bank, leaving behind only unsecured debt in the receivership estate. The bridge bank would continue to operate all of JPMCB's businesses.

Under the hypothetical bridge bank scenario, the FDIC would combine JPMCB's Consumer and Community Banking (excluding Credit Card) and Commercial Banking businesses to be divested through an IPO in one or more securities offerings. Associated critical services and personnel would be included with this IPO to support the combined businesses as a standalone entity. The FDIC would maximize the value of JPMCB's other businesses through a combination of other divestiture transactions and liquidations. The Firm believes that the FDIC could implement the Multiple Acquirer Strategy without use of or loss to the FDIC Deposit Insurance Fund.

CUSA IDI Strategy

Under the Multiple Acquirer Strategy for CUSA, the FDIC could transfer virtually all of CUSA's assets and liabilities to a newly-chartered bridge bank, leaving behind only unsecured debt in the receivership estate. The bridge bank would continue to operate all of CUSA's businesses.

Under the hypothetical bridge bank scenario, the FDIC could IPO CUSA's Credit Card business with optionality to sell a portfolio of non-trust credit loans. Associated critical services and personnel would be included with this IPO to support the businesses as a standalone entity. The FDIC would maximize the value of CUSA's businesses through a combination of these divestiture transactions, one or more securities offerings and liquidations. The Firm believes that the FDIC could implement the Multiple Acquirer Strategy without use of or loss to the FDIC Deposit Insurance Fund.

Analysis of Divesture Options Under the Multiple Acquirer Strategy

The Firm has incorporated several enhancements to our resolution planning that impact JPMCB's and CUSA's Multiple Acquirer Strategies. In particular, we have enhanced the options for the Firm's and consequently the IDIs' separability, by defining a framework for evaluating the optimal components that could be separated during BAU and in a resolution event. In 2016, the Firm's CIB Advisory team conducted a new analysis to identify the best approach for breaking up our various lines of business, sub-lines of business, portfolios and assets in resolution or recovery into the most attractive sale, spin-off, or IPO candidates, irrespective of organizational structure. Based on that analysis, we now have identified 21 Firmwide Objects of Sale and 5 Firmwide Objects of Unwind.

Each of these Objects of Sale and Objects of Unwind can be executed upon in a resolution scenario, including a FDIC receivership of JPMCB or CUSA, to complete a successful resolution. Those Objects of Sale and Objects of Unwind that constitute franchise components of JPMCB and CUSA are reflected in Figure 1 and Figure 2 below.

To support the Multiple Acquirer Strategies for JPMCB and CUSA, the Firm has developed a firmwide actionable strategy to enable the divestiture of one or more of its Objects of Sale in a timely and orderly manner while ensuring continuity of operations. The strategy encompasses work conducted by teams across the Firm with significant business involvement to ensure a tailored and robust approach to divestiture under a wide range of potential divestiture scenarios. The strategies have been updated and refined to consider their direct impact on the IDIs and incorporated into the 2018 IDI Resolution Plans.

The divestiture strategy for these Objects of Sale is founded on achieving three key goals:

- ensuring meaningful optionality;
- promoting actionability; and
- supporting separability and minimizing obstacles.

We have leveraged the work undertaken in 2016 and 2017 as part of preparing our Firmwide Title I Resolution Plans to meet the requirements set forth under the IDI Rule. Each of the Firmwide Objects of Sale analyses, including the related Divestiture Playbooks and the Divestiture Data Rooms, have been updated as of December 31, 2017. The Public Section of the Firm's 2017 Title I Resolution Plan provides more information on the methodology and approach. In addition, the overall analysis for the Firmwide Objects of Sale has been enhanced for the IDI Resolution Plans.

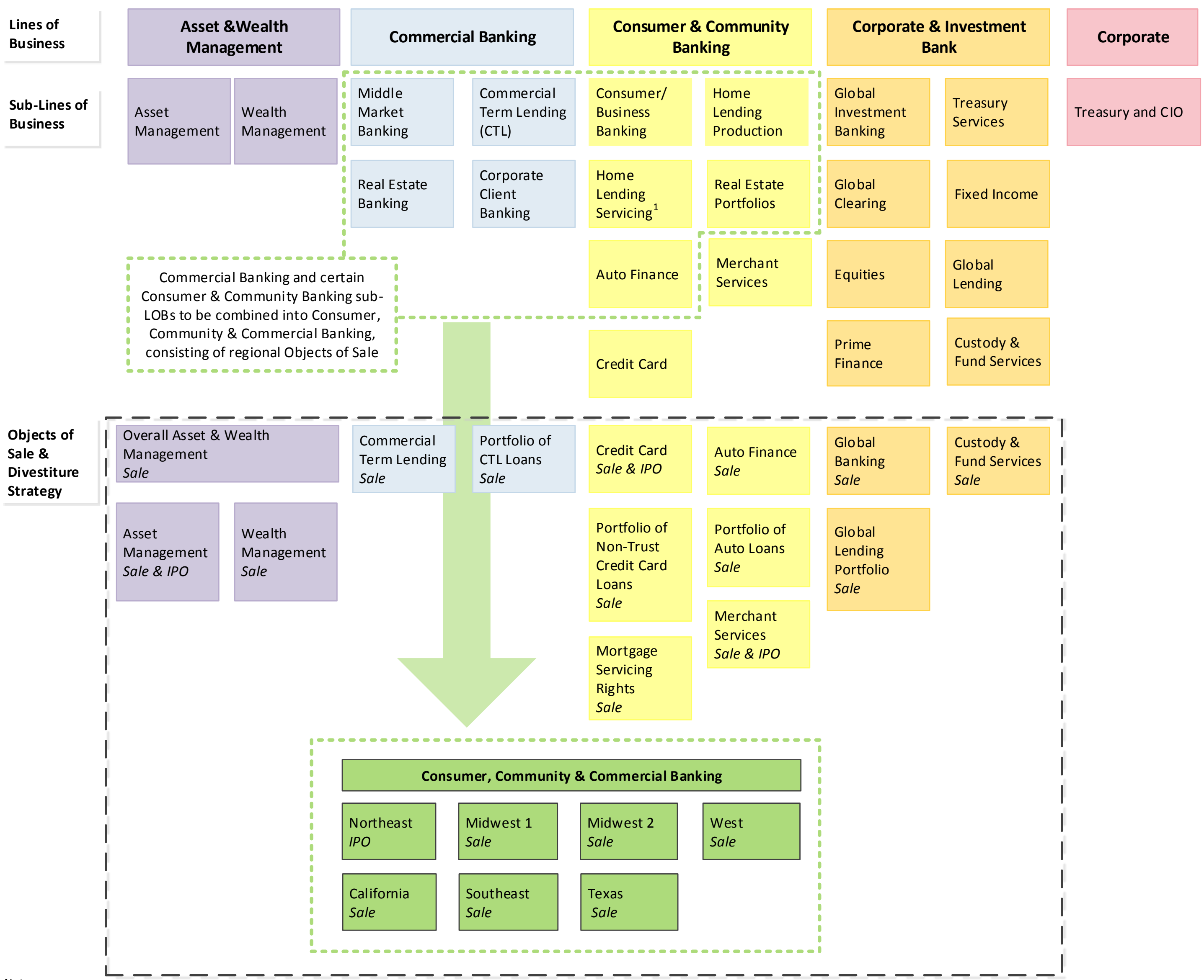
Significant efforts have been undertaken to ensure that the divestitures contemplated could be accomplished in a timely and orderly manner. Such efforts include but are not limited to:

- a fully developed strategy, including a Multiple Acquirer Strategy for each IDI;
- a detailed description of the processes the IDIs employ for assessing the feasibility of the IDIs' plans, under baseline, adverse and severely adverse economic condition scenarios for executing any sales, divestitures, restructurings, recapitalizations, or similar actions contemplated in the 2018 IDI Resolution Plans;
- a detailed description of the process the IDIs employ to value Core Business Lines (including franchise value) and asset portfolios and key drivers of value for each component;
- a list of potential acquirers, including the rationale for why the acquisition is attractive strategically and/or financially for the acquirer;
- identification of potential obstacles to divestiture, including a detailed analysis of the structural and operational challenges related to the divestiture, and associated mitigants;
- in the context of each Object of Sale, the market conditions, size and scale of operations, as well as obstacles to separation and transfer;
- the time required to execute each divestiture;
- any prerequisite actions required for the divestitures and time required for each action; and
- an identification and analysis of the remaining franchise components not identified as Objects of Sale, which are referred to as Objects of Unwind.

We believe that acting upon these identified divestiture opportunities, coupled with other management actions taken to increase liquidity and capital, will accomplish the primary objectives of the IDI Rule.

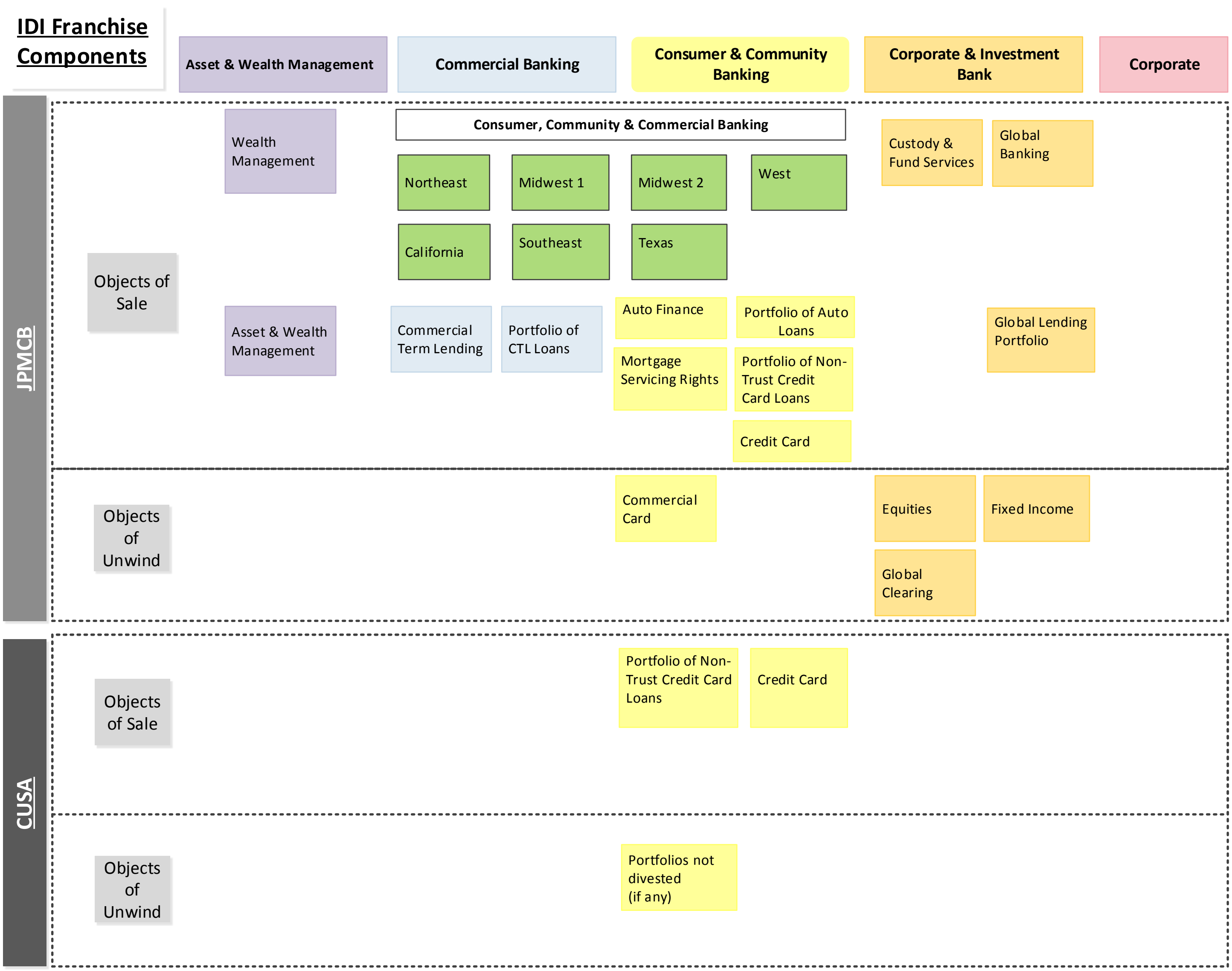
The following tables describe the Firm's Objects of Sale and Objects of Unwind along with how it aligned those Objects of Sale with each IDI's Multiple Acquirer Strategy.

Figure 1. Firmwide Objects of Sale



Note:
1. MSR's excluded from Regions

Figure 2. IDI Objects of Sale and Unwind



Enhancements to Resolvability

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Enhancements

Defined terms are capitalized and may be found in the Glossary beginning on page 72.

The Firm has been focused on bolstering and enhancing its overall resolvability since the financial crisis with a particular focus on core elements of the Firm's resolution plans including:

- capital;
- liquidity and funding;
- governance;
- divestiture readiness, separability and optionality;
- derivatives and trading activities;
- legal entity rationalization and business simplification; and
- operational capabilities and readiness.

Since the financial crisis, JPMC has made approximately 1,200 enhancements to the Firm to meaningfully raise the bar on its resolvability and optionality in a resolution scenario and to embed recovery and resolution planning into its day-to-day management, decision-making, governance and strategic priorities. The Firm has invested substantial senior management and employee time and billions of dollars enhancing and simplifying its operating processes, governance, reporting, controls, infrastructure, capabilities, resolvability and support functions. All of these enhancements have an impact throughout the Firm and most impact JPMCB and CUSA. Highlights of some of the most significant resolvability enhancements since the financial crisis are as follows:

Capital

- Increased Firm's Tier 1 Common Equity approximately $19 billion from year-end 2014 to year-end 2017
- Established a comprehensive capital monitoring trigger framework for the Firm to monitor key capital metrics from Business as Usual through the Stress Period and Recovery Period and ultimately to Resolution
- Developed and implemented in BAU, capital frameworks for the sizing of resolution capital resources and needs (RCAP/RCEN)
- Prepositioned resources at Material Legal Entities and at JPMCH to ensure sufficient resources, subject to regulatory approval, available to fund recapitalizations of Material Legal Entities in the Firm's Title I Preferred Resolution Strategy
- Enhanced capital reporting capabilities
- Updated and augmented MLE capital management policies
- Developed risk appetite framework, including thresholds, limits and escalation protocols
- Developed and enhanced CCAR/DFAST capabilities, including development of independent challenge function

Liquidity and Funding

- Increased Firm's HQLA from approximately $341 billion in 2012 to approximately $560 billion in 2017
- Continued to replace short term funding with long term funding where required/appropriate
- Developed and implemented robust framework designed to ensure the Firm and IDIs could survive a severe market and idiosyncratic liquidity stress event
- Expanded JPM Liquidity Stress Framework to cover resolution liquidity resources and execution needs (RLAP/RLEN)
- Prepositioned liquidity at Material Legal Entities and at JPMCH to ensure sufficient resources available to fund the Firm's Title I Preferred Resolution Strategy
- Established a comprehensive liquidity trigger framework to monitor from BAU to the Stress Period to the Recovery Period and to Resolution
- Implemented firmwide intraday liquidity framework, improved ability to manage liquidity risk and reduced intraday liquidity facilities
- Simplified intercompany liquidity and funding flows and interconnectedness

- Automated the Firm's internal liquidity stress with daily capabilities
- Complied with resolution clean holding company requirements
- Enhanced the Firm's internal liquidity stress framework with emphasis on intercompany funding arrangements
- Continued enhancements on the legal entity restricted liquidity framework
- Updated Treasury's Intercompany Funding Policy to increase granularity of pre-trade approvals for Material Legal Entities

Governance

- Executed secured Support Agreement to provide for funding and capital resources to MLEs from a newly established intermediate holding company
- Created Governance Playbooks for all Material Legal Entities
- Developed new Bankruptcy Playbook, drafted Emergency Transfer Motion and First Day Papers
- Developed crisis management playbooks
- Established firmwide and line of business / Critical Operation / functional recovery and resolution governance leaders and executive steering committee

Divestiture Readiness, Separability and Optionality

- Objectively identified and analyzed most attractive sale, IPO/spin-off candidates—Objects of Sale—to enhance optionality
- Conducted comprehensive market analysis of potential buyers, including acquirer capacity
- Created Divestiture Playbooks and data rooms for identified Objects of Sale, as well as a divestiture playbook summary
- Conducted valuations under different market conditions
- Outlined process for divestiture
- Assessed obstacles and mitigants for separability
- Assessed legal entity structures to support divestiture optionality
- Developed carve-out financial statements for Objects of Sale and IPO carve-out financial statements for select Objects of Sale

Derivatives and Trading Activities

- Established framework and automated process to facilitate a robust analysis of active and passive derivatives wind-down scenarios
- Conducted active unwind analysis of the Firm's derivatives, incorporated into Title I Preferred Resolution Strategy and associated costs into the Firm's resolution capital and liquidity needs. This analysis also incorporated into 2018 IDI Resolution Plan
- Conducted separate passive unwind of the Firm's derivatives portfolio which assumes run-off from maturities, and anticipated client-directed terminations
- Developed Rating Agency Playbooks for the Firm's most significant derivative entities
- Adherents to the ISDA Protocol and associated Jurisdictional Modular Protocols for derivatives and certain non-derivatives Qualified Financial Contracts
- Completed analysis of operational capabilities to ensure timely and orderly transfer of prime brokerage customer accounts
- Enhanced firmwide booking model flows and controls documentation
- Approved list of legal entities agreed for client facing and risk management derivatives
- Established legal entity booking model governance forum
- Enhanced reporting capabilities for QFC stay protocol adherence
- Evolved residual portfolio logic resulting in a 30% decline in the residual portfolio that would remain at the end of the active wind down

- Enhanced documentation of firmwide legal entity derivatives booking model flows to include more comprehensive business-level detail
- Harmonized wind down methodology used to meet the requirements of various cross jurisdictional regulatory bodies

Legal Entity Rationalization and Business Simplification

- Enhanced governance over legal entities
- Enhanced the Firm's global legal entity risk oversight and reporting
- Instituted detailed and actionable LER Criteria appropriately focused on resolvability
- Implemented LER Criteria in firmwide business-as-usual governance, policies and procedures
- Completed strategic assessments of all legal entities not identified as candidates for elimination against the LER Criteria
- Eliminated four Material Legal Entities
- Simplified the ownership and funding structure and derivatives booking model for JPMS plc
- Exited a significant number of businesses, including physical commodities, private equity, retirement plan services, student loan portfolio, Carlson Wagonlit, international commercial card, various Asset & Wealth Management non-core fund businesses, Issuing and Paying Agent businesses, and U.K. transfer agency
- Executed significant business simplification efforts (e.g., enhancements to businesses to further support divestiture readiness, ceasing student loan originations, reducing number of mortgage product offerings, exiting high risk customers, reducing cross regional dependencies)
- Aligned outstanding inter-entity derivatives with LER Criteria and minimized volume accordingly
- Changed funding flows that did not meet the LER Criteria
- Removed risk of specified entity cross-default language contained within JPMVEC ISDA agreements against JPMCB and JPMS plc for certain client trades
- Further enhanced Legal Entity Metrics reporting to include greater transparency in tracking the execution status of operating entity eliminations
- Eliminated 150 out of the 452 (33%) operating entities committed in the 2017 Resolution Plan submission
- Automated the framework to assist the LOBs with the prioritization of elimination candidates
- Developed and syndicated Legal Entity Elimination Procedures with LOBs as a guidance document that focuses on executing LE eliminations
- Removed split ownership structure for 11 out of 26 operating entities identified for remediation during the 2017 LER criteria assessments
- Automated workflows for managing the execution of candidates for elimination and maintaining relevant project plan and status information within GEMS, the Firm's Legal Entity System of record

Operational Capabilities and Readiness

- Developed specific FMU playbooks
- Instituted a global cross-border program, including a library of country-specific rules, controls and monitoring processes, solutions and training designed to identify and mitigate cross-border risk
- Enhanced governance of Critical Operations with peer reviews, cross Critical Operations risk exercises and standardized monthly reporting
- Developed a strategic supplier program targeting the most important suppliers across the IDI, its affiliates, and subsidiaries leading to spend consolidation with these suppliers and an expected natural attrition across other suppliers
- Reduced the number of software applications and application platforms to simplify the technology infrastructure
- Created a payments control program to assess and mitigate operational payment risk on a prioritized basis

- Created electronic asset repositories for key data and information needed in resolution
- Expanded approach to the tabletop exercise, in the first cross-critical operations tabletop exercise
- Advised clients of customers of potential issues in situations where JPM's normal activities at FMUs related to payments or settlements are disrupted as a result of a JPM's resolution event or other operational disruption
- Developed alternative strategies for all agent banks and FMUs
- Modified assignment and termination provisions of key vendor and agent bank contracts supporting Critical Operations and Lines of Business
- Extended and enhanced reporting and analytics
- Enhanced firmwide technology resiliency

In addition to these investments and enhancements, there have been a number of significant legislative, regulatory and other developments and changes to industry practice that make it dramatically less likely that the Firm would enter resolution, and make it easier to execute upon its Preferred Resolution Strategy if the Firm did fail. These developments and changes include several significant developments that make it significantly more likely that global regulators are able to cooperate.

Notably, the recent finalization of the European Union Bank Recovery and Resolution Directive (Directive 2014/59/EU) ("BRRD") significantly increases the ability for authorities in the European Union to cooperate in a resolution event, and is indicative of increasing momentum towards a systemic cross-border regime for resolution proceedings. Member State implementation of the BRRD, which has occurred in the United Kingdom and Germany and is in the process of being implemented in other key European jurisdictions, will greatly enhance the ability of European regulators to cooperate and coordinate in a cross-border resolution. Additional examples of advance global coordination among key global supervisors include the recent FDIC and Bank of England joint paper "Resolving Globally Active, Systemically Important Financial Institutions", as well as recent FDIC presentations at Systemic Risk Advisory Committee meetings regarding FDIC bilateral outreach efforts to specific jurisdictions and participation in multilateral dialogues to facilitate cross-border resolution. There are a number of forums for these interactions, including the Firm's Crisis Management Group.

The Firm files annual, quarterly and current reports, and proxy statements and other information with the SEC. The information in this document concerning the assets, liabilities, capital and funding sources of JPMorgan Chase has been extracted from the Annual Report on Form 10-K of JPMorgan Chase for the year ended December 31, 2017 (the "2017 Form 10-K") filed with the SEC. Such information speaks only as of the date of the 2017 Form 10-K. Information contained in reports and other filings JPMorgan Chase makes with the SEC subsequent to the date of the 2017 Form 10-K may modify or update and supersede the information contained in the 2017 Form 10-K and provided in this document. For additional information concerning JPMorgan Chase, please refer to the 2017 Form 10-K and to the Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed by JPMorgan Chase with the SEC (each, a "JPMorgan Chase & Co. '34 Act Report").

These periodic JPMorgan Chase & Co. '34 Act Reports, as they become available, can be viewed on the SEC's website at www.sec.gov and on JPMorgan Chase's investor relations website at http://investor.shareholder.com/jpmorganchase/ .

JPMCB and CUSA each file quarterly Consolidated Reports of Condition and Income for a Bank with Domestic and Foreign Offices ("Call Reports") with the Federal Financial Institutions Examinations Council (the "FFIEC"). The non-confidential portions of the Call Reports can be viewed on the FFIEC's website at https://cdr.ffiec.gov/public/ . The Call Reports are prepared in accordance with regulatory instructions issued by the FFIEC and do not in all cases conform to U.S. generally accepted accounting principles ("GAAP").

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Description of Core Business Lines

Defined terms are capitalized and may be found in the Glossary beginning on page 72.

For resolution planning purposes, the Firm has identified 27 "core business lines". Under the IDI Rule, core business lines means "those business lines of the covered insured depository institution ("CIDI"), including associated operations, services, functions and support, that, in the view of the CIDI, upon failure would result in a material loss of revenue profit, or franchise value."

The 27 core business lines identified represent the Firm's four principal business segments, as well as Corporate, and the 22 sub-segments that report into the segments that it believes satisfy the definition of core business line. Figure 3 sets out all of the Firm's lines of business and sub-lines of business.

For the purposes of this disclosure, the discussion of core business lines are from a firmwide perspective. All firmwide core business lines are conducted within JPMCB except Merchant Services. For CUSA, only the Credit Card and Corporate core business lines are conducted within the IDI.

The 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 2017 Form 10-K.

Figure 3. Lines of Business and Sub-Lines of Business

Consumer & Community Banking	Corporate & Investment Bank	Commercial Banking	Asset & Wealth Management	Corporate
▪ Consumer/Business Banking ▪ Home Lending Production ▪ Home Lending Servicing ▪ Real Estate Portfolios ▪ Auto ▪ Merchant Services ▪ Credit Card	▪ Fixed Income ▪ Equities ▪ Prime Finance ▪ Global Clearing ▪ Custody & Fund Services ▪ Global Investment Banking ▪ Treasury Services ▪ Global Lending	▪ Middle Market Banking ▪ Commercial Term Lending ▪ Corporate Client Banking ▪ Real Estate Banking	▪ Asset Management ▪ Wealth Management	▪ Treasury and CIO

Consumer & Community Banking

Consumer & Community Banking, or CCB, offers services to consumers and businesses through bank branches, ATMs, online, mobile and telephone banking. Consumer & Community Banking is organized into Consumer & Business Banking, Home Lending (including Home Lending Production, Home Lending Servicing and Real Estate Portfolios) and Credit Card, Merchant Services & Auto Finance ("Auto"). Consumer & Business Banking offers deposit and investment products 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. Credit Card, Merchant Services and Auto issues credit cards to consumers and small businesses, offers payment processing services to merchants, and originates and services auto loans and leases.

The following sub-segments within Consumer & Community Banking have been designated as sub-lines of business.

Consumer/Business Banking

Consumer/Business Banking, or CBB, offers deposit and investment products and services to consumers, and lending, deposit, and cash management and payment solutions to small businesses. Consumer/Business Banking offers a wide variety of bank products including checking and savings accounts, credit and debit cards and related financial services. These products generally are available through multiple distribution channels including approximately 5,100 bank branches and over 16,000 ATMs, as well as through telephone banking, online banking and mobile banking. Consumer/Business Banking 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, and provides affordable housing solutions to customers struggling with their mortgage payments.

Home Lending Production represents the mortgage origination business, including four origination channels, secondary marketing, and production operations support.

Home Lending Servicing includes Servicing and Shared Services & Other Support. 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. Shared Services & Other Support 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

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

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. In addition, JPMCB accepts applications for direct auto loans to consumers through its branches, phone and online. JPMCB also provides commercial and real estate loans to auto dealers.

Merchant Services

Merchant Services is a global payment processing and merchant acquiring business with offices in the United States, Canada and Europe.

Credit Card

Credit Card offers a wide variety of bankcard products to cater to the needs of multiple consumer and small business customer segments.

Corporate & Investment Bank

The Corporate & Investment Bank, or CIB, consists of Banking and Markets & Investor 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, 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 Treasury Services, which provides transaction services, consisting of cash management and liquidity solutions. Markets & Investor Services is a global market-maker in cash securities and derivative instruments, and also offers sophisticated risk management solutions, prime brokerage, and research. Markets & Investor 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 Corporate & Investment Bank have been designated as sub-lines of business.

Markets & Investor Services

Fixed Income

Fixed Income is a sub-line of business within Corporate & Investment Bank. Fixed Income is active across credit markets, rate markets, currency markets and securitized product markets.

Equities

Equities is a sub-line of business within Corporate & Investment Bank. Equities provides equity solutions to corporate, institutional and hedge fund clients, and distributors, private investors and broker-dealers worldwide. Solutions provided by Equities include trade execution, program and special equity trading services, equity-linked services and structuring for new equity-linked issuances, as well as marketing, structuring and trading services on equity-based or fund-based derivatives products.

Prime Finance

Prime Finance is a sub-line of business within Corporate & Investment Bank. Prime Finance is JPMorgan Chase's globally integrated client financing and clearing platform. The business offers a comprehensive range of financing, clearing, settlement, and trade execution services to hedge funds across the world.

Global Clearing

Global Clearing is a sub-line of business within Corporate & Investment Bank. Global Clearing acts in an agency capacity, offering 4 core services to its global client base: (1) Futures and Options clearing; (2) OTC clearing; (3) FX Prime Brokerage; and (4) Derivatives Intermediation. Global Clearing provides derivatives clearing services to J.P. Morgan Markets business and includes the U.S. Broker Dealer and Securities Clearance businesses.

Custody & Fund Services

Custody & Fund Services is a sub-line of business within Corporate & Investment Bank. Custody & Fund Services is an integrated offering for institutional investors comprised of three divisions providing securities processing and related services: Custody, Global Fund Services and Liquidity & Trading Services.

Banking

Global Investment Banking

Global Investment Banking is a sub-line of business within Corporate & Investment Bank. Global Investment Banking works with a broad range of clients, from large and middle market corporations to financial institutions and governments. Global Investment Banking provides advisory, full service capital raising, credit solutions and risk management solutions to help clients achieve their financial objectives.

Treasury Services

Treasury Services is a sub-line of business within Corporate & Investment Bank. The Treasury Services business is a full service provider of cash management, liquidity, escrow services and electronic financial services, specifically for treasury professionals, financial institutions and government agencies.

Global Lending

Global Lending is a sub-line of business within Corporate & Investment Bank. The Global Lending business is a full service provider of traditional credit products, including loans, revolving commitments and cross-border trade transactions to CIB Banking clients globally. The key Global Lending portfolios are: (1) credit portfolio and commitments to make loans; and (2) trade finance.

Commercial Banking

Commercial Banking, or CB, delivers extensive industry knowledge, local expertise and dedicated service to U.S., multinational and Canadian clients, including corporations, municipalities, financial institutions and nonprofit entities with annual revenue typically ranging from $20 million to $2 billion. In addition, Commercial Banking provides financing to real estate investors and owners. Partnering with the Firm's other businesses, Commercial Banking provides comprehensive financial solutions, including lending, treasury services, investment banking and asset management to meet its clients' domestic and international financial needs.

The following sub-segments within Commercial Banking have been designated as sub-lines of business.

Middle Market Banking

Middle Market Banking covers corporate, municipal and nonprofit clients, with annual revenue generally ranging between $20 million and $500 million.

Commercial Term Lending

Commercial Term Lending primarily provides term financing to real estate investors/owners for multifamily properties as well as office, retail and industrial properties.

Corporate Client Banking

Corporate Client Banking focuses on U.S. and Canadian companies, typically with revenues of over $500 million and up to $2 billion. It also focuses on clients that have broader investment banking needs.

Real Estate Banking

Real Estate Banking provides full service banking to professional real estate developers, investors, real estate investment trusts, real estate operating companies and investment funds active in major markets across the United States.

Asset & Wealth Management

Asset & Wealth Management, with client assets of $2.8 trillion, 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 Wealth Management 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.

Asset Management

Asset Management provides comprehensive investment management services and products globally across multiple asset classes to retail investors and institutional clients, including pooled fund vehicles, public, corporate and union employee benefit funds, mutual funds, high-net-worth individuals, corporations, foundations, endowments, insurance companies, other financial institutions, and governments and their agencies. Services also include the provision of sub-advisory services to other investment managers, whether affiliated or unaffiliated, and their clients, from the United States and internationally.

Wealth Management

Wealth Management 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 to high-net-worth and ultra-high-net-worth individuals, families, money managers, business owners, trusts, personal holding companies and corporations worldwide. Wealth Management also provides services to charities, foundations and endowments. Wealth Management is organized into the following divisions: Ultra-High-Net-Worth; U.S. High-Net-Worth; International Private Bank; J.P. Morgan Securities; and Emerging High-Net-Worth.

Corporate

The Corporate segment consists of Treasury and Chief Investment Office, or CIO, and Other Corporate, which includes corporate staff units and expense that is centrally managed. Treasury and CIO are predominantly responsible for measuring, monitoring, reporting and managing the Firm's liquidity, funding and structural interest rate and foreign exchange risks, as well as executing the Firm's capital plan. The major Other Corporate units include Real Estate, Enterprise Technology, Legal, Compliance, Finance, Human Resources, Internal Audit, Risk Management, Oversight & Control, Corporate Responsibility and various Other Corporate groups.

The following sub-segments within Corporate have been designated as sub-lines of business.

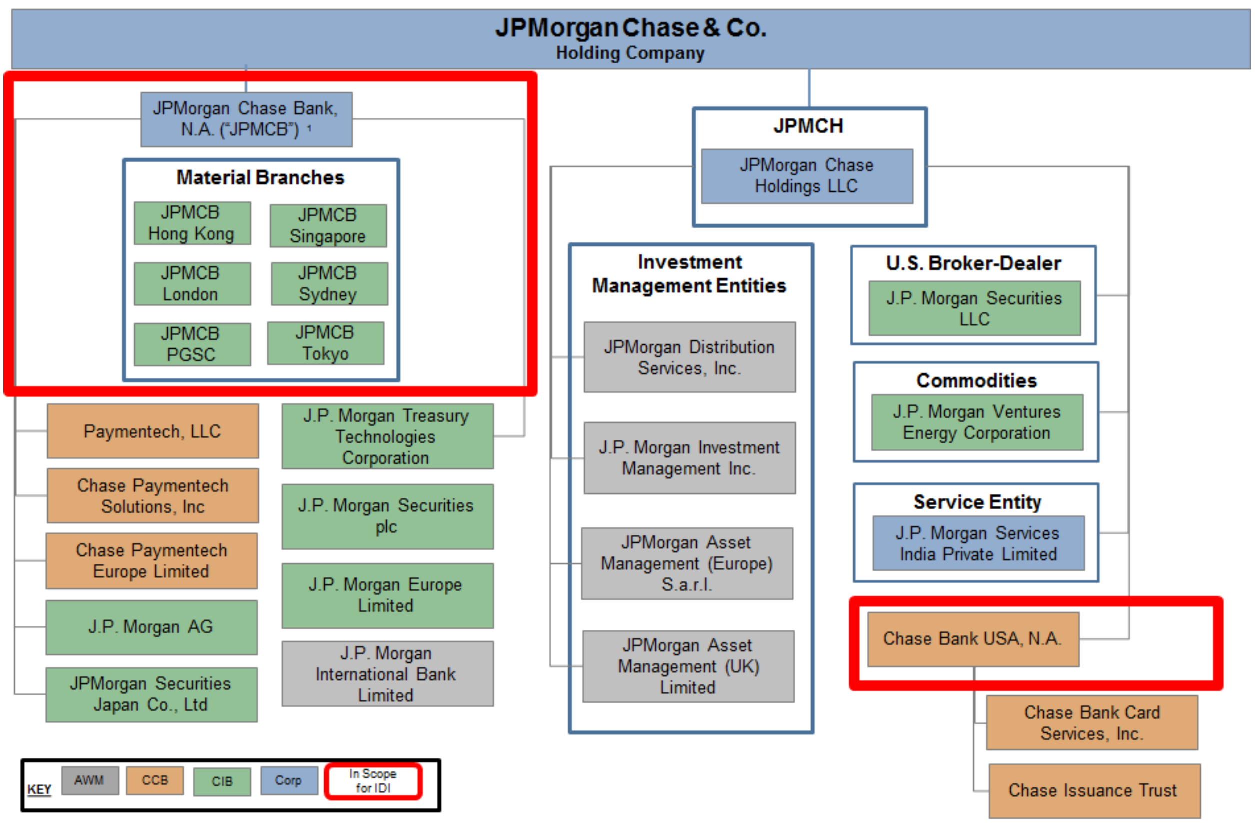
Treasury and CIO

Treasury and CIO are predominantly responsible for measuring, monitoring, reporting and managing the Firm's liquidity, funding and structural interest rate and foreign exchange risks, as well as executing the Firm's capital plan. 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

For resolution planning purposes, the Firm has identified 28 Material Legal Entities, including 22 that are legal entities and six that are branches. The Material Legal Entities and their organizational structure are set out in Figure 4. Figure 5 illustrates the jurisdiction, chain of ownership and entity type for each Material Legal Entity. Figure 6 lists the Material Legal Entities included in our 2018 IDI Resolution Plans.

Figure 4. Material Legal Entities



* An MLE is a subsidiary or foreign office that is significant to the activities of a Critical Operation or Core Business Line. MLE reported under the Dodd-Frank Act may differ from the significant legal entity subsidiaries that are reported in JPM Group's SEC filings.

[1] For JPMCB, its MLE branches as well all as non-MLE Branches are in scope for IDI

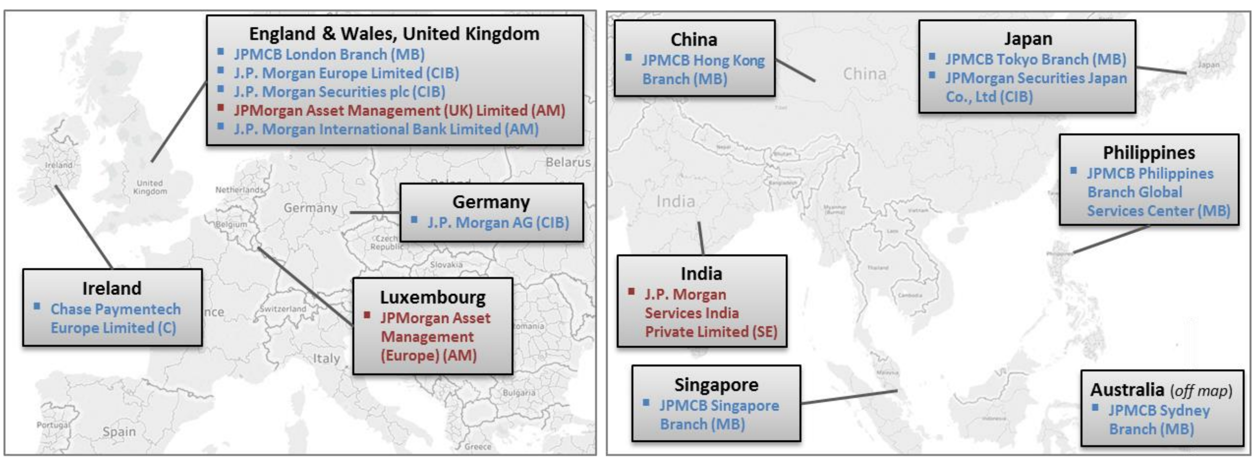
Figure 5. Jurisdiction, Chain of Ownership and Entity Type for Each Material Legal Entity

Chain of Ownership

- Bank Holding Company
- JPMCB Bank Chain
- U.S. Broker-Dealer
- CUSA Bank Chain
- Non-Bank Chain

Type of Entity

- **PC:** Parent Company
- **MOB:** Main Operating Bank
- **MB:** Material Branch
- **IHC:** Intermediate Holding Company
- **SE:** Service Entity
- **CIB:** Corporate & Investment Bank Entity
- **C:** Consumer-related Entity
- **AM:** Asset Management Entity



Chain of Ownership

- Bank Holding Company
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Type of Entity

- **PC:** Parent Company
- **MOB:** Main Operating Bank
- **MB:** Material Branch
- **IHC:** Intermediate Holding Company
- **SE:** Service Entity
- **CIB:** Corporate & Investment Bank Entity
- **C:** Consumer-related Entity
- **AM:** Asset Management Entity

Figure 6. Material Legal Entities

Entity Name	Description
JPMCB	Wholly owned national bank subsidiary of JPMC. This entity offers a wide range of banking services to its customers, both domestically and internationally.
JPMCB London Branch	A material foreign branch of JPMCB.
JPMCB Hong Kong Branch	A material foreign branch of JPMCB.
JPMCB Philippine Global Service Center or JPMCB PGSC	A material foreign branch of JPMCB.
JPMCB Singapore Branch	A material foreign branch of JPMCB.
JPMCB Sydney Branch	A material foreign branch of JPMCB.
JPMCB Tokyo Branch	A material foreign branch of JPMCB.
CUSA, N.A.	A chartered national bank in the United States. Conducts activities predominantly related to credit card lending and other forms of consumer lending.

Liquidity Risk Management

Parent holding company and subsidiary funding

The vast majority of the Firm's interaffiliate funding is coordinated through two Material Legal Entities: JPMCH and JPMCB. JPMC issues debt and equity securities into the capital markets and uses the proceeds to capitalize JPMCB and JPMCH. JPMCB funds its own banking activities as well as those of its subsidiaries, branches and bank affiliates. On a going-concern basis, JPMCH provides funding support to non-bank subsidiaries, including JPMS LLC, both through equity and debt investments and placements. The Firm's use of a centralized funding framework is designed to optimize liquidity sources and uses, and to ensure flexibility firmwide so that the Firm can allocate liquidity when and whenever it may be needed in the franchise. This centralized framework by design creates financial interconnectedness between and among the Firm's Material Legal Entities, in particular as between JPMCH, JPMCB and their direct and indirect subsidiaries. Figure 7 sets out the primary financial interconnectedness of JPMCB's and CUSA's Material Legal Entities, as of December 31, 2017.

Figure 7. Interaffiliate Funding

Material Legal Entity	Primary Interaffiliate Financial Transaction Counterparties
JPMorgan Chase Bank, N.A.	JPMorgan Chase Holdings, LLC Chase Bank USA, N.A. J.P. Morgan Securities LLC Paymentech, LLC
JPMCB London Branch	JPMorgan Chase Bank, N.A. JPMCB Hong Kong Branch JPMorgan Asset Management (UK) Limited Chase Paymentech Europe Limited
JPMCB Hong Kong Branch	JPMorgan Chase Bank, N.A. JPMCB London Branch
JPMCB PGSC	N/A
JPMCB Singapore Branch	JPMorgan Chase Bank, N.A. JPMCB London Branch JPMCB Hong Kong Branch
JPMCB Sydney Branch	JPMCB London Branch JPMorgan Chase Bank, N.A. JPMCB Singapore Branch JPMCB Hong Kong Branch
JPMCB Tokyo Branch	JPMCB London Branch JPMorgan Chase Bank, N.A.
Chase Bank USA, N.A.	JPMorgan Chase & Co. JPMorgan Chase Bank, N.A.

Liquidity Risk Management

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 8 highlights the sources of third-party and intercompany capital and funding sources by Material Legal Entity.

Figure 8. Capital and Funding Resources

Capital and Funding Resources

Material Legal Entity	Third Party			Intercompany		
	Deposits	Debt	Equity Capital	Deposits	Debt	Equity Capital
JPMorgan Chase Bank, N.A.	✓	✓		✓	✓	✓
JPMCB London Branch	✓	✓		✓	✓	
JPMCB Hong Kong Branch	✓	✓		✓	✓	
JPMCB PGSC						
JPMCB Singapore Branch	✓	✓		✓	✓	
JPMCB Sydney Branch	✓	✓		✓	✓	
JPMCB Tokyo Branch	✓	✓		✓	✓	
Chase Bank USA, N.A.	✓	✓		✓	✓	✓

Interaffiliate Derivative Transactions

JPMCB, through its branches, acts as the primary centralized hedge counterparty for interaffiliate 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. JPMorgan Chase has removed cross-default provisions from all interaffiliate 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 captured within the Firm's liquidity management systems and recorded in the subsidiaries' books and records. During a resolution event, as noted in the description of the Firm's Contingency Funding Plan, action plans will be implemented to manage liquidity flow between entities, subject to limit and indicators and in compliance with legal, regulatory and operational restrictions, to optimize each entity's ability to meet its liquidity demands.

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 including those of JPMCB and CUSA.

The Firm funds its global balance sheet through diverse sources of funding including a stable deposit franchise as well as secured and unsecured funding in the capital markets. The Firm's loan portfolio is funded with a portion of the Firm's deposits, through securitizations and, with respect to a portion of the Firm's real estate-related loans, with secured borrowings from the FHLBs. Deposits in excess of the amount utilized to fund loans are primarily invested 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. Securities borrowed or purchased under resale agreements and trading assets-debt and equity instruments are primarily funded by the Firm's securities loaned or sold under agreements to repurchase, trading liabilities–debt and equity instruments, and a portion of the Firm's long-term debt and stockholders' equity. In addition to funding securities borrowed or purchased under resale agreements and trading assets-debt and equity instruments, proceeds from the Firm's debt and equity issuances are used to fund certain loans and other financial and non-financial assets, or may be invested in the Firm's investment securities portfolio. See the discussion below for additional information relating to Deposits, Short-term funding, and Long-term funding and issuance. In addition, Figures 21 and 24 provide consolidated balance sheets for each of JPMCB and CUSA, respectively, which provide details of each bank's liability structure.

Deposits

Figure 9 summarizes by line of business, the period-end and average deposit balances as of, and for the years, ended December 31, 2017 and 2016.

A key strength of the Firm is its diversified deposit franchise, through each of its lines of business, which provides a stable source of funding and limits reliance on the wholesale funding markets. A significant portion of the Firm's deposits are consumer and wholesale operating deposits, which are both considered to be stable sources of liquidity. Wholesale operating deposits are considered to be stable sources of liquidity because wholesale operating deposits are generated from customers that maintain operating service relationships with the Firm.

The Firm's loans-to-deposits ratio was 64% at December 31, 2017, and 65% at December 31, 2016.

As of December 31, 2017, total deposits for the Firm were $1,444.0 billion, compared with $1,375.2 billion at December 31, 2016 (63% and 61% of total liabilities at December 31, 2017 and 2016, respectively). Deposits increased due to both higher consumer and wholesale deposits. The higher consumer deposits reflect the continuation of strong growth from new and existing customers, and low attrition rates. The higher wholesale deposits largely were driven by growth in client cash management activity in CIB's Securities Services business, partially offset by lower balances in AWM reflecting balance migration predominantly into the Firm's investment-related products.

Figure 9. Firmwide Deposit Balances

Deposits

As of or for the year ended December 31, (in millions)	**2017**	2016	Average **2017**	Average 2016
Consumer & Community Banking	**$ 659,885**	$ 618,337	**$ 640,219**	$ 586,637
Corporate & Investment Bank	**455,883**	412,434	**447,697**	409,680
Commercial Banking	**181,512**	179,532	**176,884**	172,835
Asset & Wealth Management	**146,407**	161,577	**148,982**	153,334
Corporate	**295**	3,299	**3,604**	5,482
Total Firm	**$ 1,443,982**	$ 1,375,179	**$ 1,417,386**	$ 1,327,968

The Firm believes average deposit balances are generally more representative of deposit trends. The increase in average deposits for the year ended December 31, 2017 compared with the year ended December 31, 2016, was driven by an increase in both consumer and wholesale deposits. For further discussion of deposit and liability balance trends, see the discussion of the Firm's business segments results and the Consolidated Balance Sheet Analysis on pages 55 to 74 and pages 47 to 48, respectively in the 2017 Annual Report. Additional discussion on Liquidity Risk Management can also be found on page 94 of the 2017 Annual Report.

Figure 10 summarizes short-term and long-term funding, excluding deposits, as of December 31, 2017 and 2016, and average balances for the years ended December 31, 2017 and 2016. For additional information, see the Consolidated Balance Sheets Analysis on pages 47-48 and Note 19 in the 2017 Annual Report.

Figure 10. Firmwide Short-Term and Long-Term Funding Sources

Sources of funds (excluding deposits)				
As of or for the year ended December 31,			Average	
(in millions)	**2017**	2016	**2017**	2016
Commercial paper	**$ 24,186**	$ 11,738	**$ 19,920**	$ 15,001
Other borrowed funds	**27,616**	22,705	**26,612**	21,139
Total short-term borrowings	**$ 51,802**	$ 34,443	**$ 46,532**	$ 36,140
Obligations of Firm-administered multi-seller conduits [(a)]	**$ 3,045**	$ 2,719	**$ 3,206**	$ 5,153
Securities loaned or sold under agreements to repurchase:				
Securities sold under agreements to repurchase [(b)]	**$ 146,432**	$ 149,826	**$ 171,973**	$ 160,458
Securities loaned [(c)]	**7,910**	12,137	**11,526**	13,195
Total securities loaned or sold under agreements to repurchase [(d)]	**$ 154,342**	$ 161,963	**$ 183,499**	$ 173,653
Senior notes	**$ 155,852**	$ 151,042	**$ 154,352**	$ 153,768
Trust preferred securities [(e)]	**690**	2,345	**2,276**	3,724
Subordinated debt [(e)]	**16,553**	21,940	**18,832**	24,224
Structured notes	**45,727**	37,292	**42,918**	35,978
Total long-term unsecured funding	**$ 218,822**	$ 212,619	**$ 218,378**	$ 217,694
Credit card securitization [(a)]	**$ 21,278**	$ 31,181	**$ 25,933**	$ 29,428
Other securitizations [(a)(f)]	**—**	1,527	**626**	1,669
FHLB advances	**60,617**	79,519	**69,916**	73,260
Other long-term secured funding [(g)]	**4,641**	3,107	**3,195**	4,619
Total long-term secured funding	**$ 86,536**	$ 115,334	**$ 99,670**	$ 108,976
Preferred stock [(h)]	**$ 26,068**	$ 26,068	**26,212**	$ 26,068
Common stockholders' equity [(h)]	**$ 229,625**	$ 228,122	**230,350**	$ 224,631

(a) Included in beneficial interest issued by consolidated variable interest entities on the Firm's Consolidated balance sheets.
(b) Excludes long-term structured repurchase agreements of $1.3 billion and $1.8 billion as of December 31, 2017 and 2016, respectively, and average balances of $1.5 billion and $2.9 billion for the years ended December 31, 2017 and 2016, respectively.
(c) Excludes long-term securities loaned of $1.3 billion and $1.2 billion as of December 31, 2017 and 2016, respectively, and average balances of $1.3 billion for both the years ended December 31, 2017 and 2016.
(d) Excludes federal funds purchased.
(e) Subordinated debt includes $1.6 billion of junior subordinated debentures distributed pro rata to the holders of the $1.6 billion of trust preferred securities which were cancelled on December 18, 2017. For further information see Note 19 of the Annual Report.
(f) Other securitizations includes securitizations of student loans. The Firm deconsolidated the student loan securitization entities in the second quarter of 2017 as it no longer had a controlling financial interest in these entities as a result of the sale of the student loan portfolio. The Firm's wholesale businesses also securitize loans for client-driven transactions, which are not considered to be a source of funding for the Firm and are not included in the table.
(g) Includes long-term structured notes which are secured.
(h) For additional information on preferred stock and common stockholders' equity see Capital Risk Management on pages 82–91, Consolidated statements of changes in stockholders' equity, Note 20 and Note 21 of the Annual Report.

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 agency MBS, and constitute a significant portion of the federal funds purchased and securities loaned or sold under repurchase agreements on the Consolidated balance sheets. The increase in the average balance of securities loaned or sold under agreements to repurchase for the year ended December 31, 2017, compared to December 31, 2016, was largely due to client activities in CIB. The balances associated with securities loaned or sold under agreements to repurchase fluctuate over time due to customers' investment and financing activities; 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. The increase in short-term unsecured funding was primarily due to higher issuance of commercial paper reflecting in part a change in the mix of funding from securities sold under repurchase agreements for CIB Markets activities.

Long-Term Funding and Issuance

Long-term funding provides additional sources 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 maximum flexibility in support of both bank and non-bank subsidiary funding needs. The Parent Company advances substantially all net funding proceeds to its subsidiary, JPMCH. JPMCH 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, 2017 and 2016. For additional information, see Note 19 in the 2017 Annual Report.

Figure 11. Firmwide Long-Term Unsecured Funding

Year ended December 31, (in millions)	**2017**	2016
Issuance		
Senior notes issued in the U.S. market	**$ 21,192**	$ 25,639
Senior notes issued in non-U.S. markets	**2,210**	7,063
Total senior notes	**23,402**	32,702
Subordinated debt	**—**	1,093
Structured notes	**29,040**	22,865
Total long-term unsecured funding – issuance	**$ 52,442**	$ 56,660
Maturities/redemptions		
Senior notes	**$ 22,337**	$ 29,989
Trust preferred securities	**—**	1,630
Subordinated debt	**6,901**	3,596
Structured notes	**22,581**	15,925
Total long-term unsecured funding – maturities/redemptions	**$ 51,819**	$ 51,140

The Firm raises secured long-term funding through securitization of consumer credit card loans and advances from the FHLBs. Figure 12 summarizes the securitization issuance and FHLB advances and their respective maturities or redemption for the years ended December 31, 2017 and 2016.

Figure 12. Firmwide Long-Term Secured Funding

Year ended December 31,	Issuance		Maturities/Redemptions	
(in millions)	**2017**	2016	**2017**	2016
Credit card securitization	**$ 1,545**	$ 8,277	**$ 11,470**	$ 5,025
Other securitizations[(a)]		—	**55**	233
FHLB advances	**—**	17,150	**18,900**	9,209
Other long-term secured funding [(b)]	**2,354**	455	**731**	2,645
Total long-term secured funding	**$ 3,899**	$ 25,882	**$ 31,156**	$ 17,112

(a) Other securitizations includes securitizations of student loans. The Firm deconsolidated the student loan securitization entities in the second quarter of 2017 as it no longer had a controlling financial interest in these entities as a result of the sale of the student loan portfolio.
(b) 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, see Note 14 in the 2017 Annual Report.

LCR and High Quality Liquid Assets

The LCR rule requires the Firm to maintain an amount of unencumbered HQLA that is sufficient to meet its estimated total net cash outflows over a prospective 30 calendar-day period of significant stress. HQLA is the amount of liquid assets that qualify for inclusion in the LCR. HQLA primarily consist of unencumbered cash and certain high quality liquid securities as defined in the LCR rule.

Under the LCR rule, the amount of HQLA held by JPMCB and CUSA that are in excess of each entity's standalone 100% minimum LCR requirement, and that are not transferable to non-bank affiliates, must be excluded from the Firm's reported HQLA. Effective January 1, 2017, the LCR is required to be a minimum of 100%.

On December 19, 2016, the Federal Reserve published final LCR public disclosure requirements for certain BHCs and non-bank financial companies. Beginning with the second quarter of 2017, the Firm disclosed its average LCR for the quarter and the key quantitative components of the average LCR, along with a qualitative discussion of material drivers of the ratio, changes over time, and causes of such changes. The Firm will continue to make available its U.S. LCR Disclosure report on a quarterly basis on the Firm's website at: (https://investor.shareholder.com/jpmorganchase/basel.cfm).

The following table summarizes the Firm's average LCR for the three months ended December 31, 2017 based on the Firm's current interpretation of the finalized LCR framework.

For the three months ended December 31, 2017, the Firm's average LCR was 119%, compared with an average of 120% for the three months ended September 30, 2017. The decrease in the ratio was largely attributable to a decrease in average HQLA, driven primarily by long-term debt maturities. The Firm's average LCR may fluctuate from period to period, due to changes in its HQLA and estimated net cash outflows under the LCR as a result of ongoing business activity. The Firm's HQLA are expected to be available to meet its liquidity needs in a time of stress.

Figure 13. Firmwide High Quality Liquid Assets

Average amount (in millions)		Three months ended December 31, 2017
HQLA		
Eligible cash [(a)]	$	370,126
Eligible securities [(b)(c)]		189,955
Total HQLA [(d)]	$	560,081
Net cash outflows	$	472,078
LCR		119%
Net excess HQLA [(d)]	$	88,003

(a) Represents cash on deposit at central banks, primarily Federal Reserve Banks.
(b) Predominantly U.S. Agency MBS, U.S. Treasuries, and sovereign bonds net of applicable haircuts under the LCR rules
(c) HQLA eligible securities may be reported in securities borrowed or purchased under resale agreements, trading assets, or securities on the Firm's Consolidated balance sheets.
(d) Excludes average excess HQLA at JPMorgan Chase Bank, N.A. and Chase Bank USA, N.A. that are not transferable to non-bank affiliates.

Other liquidity sources

As of December 31, 2017, in addition to assets reported in the Firm's HQLA under the LCR rule, the Firm had approximately $208 billion of unencumbered marketable securities, such as equity securities and fixed income debt securities, available to raise liquidity, if required. This includes HQLA-eligible securities included as part of the excess liquidity at JPMCB that are not transferable to non-bank affiliates.

As of December 31, 2017, the Firm also had approximately $277 billion of available borrowing capacity at various Federal Home Loan Banks ("FHLBs"), discount windows at Federal Reserve Banks and various other central banks as a result of collateral pledged by the Firm to such banks. This borrowing capacity excludes the benefit of securities reported in the Firm's HQLA or other unencumbered securities that are currently pledged at Federal Reserve Bank discount windows. Although available, the Firm does not view the borrowing capacity at Federal Reserve Bank discount windows and the various other central banks as a primary source of liquidity.

Derivatives and Hedging Activities

Description 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 transactions 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.

Interest rate contracts are used to minimize fluctuations in earnings that are caused by changes in interest rates. Fixed-rate assets and liabilities appreciate or depreciate in market value as interest rates change. Similarly, interest income and expense increases or decreases 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 or losses on the derivative instruments that are related to such assets and liabilities are expected to substantially offset this variability in earnings. The Firm generally uses interest rate swaps, forwards and futures to manage the impact of interest rate fluctuations on earnings.

Foreign currency forward contracts 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 contracts 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 credit default swaps. For a further discussion of credit derivatives, see the discussion in the Credit derivatives section on pages 189 to 191 in the 2017 Annual Report on Form 10-K.

For more information about risk management derivatives, see the risk management derivatives gains and losses table on page 189 in the 2017 Annual Report on Form 10-K, and the hedge accounting gains and losses tables on pages 187 to 189 also in the 2017 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 ETD 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 where the firm acts as a clearing member with respect to certain derivative 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, see Note 27 in the 2017 Annual Report on Form 10-K.

For information on the accounting treatment of derivatives, please refer to the 2017 Annual Report on Form 10-K and other JPMC 1934 Act reports.

Notional Amount of Derivative Contracts

Figure 14 summarizes the notional amount of the Firm’s derivative contracts outstanding as of December 31, 2017 and December 31, 2016. Figure 15 and 16 provide the notional amounts of each of JPMCB’s and CUSA’s derivative contracts outstanding as of December 31, 2017 and December 31, 2016.

Figure 14. Firmwide JPMC Derivative Contracts

	Notional amounts [b]	
December 31, (in billions)	**2017**	2016
Interest rate contracts		
Swaps	**$ 21,043**	$ 22,000
Futures and forwards	**4,904**	5,289
Written options	**3,576**	3,091
Purchased options	**3,987**	3,482
Total interest rate contracts	**33,510**	33,862
Credit derivatives [a]	**1,522**	2,032
Foreign exchange contracts		
Cross-currency swaps	**3,953**	3,359
Spot, futures and forwards	**5,923**	5,341
Written options	**786**	734
Purchased options	**776**	721
Total foreign exchange contracts	**11,438**	10,155
Equity contracts		
Swaps	**367**	258
Futures and forwards	**90**	59
Written options	**531**	417
Purchased options	**453**	345
Total equity contracts	**1,441**	1,079
Commodity contracts		
Swaps	**116**	102
Spot, futures and forwards	**168**	130
Written options	**98**	83
Purchased options	**93**	94
Total commodity contracts	**475**	409
Total derivative notional amounts	**$ 48,386**	$ 47,537

(a) For more information on volumes and types of credit derivative contracts, see the Credit derivatives discussion on pages 189–191 in the 2017 Form 10-K.

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

While 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 transactions, the notional amount is not exchanged; it is used simply as a reference to calculate payments.

For further details on the impact of derivatives on the consolidated statements of income and balance sheet, please refer to the 2017 Annual Report on Form 10-K and other JPMC 1934 Act reports.

Figure 15. Consolidated JPMCB Derivative Contracts

Figure 15 summarizes the notional amount of the JPMCB's derivative contracts outstanding as of December 31, 2017 and December 31, 2016.

	Notional amounts[b]	
December 31, (in billions)	**2017**	2016
Interest rate contracts		
Swaps	**$ 21,371**	$ 22,261
Futures and forwards	**4,519**	4,917
Written options	**3,582**	3,101
Purchased options	**4,003**	3,514
Total interest rate contracts	**33,475**	33,793
Credit derivatives[a]	**1,498**	2,010
Foreign exchange contracts		
Cross-currency swaps	**3,978**	3,379
Spot, futures and forwards	**5,962**	5,385
Written options	**788**	735
Purchased options	**777**	721
Total foreign exchange contracts	**11,505**	10,220
Equity contracts		
Swaps	**497**	360
Futures and forwards	**75**	47
Written options	**543**	442
Purchased options	**508**	415
Total equity contracts	**1,623**	1,264
Commodity contracts		
Swaps	**516**	448
Spot, futures and forwards	**173**	131
Written options	**113**	98
Purchased options	**106**	109
Total commodity contracts	**908**	786
Total derivative notional amounts	**$ 49,009**	$ 48,073

(a) For more information on volumes and types of credit derivative contracts, see the Credit derivatives discussion on pages 53–56 of the 2017 audited JPMCB financials.

(b) Represents the sum of gross long and gross short notional derivative contracts with third-parties and JPMorgan Chase affiliates. For additional information on related party derivatives, see Note 20 of the 2017 audited JPMCB financials

Figure 16. Consolidated CUSA Derivative Contracts

Figure 16 summarizes the notional amount of the CUSA's derivative contracts outstanding as of December 31, 2017 and December 31, 2016 CUSA is party to a single material derivatives contract with a notional value of $15 million as of December 31, 2017.

December 31, (in millions)	Notional amounts 2017	2016
Foreign exchange Contracts		
Cross-currency swaps	**$ 15**	**$ 15**
Spot, futures and forwards	**-**	**-**
Written options	**-**	**-**
Purchased options	**-**	**-**
Total foreign exchange contracts	**15**	**15**
Total derivative notional amounts	**$ 15**	**$ 15**

Top Financial Market Utilities and Payment, Clearing and Settlement with Impact on Bank and Branches

Membership in Material Payment, Clearing and Settlement Systems

JPMorgan Chase & Co. maintains memberships and/ or participations in 23 key FMUs and agent banks through its material legal entities and branches to facilitate the clearing and settlement of customer securities, derivatives and cash transactions. Those FMUs and agent banks are listed in Figure 17 below, and are described in more detail in the sections that follow.

JPMCB, and certain of its branches, maintain all but three of these relationships. Memberships to Trans-European Automated Real-time Gross settlement Express Transfer System, CME Clearing and LCH SA are maintained by subsidiaries and affiliates of JPMCB. CUSA does not hold membership in any FMUs nor does it rely upon the service of the identified Agent Banks.

Figure 17. Top 20+ FMUs and Agent Banks

Top 20+ FMUs and Agent Banks
Payment Systems
1. FedWire Funds Service
2. The Clearing House Interbank Payments System
3. FedACH Services
4. Electronic Payments Netw ork
5. Trans-European Automated Real-time Gross settlement Express Transfer System
6. Euro Banking Association - EURO1
7. Clearinghouse Automated Payment System
8. FX Yen Clearing System
US Securities
9. Fedw ire Securities Service
10. The Depository Trust Company
11. National Securities Clearing Corporation
12. FICC Government Securities Division
13. FICC Mortgage-Backed Securities Division
14. CME Clearing
European Securities
15. Euroclear UK & Ireland Limited (CREST)
16. Euroclear Bank SA/NV
17. Clearstream Banking SA
18. LCH Limited
19. LCH SA
Others
20. CLS
21. SWIFT
Agent Banks
22. Royal Bank of Canada
23. BNP Paribas

Payment Systems

U.S. Payment Systems FMUs

Fedwire Funds Service, or Fedwire Funds, is a wire transfer services provider that is owned and operated by the Federal Reserve Banks. Fedwire Funds is a real-time gross settlement system. Payments are continuously settled on an individual, order-by-order basis without netting. Participants use Fedwire Funds to instruct a Federal Reserve Bank to debit funds from the participant's own Reserve Bank account and credit the Federal Reserve Bank account of another participant. Fedwire Funds processes, among other things, the purchase and sale of federal funds; the purchase, sale and financing of securities transactions; the disbursement or repayment of loans; the settlement of domestic and cross-border U.S. dollar commercial transactions; and the settlement of real estate transactions and other high-value, time-critical payments; however it can be used to process any payment. Fedwire Funds has not been designated as systemically important by the Financial Stability Oversight Council.

The Clearing House Interbank Payments System, or CHIPS, a U.S. payments system, is a service of The Clearing House Payments Company LLC, or The Clearing House, which, in turn, is owned by many of the world's largest commercial banks. CHIPS is a large-value wire transfer payment system with real-time final net settlement of payments. Payments become final on completion of settlement, which occurs throughout the day. CHIPS processes a large proportion of U.S. dollar cross-border payments and an increasing volume of U.S. domestic payments.

FedACH Services, or FedACH, is an electronic payment system providing automated clearing house, or 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 cross-border ACH payments through the FedGlobal service.

Electronic Payments Network, or EPN, is an electronic payment system providing ACH services. EPN is owned and operated by The Clearing House Payments Company LLC, or The Clearing House. 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.

European Payment Systems FMUs

Trans-European Automated Real-time Gross settlement Express Transfer system, or TARGET2, is the real-time gross settlement linking system owned and operated by the Eurosystem. TARGET2 is the settlement 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).

EURO1 is a private sector owned payment system for domestic and cross-border single payments in euro between banks operating in the European Union. 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.

The Clearing House Automated Payment System, or CHAPS, is the U.K.'s interbank payment system for large value sterling payments. Responsibility for the CHAPS system transferred from the CHAPS Clearing Company to the Bank of England in November 2017. For its normal operation, CHAPS depends on the real-time gross settlement IT infrastructure of the Bank of England. CHAPS system is subject to the supervision of the Bank of England Financial Market Infrastructure Directorate.

The Foreign Exchange Yen Clearing System, is the settlement system for payments in Japanese yen, resulting from foreign exchange transactions, transactions in the euroyen market, export-import transactions and other similar transactions. The processing of payments takes place on the Bank of Japan Financial Network System, whereby payments are settled on a real-time gross settlement basis. The Bank of Japan is an oversight body of the payment and settlement systems in Japan.

Securities

U.S. Securities FMUs

Fedwire Securities Service, or Fedwire Securities, is a national securities book entry system that is owned and operated by the Federal Reserve Banks. Fedwire Securities 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. Fedwire Securities 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.

The Depository Trust Company, or DTC, is a central securities depository providing depository and book-entry services for eligible securities and other financial assets to its participants, which are principally banks and broker-dealers. DTC is a subsidiary of The Depository Trust & Clearing Corporation, or DTCC, which is owned by the participants/members of its clearing agency subsidiaries, including international broker-dealers, correspondent and clearing banks, mutual fund companies and investment banks. 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, 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 provides for the settlement of issuances and maturities of money market instruments.

National Securities Clearing Corporation, or NSCC, a U.S. securities clearing agency, is a subsidiary of the Depository Trust & Clearing Corporation which, in turn, is owned by its users, including major banks, broker-dealers, and other financial institutions. NSCC 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 depositary 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.

Fixed Income Clearing Corporation, or FICC, a U.S. securities clearing agency, is also a subsidiary of the Depository Trust & Clearing Corporation which, in turn, is owned by its users, including major banks, broker dealers and other financial institutions. FICC operates two divisions, the Government Securities Division and the Mortgage Backed Securities Division. Each division offers services to its own members pursuant to separate rules and procedures. FICC is registered as a clearing agency with the SEC and supervised by the Federal Reserve.

- 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.
- Mortgage Backed Securities Division is a central counterparty and provides real-time trade matching, netting, and clearing services for the mortgage backed securities market. FICC is registered as a clearing agency with the SEC and supervised by the Federal Reserve.

Chicago Mercantile Exchange Inc. (CME) Clearing provides clearing and settlement services for futures, options, and over-the-counter derivatives products. CME has been designated by the Financial Stability Oversight Council as a systemically important financial market utility 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.

European Securities FMUs

Euroclear UK & Ireland, or EUI (formerly CREST), system is the U.K.'s Central Securities Depository, 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 also the securities settlement system for the settlement of these instruments. 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.

Euroclear Bank, or 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 Euroclear UK & Ireland, which provide settlement services in their respective local markets. Euroclear also provides related banking services to its settlement participants.

Clearstream is an international central securities depository and securities settlement system owned and operated by Clearstream Bank S.A., or CBL. A wide range of financial instruments (spanning a variety of equity and debt instruments and warrants) are eligible for deposit and transfer in Clearstream. CBL provides custody related services (corporate action processing, withholding tax services, etc.) for securities held in Clearstream. CBL also provides securities borrowing and lending services to Customers as well as a triparty collateral management service (including a triparty repo service). CBL is incorporated in Luxembourg and is authorized as a credit institution (i.e., a bank) by the Commission de Supervision du Secteur Financier of Luxembourg. CBL is also subject to the oversight of the Central Bank of Luxembourg.

LCH Limited, or LCH Ltd, is a central counterparty incorporated under the laws of England and Wales. LCH provides central clearing for a wide range of products including, commodities (exchange traded and OTC); equities, energy, fixed income (RepoClear), FX contracts (ForexClear), Freight; and interest rate and credit default swaps (SWAPClear). It is regulated by the Financial Services Authority and is also subject to the oversight of the Bank of England. LCH Ltd also is a derivatives clearing organization in the United States, and is subject to CFTC rules and the U.S. Commodity Exchange Act. LCH Ltd is a wholly owned subsidiary of LCH.Clearnet Group Limited. LCH.Clearnet Group Limited is majority owned by the London Stock Exchange Group; the remaining shareholding is held by its users and other exchanges.

LCH SA, is a central counterparty incorporated under the laws of France. It provides central clearing of a wide range of products including: credit default swaps, energy (Bluenext); futures and options, equities, and cash bonds and repos. 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. LCH SA is also regulated in the United Kingdom by the Bank of England as a recognized overseas clearing house. LCH SA is a majority owned subsidiary of LCH.Clearnet Group Limited. LCH.Clearnet Group Limited is majority owned by the London Stock Exchange Group; the remaining shareholding is held by its users and other exchanges.

Others

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.

The Society for Worldwide Interbank Financial Telecommunication, or SWIFT, provides 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, or RBC, is the largest bank in Canada by market capitalization, and ranks among the top 20 banks globally by market capitalization. RBC operates in five key market segments; Personal and Commercial Banking, Wealth Management, Insurance, Investor & Treasury Services, and Capital Markets. 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 been named a Global Systemically Important Bank (G-SIB) by the Financial Stability Board (FSB) in November 2017. RBC acts as JPMorgan Chase's correspondent bank and subcustodian in Canada.

The BNP Paribas Group was formed in 2000 through the merger of Banque Nationale de Paris and Paribas. The BNP Paribas Group, which includes BNP Paribas Securities Services SCA, or BP2S, and BNP Paribas S.A., or BNPSA, is organized into three core business divisions: Investment Solutions, Retail Banking, Corporate & Investment Bank. BP2S, which falls within Corporate & Investment Bank, provides clearing and settlement services for transactions involving domestic and international bonds, equities, derivatives and investment funds. BP2S provides subcustody services via its proprietary network in 26 countries globally. BP2S is regulated by the French regulators Autorité de Contrôle Prudentiel et de Résolution (ACPR) and Autorité des Marchés Financiers (AMF), which provides them with a European Passport. Local regulators such as the Dutch Autoriteit Financiële Markten (AFM) or the German Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) may regulate specific local businesses undertaken by BP2S. BNP acts as JPMorgan Chase's subcustodian across nine markets in Europe, and as JPMorgan Chase's correspondent bank in France.

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: liquidity risk, credit risk, market risk, country risk, model risk, principal risk, operational risk, legal, regulatory, and compliance risk, fiduciary risk and reputation risk.

Liquidity Risk

Liquidity risk is the risk that the firm will be unable to meet its contractual and contingent obligations. Liquidity risk management is intended to ensure that the firm has the appropriate amount, composition and tenor of funding and liquidity in support of its assets.

Liquidity Risk Management and Oversight

The JPMorgan Chase corporate treasury liquidity management function, in conjunction with the independent Liquidity Risk Oversight function have established and implemented strategies, policies and procedures to effectively manage firmwide liquidity risk, which are documented through the Liquidity Risk Oversight Policy, liquidity management framework, Contingency Funding Plan and Limit and Indicators Policy. JPMorgan Chase senior management recognizes the importance of a robust liquidity management function that supports strategic decision-making activities, and produces robust management and supervisory reporting through identification, measurement, monitoring, analytics and reporting of liquidity risk within the firm. Policies and procedures are in place for the review of all liquidity stress testing practices, methodologies, and assumptions through the firmwide Liquidity Stress Governance Forum. Liquidity risk appetite is determined through the Firm's risk appetite policy, where parameters are set and approved by the JPMC CEO, CFO and CRO.

Liquidity Risk Oversight's responsibilities include but are not limited to:

- establishing and monitoring limits, indicators, and thresholds, including liquidity appetite tolerances;
- defining and monitoring internal firmwide and legal entity stress tests and regulatory defined stress testing;
- reporting and monitoring liquidity positions, balance sheet variances and funding activities; and
- conducting ad hoc analysis to identify potential emerging liquidity risks.

Treasury is responsible for liquidity management. The primary objectives of effective liquidity management are to ensure that the Firm's core businesses are able to operate in support of client needs, meet contractual and contingent obligations through normal economic cycles as well as during stress events, ensure funding mix optimization, and availability of liquidity sources. The firm manages liquidity and funding using a centralized, global approach in order to optimize liquidity sources and uses.

In the context of the Firm's liquidity management, Treasury is responsible for:

- analyzing and understanding the liquidity characteristics of the firm, lines of business and legal entities' assets and liabilities, taking into account legal, regulatory, and operational restrictions;
- defining and monitoring firmwide and legal entity liquidity strategies, policies, guidelines, and Contingency Funding Plan;

- managing liquidity within approved liquidity risk appetite tolerances and limits; and
- setting transfer pricing in accordance with underlying liquidity characteristics of balance sheet assets and liabilities as well as certain off-balance sheet items.

Liquidity Risk Infrastructure Initiative

Since Q4 2011 JPMC has worked to implement the firmwide, mission critical Liquidity Risk Infrastructure initiative. The objective of the initiative is to develop world class liquidity risk measurement, analytics, reporting, and management capabilities utilizing a high degree of automation that enables the firm to increase the granularity and frequency of analytic and reporting capabilities while adapting to changing business needs in a timely manner. The program will allow Corporate Treasury, Liquidity Risk Oversight and the lines of business Treasury teams to do the following:

- support strategic decision-making and the Firm's fortress balance sheet;
- ensure the firm is appropriately funded in all economic cycles;
- monitor and manage liquidity at the firm and legal entity levels within approved liquidity risk appetite tolerances as well as other internal and regulatory requirements;
- meet regulatory reporting requirements; and
- support resolution planning, liquidity analytics and reporting requirements.

Liquidity Risk Governance and Measurement

Specific committees responsible for liquidity governance include firmwide ALCO as well as lines of business and regional ALCOs, and the CTC Risk Committee.

Internal Stress Testing

Liquidity stress tests are intended to ensure sufficient liquidity for the firm under a variety of adverse scenarios. Results of stress tests are therefore considered in the formulation of the Firm's funding plan and assessment of its liquidity position. Liquidity outflow assumptions are modeled across a range of time horizons and contemplate both market and idiosyncratic stress. Standard stress tests are performed on a regular basis and ad hoc stress tests are performed in response to specific market events or concerns. In addition, stress scenarios are produced for JPMC and its major subsidiaries.

Liquidity stress tests assume all of the Firm's contractual obligations are met and then take into consideration varying levels of access to unsecured and secured funding markets. Additionally, assumptions with respect to potential non-contractual and contingent outflows are contemplated.

The firm also conducts weekly market risk stress testing processes to better understand risks across a range of economic and market scenarios and weekly interest rate stress testing processes to measure long and short term interest rate sensitivity.

Contingency Funding Plan

The Contingency Funding Plan, which is reviewed by ALCO and approved by the Directors Risk Policy Committee, is a compilation of procedures and action plans for managing liquidity through stress events. The Contingency Funding Plan incorporates the limit and indicators set by the Liquidity Risk Oversight group. These limit and indicators are reviewed regularly to identify the emergence of risks or vulnerabilities in the Firm's liquidity position. The Contingency Funding Plan identifies the alternative contingent liquidity resources available to the firm in a stress event.

Capital Management and Oversight

The Firm has established capital management oversight and reporting processes to monitor the level and composition of capital against internal minimum capital targets and capital monitoring triggers as well as processes to monitor capital distribution triggers. Ongoing capital monitoring consists of weekly, quarterly, semi-annual and annual processes that are executed to ensure that actual or forecast depletion of capital (on a transitional and fully phased-in basis) is identified and escalated in a timely manner to allow for active management of the capital position of JPMC.

Liquidity, Finance, Risk and Regulatory Management Reporting

Maintaining a strong balance sheet to manage through economic volatility is considered a strategic imperative of the JPMC Board, CEO and Operating Committee. This balance sheet philosophy consists of conservative accounting and a focus on risk-adjusted returns, strong capital and reserves, and robust liquidity. The first line of defense against any idiosyncratic or systemic crisis is ensuring that the company remains in strong financial condition and that the firm is run such that unforeseen, but possible, risk scenarios are manageable. JPMC's business strategies, risk management framework, and a fortress balance sheet philosophy emphasize strength in capital, liquidity and reserves, and are all designed to achieve these objectives.

The Firm measures 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. The Firm aims 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. The Firm's goal is to continuously improve the reporting process through enhancements to the control and financial reporting environment that focus on analytics, compliance and reporting; enhancing the accuracy and transparency, and efficiency of its financial reporting, internally and across regulatory and external reporting.

The technology functions that serve the Firm's businesses support its risk, liquidity, financial and regulatory reporting infrastructure to ensure both internal and external clients have access to the tools and information necessary. The technology functions are coordinated around a firmwide Technology organizational structure. Technology reports to the JPMC CIO and, in certain cases, also to line of business executives. The JPMorgan Chase Technology function includes both business aligned application development and enterprise wide technology solutions to support the Firm's risk, liquidity, financial and regulatory reporting structure.

Key Regulators for JPMCB and CUSA

As it conducts a range of financial activities in multiple countries, JPMorgan Chase is supervised by multiple regulators. The Federal Reserve acts as an umbrella 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 subsidiaries, JPMCB and CUSA, are 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 Bank of Japan for JPMCB Tokyo Branch, and the Hong Kong Monetary Authority for JPMCB Hong Kong Branch.

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, and 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, J.P. Morgan Securities LLC, J.P. Morgan Securities plc and J.P. Morgan Ventures Energy Corporation have registered with the CFTC as 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 2017 Annual Report on Form 10-K and other JPMC 1934 Act reports.

Principal Officers

Figure 18. Executive officers of JPMC and JPMCB as of June 1, 2018

Name	Positions and offices
James Dimon	Chairman of the Board, Chief Executive Officer and President of JPMC Chief Executive Officer and President of JPMCB
Ashley Bacon	Chief Risk Officer since June 2013. He had been Deputy Chief Risk Officer since June 2012, prior to which he had been Global Head of Market Risk for the Investment Bank (now part of Corporate & Investment Bank).
Lori A. Beer	Chief Information Officer.
Mary Callahan Erdoes	Chief Executive Officer of Asset & Wealth Management.
Stacey Friedman	General Counsel since January 1, 2016, prior to which she was Deputy General Counsel since July 2015 and General Counsel for the Corporate & Investment Bank since August 2012. Prior to joining JPMorgan Chase in 2012, she was a partner at the law firm of Sullivan & Cromwell LLP.
Marianne Lake	Chief Financial Officer since January 1, 2013, prior to which she had been Chief Financial Officer of Consumer & Community Banking since 2009.
Robin Leopold	Head of Human Resources.
Douglas B. Petno	Chief Executive Officer of Commercial Banking since January 2012. He had been Chief Operating Officer of Commercial Banking since October 2010, prior to which he had been Global Head of Natural Resources in the Investment Bank (now part of Corporate & Investment Bank).
Daniel E. Pinto	Chief Executive Officer of the Corporate & Investment Bank since March 2014 and Chief Executive Officer of Europe, the Middle East and Africa since June 2011. He had been Co-Chief Executive Officer of the Corporate & Investment Bank from July 2012 until March 2014, prior to which he had been head or co-head of the Global Fixed Income business from November 2009 until July 2012.
Peter L. Scher	Head of Corporate Responsibility.
Gordon A. Smith	Chief Executive Officer of Consumer & Community Banking since December 2012, prior to which he had been Co-Chief Executive Officer since July 2012. He had been Chief Executive Officer of Card Services since 2007 and of Auto & Student Lending since 2011.
Notes regarding additional, select officer titles with JPMCB	
William C. Weldon	Non-executive Chairman of the Board
Louis Rauchenberger	General Auditor
Frank Pearn	Chief Compliance Officer
John S. Horner	Treasurer
Molly Carpenter	Secretary
Cristiano M. Almeida	Controller
Notes regarding additional, select officer titles with CUSA	
William C. Weldon	Non-executive Chairman of the Board
Jennifer A. Piepszak	Chief Executive Officer
Essya L. Hanachi	Chief Financial Officer
James Dimon	President
Douglas S. Arrigo	Chief Operating Officer / Controller
Mark D. Brucker	Chief Risk Officer / Credit Officer
Richard H. Samson	Regulatory Compliance Officer
Vincent J. Mattamira	Treasurer
Kathryn B. McGarvey	Chief Liquidity Risk Officer
Julie B. Dennis	Auditor
George A. Thompson	General Counsel and Secretary

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 CFO organization. As head of resolution planning, this senior officer has firmwide responsibility to ensure that the firm is adopting business organizational strategies, policies, and procedures that appropriately address the challenges faced in establishing a robust and credible resolution regime.

The head of resolution planning 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 Office of the Head of Resolution Planning is responsible for compiling, reviewing, and maintaining all resolution-related information.

To support and maintain the sustainability of resolution planning at the Firm, it embeds 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 senior officer responsible for resolution planning reports to the CFO, who 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. Each of the Operating Committee members reviews and approves their respective line of business or functional resolution analyses and information. The process is reviewed with the Directors Risk Policy Committee, and updates on progress are made regularly to the Directors Risk Policy Committee. The submission of the Firm's 2018 IDI Resolution Plan has been approved by the JPMCB and CUSA Boards.

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 72 or in the 2017 Annual Report.

Figure 19 is the Firm's Consolidated Balance Sheet from the Firm's Annual Report on Form 10-K for the period ended December 31, 2017. For a more detailed discussion on each of the specific line captions on the Consolidated Balance Sheets, please refer to the 2017 Annual Report on Form 10-K and other JPMC 1934 Act reports.

Figure 19. JPMorgan Chase Consolidated Balance Sheets [(a)]

December 31, (in millions)	2017	2016
Assets		
Cash and due from banks	**$ 25,827**	$ 23,873
Deposits with banks	**404,294**	365,762
Federal funds sold and securities purchased under resale agreements	**198,422**	229,967
Securities borrowed	**105,112**	96,409
Trading assets:		
Debt and equity instruments	**325,321**	308,052
Derivative receivables	**56,523**	64,078
Securities	**249,958**	289,059
Loans	**930,697**	894,765
Allowance for loan losses	**(13,604)**	(13,776)
Loans, net of allowance for loan losses	**917,093**	880,989
Accrued interest and accounts receivable	**67,729**	52,330
Premises and equipment	**14,159**	14,131
Goodwill, MSRs and other intangible assets	**54,392**	54,246
Other assets	**114,770**	112,076
Total assets	**$ 2,533,600**	$ 2,490,972
Liabilities		
Deposits	**$ 1,443,982**	$ 1,375,179
Federal funds purchased and securities loaned or sold under repurchase agreements	**158,916**	165,666
Short-term borrowings	**51,802**	34,443
Trading liabilities:		
Debt and equity instruments	**85,886**	87,428
Derivative payables	**37,777**	49,231
Accounts payable and other liabilities	**189,383**	190,543
Beneficial interests issued by consolidated variable interest entities ("VIEs")	**26,081**	39,047
Long-term debt	**284,080**	295,245
Total liabilities	**2,277,907**	2,236,782
Stockholders' equity	**255,693**	254,190
Total liabilities and stockholders' equity	**$ 2,533,600**	$ 2,490,972

[(a)] The accompanying footnotes included in the Firm's Annual Report on Form 10-K are an integral part of its consolidated financial statements

The Federal Reserve establishes capital requirements, including well-capitalized standards, for the consolidated financial holding company. The OCC establishes similar minimum capital requirements and standards for the Firm's IDI, including JPMCB and CUSA.

Capital rules under Basel III establish minimum capital ratios and overall capital adequacy standards for large and internationally active U.S. bank holding companies and banks, including the Firm and its IDI subsidiaries. Basel III set forth two comprehensive approaches for calculating RWA: a standardized approach ("Basel III Standardized") and an advanced approach ("Basel III Advanced"). Certain of the requirements of Basel III are subject to phase-in periods that began on January 1, 2014 and continue through the end of 2018 ("transitional period").

There are three categories of risk-based capital under the Basel III Transitional rules: CET1 capital, as well as Tier 1 capital and Tier 2 capital. CET1 capital predominantly includes common stockholders' equity (including capital for AOCI related to debt and equity securities classified as AFS as well as for defined-benefit pension and OPEB plans), less certain deductions for goodwill, MSRs and deferred tax assets that arise from NOL and tax credit carryforwards. Tier 1 capital predominantly consists of CET1 capital as well as perpetual preferred stock. Tier 2 capital includes long-term debt qualifying as Tier 2 and qualifying allowance for credit losses. Total capital is Tier 1 capital plus Tier 2 capital.

Figure 22 presents the risk-based capital ratios for JPMorgan Chase under both Basel III Standardized Transitional and Basel III Advanced Transitional at December 31, 2017 and 2016.

Figure 20. JPMC Risk-Based Capital Ratios

JPMC – Capital Ratios	**Basel III Standardized Transitional**	**Basel III Standardized Transitional**	**Basel III Advanced Transitional**	**Basel III Advanced Transitional**
Year ended December 31,	**2017**	2016	**2017**	2016
Capital ratios[a]				
CET1	12.2%	12.3% [c]	12.8%	12.4%
Tier 1[b]	13.9	14.0 [c]	14.5	14.1
Total	15.9	16.2 [c]	15.9	15.5

(a) For each of the risk-based capital ratios, the capital adequacy of the Firm and its IDI subsidiaries is evaluated against the lower of the two ratios as calculated under Basel III approaches (Standardized or Advanced) as required by the Collins Amendment of the Dodd-Frank Act (the "Collins Floor")

(b) Includes the deduction associated with the permissible holdings of covered funds (as defined by the Volcker Rule). The deduction was not material as of December 31, 2017 and 2016.

(c) The prior period amounts have been revised to conform with the current period presentation.

In addition to providing summary financial information regarding JPMorgan Chase, the IDI Rule requires summary financial information of JPMCB and CUSA to be included in the Public Filing. The following is summary financial information as of December 31, 2017 and 2016 for JPMCB and CUSA.

Figure 21 through Figure 26 below highlight selected financial information from JPMCB and CUSA 2017 and 2016 call reports. For the most complete, updated description of most of the topics covered in this filing, including financial information regarding assets, liabilities, capital and major funding sources, JPMCB and CUSA call reports should be read in their entirety.

Figure 21. JPMCB – Consolidated Balance Sheets

December 31, (in millions)	2017	2016
Assets		
Cash and balances due from depository institutions	$ 464,923	$ 413,066
Securities	247,038	284,932
Federal funds sold and securities purchased under agreements to resell	194,223	205,104
Loans and lease financing receivables	817,764	782,594
Trading assets	249,031	245,063
Premises and fixed assets (including capitalized leases)	11,527	11,455
Other real estate owned	402	506
Investments in unconsolidated subsidiaries and associated companies	101	149
Direct and indirect investments in real estate ventures	8,039	8,989
Intangible assets	33,570	33,396
Other assets	114,160	97,549
Total assets	2,140,778	$ 2,082,803
Liabilities		
Deposits	$ 1,534,907	$ 1,480,238
Federal funds purchased and securities sold under agreements to repurchase	94,692	74,778
Trading liabilities	96,601	111,486
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)	111,244	122,627
Subordinated notes and debentures	313	4,134
Other liabilities	91,175	84,191
Total liabilities	**1,928,932**	**1,877,454**
Stockholders' equity	**211,846**	**205,349**
Total liabilities and stockholders' equity	**$ 2,140,778**	**$ 2,082,803**

Figure 22 presents the risk-based capital ratios for JPMCB under both Basel III Standardized Transitional and Basel III Advanced Transitional at December 31, 2017, and 2016.

Figure 22. JPMorgan Chase Bank, N.A. Risk-Based Capital Ratios

JPMCB – Capital Ratios	Basel III Standardized Transitional	Basel III Standardized Transitional	Basel III Advanced Transitional	Basel III Advanced Transitional
Year ended December 31,	2017	2016	2017	2016
Capital ratios[(a)]				
CET1	13.8%	13.6% [(c)]	14.8%	13.9%
Tier 1[(b)]	13.8	13.6 [(c)]	14.8	13.9
Total	14.6 [(c)]	14.6 [(c)]	15.3	14.3

(a) For each of the risk-based capital ratios, the capital adequacy of the Firm and its IDI subsidiaries is evaluated against the lower of the two ratios as calculated under Basel III approaches (Standardized or Advanced) as required by the Collins Amendment of the Dodd-Frank Act (the “Collins Floor”).

(b) Includes the deduction associated with the permissible holdings of covered funds (as defined by the Volcker Rule). The deduction was not material as of December 31, 2017 and 2016.

(c) Prior year amounts have been revised to conform to the current period presentation.

Figure 23. JPMorgan Chase Bank, N.A. – Selected Income from Foreign Offices

December 31, (in millions)	2017	2016
Total interest income in foreign offices	$9,091	$8,259
Total interest expense in foreign offices	3,883	2,326
Provision for loan and lease losses in foreign offices	161	52
Noninterest income in foreign offices	15,988	17,339
Realized gains (losses) on held-to-maturity and available-for-sale securities in foreign offices	364	116
Total noninterest expense in foreign offices	14,667	16,331
Net income attributable to foreign offices before internal allocations of income and expense	1,732	5,290
Consolidated net income attributable to foreign offices	$440	$8,516

Figure 24. Chase Bank USA, N.A. – Consolidated Balance Sheets

December 31, (in millions)	2017	2016
Assets		
Cash and balances due from depository institutions	$19,316	$12,863
Securities	—	—
Federal funds sold and securities purchased under agreements to resell	220	—
Loans and lease financing receivables	105,013	102,946
Trading assets	—	—
Premises and fixed assets (including capitalized leases)	270	282
Other real estate owned	—	—
Investments in unconsolidated subsidiaries and associated companies	—	—
Direct and indirect investments in real estate ventures	—	—
Intangible assets	12,424	12,432
Other assets	6,558	7,661
Total assets	**$143,801**	$136,184
Liabilities		
Deposits	$52,716	$35,419
Federal funds purchased and securities sold under agreements to repurchase	—	100
Trading liabilities	—	—
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)	40,990	57,908
Subordinated notes and debentures	4,650	4,650
Other liabilities	10,979	8,352
Total liabilities	109,335	106,429
Stockholders' equity	34,465	29,755
Total liabilities and stockholders' equity	**$143,801**	**$136,184**

Figure 25 presents the risk-based capital ratios for CUSA under both Basel III Standardized Transitional and Basel III Advanced Transitional at December 31, 2017, and 2016.

Figure 25. Chase Bank USA, N.A. – Risk-Based Capital

CUSA, N.A. – Capital Ratios	**Basel III Standardized Transitional**	**Basel III Standardized Transitional**	**Basel III Advanced Transitional**	**Basel III Advanced Transitional**
Year ended December 31,	2017	2016	2017	2016
Capital ratios[(a)]				
CET1	19.1%	14.9%	11.3%	9.0%
Tier 1	19.1	14.9	11.3	9.0
Total	24.5	20.4	13.8	11.5

(a) For each of the risk-based capital ratios, the capital adequacy of the Firm and its IDI subsidiaries is evaluated against the lower of the two ratios as calculated under Basel III approaches (Standardized or Advanced) as required by the Collins Amendment of the Dodd-Frank Act (the "Collins Floor").

Figure 26. CUSA – Selected Income from Foreign Offices

December 31, (in millions)	2017	2016
Total interest income in foreign offices	$ —	$ —
Total interest expense in foreign offices	—	—
Provision for loan and lease losses in foreign offices	—	—
Noninterest income in foreign offices	—	—
Realized gains (losses) on held-to-maturity and available-for-sale securities in foreign offices	—	—
Total noninterest expense in foreign offices	$ —	$ —
Net income attributable to foreign offices before internal allocations of income and expense	—	—
Consolidated net income attributable to foreign offices	—	—

In addition to providing summary financial information on a consolidated basis regarding JPMC, JPMCB and CUSA, Figure 27 highlights total assets, total liabilities, total net revenue and net income as of December 31, 2017 for the remaining Material Legal Entities on a stand-alone basis.

Figure 27. Remaining Material Legal Entities – Selected Financial Metrics

December 31, 2017 ($ in millions)[(a)]	Total Assets	Total Liabilities	Total Net Revenue	Net Income
JPMCB Bank Branches				
JPMCB – London Branch	$307,539	$307,196	$6,688	$674
JPMCB – Hong Kong Branch	10,029	10,028	1,048	45
JPMCB – Philippines Global Service Center	261	28	309	28
JPMCB – Singapore Branch	23,530	23,522	880	45
JPMCB – Sydney Branch	12,018	12,004	358	19
JPMCB – Tokyo Branch	33,382	33,352	114	(8)

(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 U.S. GAAP.

Capital Risk Management

Capital risk is the risk the Firm has an insufficient level and 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 it to build and invest in market-leading businesses, even in a highly stressed environment. Senior management considers the implications on the Firm's capital prior to making 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 preserving the Firm's capital strength.

The Firm's capital risk management objectives are to hold capital sufficient to:

- maintain "well-capitalized" status for the Firm and its insured depository institution ("IDI") subsidiaries;
- support risks underlying business activities;
- maintain sufficient capital in order to continue to build and invest in its businesses through the cycle and in stressed environments;
- retain flexibility to take advantage of future investment opportunities;
- serve as a source of strength to its subsidiaries;
- meet capital distribution objectives; and
- maintain sufficient capital resources to operate throughout a resolution period in accordance with the Firm's Preferred Resolution Strategy.

These objectives are achieved through the establishment of minimum capital targets and a strong capital governance framework. Capital risk management is intended to be flexible in order to react to a range of potential events. The Firm's minimum capital targets are based on the most binding of three pillars: an internal assessment of the Firm's capital needs; an estimate of required capital under the CCAR and Dodd-Frank Act stress testing requirements; and Basel III Fully Phased-In regulatory minimums. Where necessary, each pillar may include a management established buffer. The capital governance framework requires regular monitoring of the Firm's capital positions, stress testing and defining escalation protocols, both at the Firm and material legal entity levels.

The following tables present the Firm's Transitional and Fully Phased-In risk-based and leverage-based capital metrics under both the Basel III Standardized and Advanced Approaches. The Firm's Basel III ratios exceed both the Transitional and Fully Phased-In regulatory minimums as of December 31, 2017 and 2016. For further discussion of these capital metrics, including regulatory minimums, and the Standardized and Advanced Approaches, refer to Strategy and Governance on pages 84–88 in the 2017 Annual Report on Form 10-K.

Figure 28. JPMC Transitional and Fully Phased-in Risk-Based and Leverage-Based Capital Metrics

	Transitional			Fully Phased-In		
December 31, 2017 (in millions, except ratios)	**Standardized**	**Advanced**	**Minimum Capital Ratios[c]**	**Standardized**	**Advanced**	**Minimum Capital Ratios[d]**
Risk-based capital						
CET1 capital	$183,300	$183,300		$183,244	$183,244	
Tier 1 capital	208,644	208,644		208,564	208,564	
Total capital	238,395	227,933		237,960	227,498	
Risk-weighted assets	1,499,506	1,435,825		1,509,762	1,446,696	
CET1 capital ratio	12.2 %	12.8%	7.5%	12.1%	12.7%	10.5%
Tier 1 capital ratio	13.9	14.5	9.0	13.8	14.4	12.0
Total capital ratio	15.9	15.9	11.0	15.8	15.7	14.0
Leverage-based capital metrics:						
Adjusted average	2,514,270	2,514,270		2,514,822	2,514,822	
Tier 1 leverage ratio[a]	8.3%	8.3%	4.0%	8.3%	8.3%	4.0%
SLR leverage	NA	$3,204,463		NA	$3,205,015	
SLR[b]	NA	6.5%	NA	NA	6.5%	5.0% [e]

	Transitional			Fully Phased-In		
December 31, 2016 (in millions, except ratios)	**Standardized**	**Advanced**	**Minimum Capital Ratios[c]**	**Standardized**	**Advanced**	**Minimum Capital Ratios[d]**
Risk-based capital						
CET1 capital	$182,967	$182,967		$181,734	$181,734	
Tier 1 capital	208,112	208,112		207,474	207,474	
Total capital	239,553	228,592		237,487	226,526	
Risk-weighted assets	1,483,132	1,476,915		1,492,816	1,487,180	
CET1 capital ratio	12.3% [d]	12.4%	6.25%	12.2%	12.2%	10.5%
Tier 1 capital ratio	14.0% [d]	14.1	7.75	13.9	14.0	12.0
Total capital ratio	16.2% [d]	15.5	9.75	15.9	15.2	14.0
Leverage-based capital metrics:						
Adjusted average	2,484,631	2,484,631		2,485,480	2,485,480	
Tier 1 leverage ratio[a]	8.4%	8.4%	4.0	8.3%	8.3%	4.0
SLR leverage	NA	$3,191,990		NA	$3,192,839	
SLR[b]	NA	6.5%	NA	NA	6.5%	5.0 [e]

Note: As of December 31, 2017 and 2016, the lower of the Standardized or Advanced capital ratios under each of the Transitional and Fully Phased-In Approaches in the table above represents the Firm's Collins Floor, as discussed in Risk-based capital regulatory minimums on page 85 in JPMorgan Chase's 2017 Annual Report on Form 10-K.

(a) Adjusted average assets, for purposes of calculating the Tier 1 leverage ratio, includes total quarterly average assets adjusted for unrealized gains/(losses) on available-for-sale ("AFS") securities, less deductions for goodwill and other intangible assets, defined benefit pension plan assets, and deferred tax assets related to tax attributes, including net operating losses ("NOLs").

(b) The Tier 1 leverage ratio is calculated by dividing Tier 1 capital by adjusted total average assets.

(c) The SLR leverage ratio is calculated by dividing Tier 1 capital by total leverage exposure. For additional information on total leverage exposure, see SLR on page 88 in JPMorgan Chase's 2017 Annual Report on Form 10-K.

(d) The prior period amounts have been revised to conform with the current period presentation.

(e) In the case of the SLR, the Fully Phased-In minimum ratio is effective January 1, 2018.

The following table presents the regulatory capital, assets and risk-based capital ratios for JPMCB under both Basel III Standardized Transitional and Basel III Advanced Transitional as of December 31, 2017.

Figure 29. JPMCB Transitional Risk-Based and Leverage-Based Capital Metrics

	Basel III Standardized Transitional		Basel III Advanced Transitional	
December 31, (in millions, except ratios)	**2017**	2016	**2017**	2016
Regulatory Capital:				
CET1 capital	**$ 184,375**	$ 179,319	**$ 184,375**	**$ 179,319**
Tier 1 capital [(a)]	**184,375**	179,341	**184,375**	**179,341**
Total capital	**195,839**	191,662	**189,511**	**184,621**
Assets				
Risk-weighted	**$ 1,338,970**	$ 1,317,244 [(e)]	**$ 1,241,916**	**$ 1,288,446**
Adjusted average [(b)]	**2,116,031**	2,088,851	**2,116,031**	**2,088,851**
Capital Ratios				
CET1	**13.8%**	13.6% [(e)]	**14.8%**	13.9%
Tier 1 [(a)]	**13.8**	13.6 [(e)]	**14.8**	13.9
Total	**14.6**	14.6 [(e)]	**15.3**	14.3
Tier 1 leverage [(d)]	**8.7**	8.6	**8.7**	8.6

(a) Includes the deduction associated with the permissible holdings of covered funds (as defined by the Volcker Rule). The deduction was not material as of December 31, 2017 and 2016.
(b) Adjusted average assets, for purposes of calculating the Tier 1 leverage ratio, includes total quarterly average assets adjusted for unrealized gains/(losses) on AFS securities, less deductions for goodwill and other intangible assets, defined benefit pension plan assets, and deferred tax assets related to tax attributes, including NOLs.
(c) For each of the risk-based capital ratios, the capital adequacy of JPMorgan Chase Bank, N.A. and its IDI subsidiaries is evaluated against the lower of the two ratios as calculated under Basel III approaches (Standardized or Advanced) as required by the Collins Amendment of the Dodd-Frank Act (the “Collins Floor”).
(d) The Tier 1 leverage ratio is not a risk-based measure of capital. This ratio is calculated by dividing Tier 1 capital by adjusted average assets.
(e) The prior period amounts have been revised to conform with the current period presentation.

The following table presents the regulatory capital, assets and risk-based capital ratios for CUSA under both Basel III Standardized Transitional and Basel III Advanced Transitional as of December 31, 2017.

Figure 30. CUSA Transitional Risk-Based and Leverage-Based Capital Metrics

	Basel III Standardized Transitional		Basel III Advanced Transitional	
December 31, (in millions, except ratios)	**2017**	2016	**2017**	2016
Regulatory Capital:				
CET1 capital	**$ 21,600**	$ 16,784	**$ 21,600**	**$** 16,784
Tier 1 capital [(a)]	**21,600**	16,784	**21,600**	16,784
Total capital	**27,691**	22,862	**26,250**	21,434
Assets				
Risk-weighted	**$ 113,108**	$ 112,297	**$ 190,523**	**$** 186,378
Adjusted average [(b)]	**126,517**	120,304	**126,517**	120,304
Capital Ratios				
CET1	**19.1%**	14.9%	**11.3%**	9.0%
Tier 1 [(a)]	**19.1**	14.9	**11.3**	9.0
Total	**24.5**	20.4	**13.8**	11.5
Tier 1 leverage [(d)]	**17.1**	14.0	**17.1**	14.0

(a) Includes the deduction associated with the permissible holdings of covered funds (as defined by the Volcker Rule). The deduction was not material as of December 31, 2017 and 2016.
(b) Adjusted average assets, for purposes of calculating the Tier 1 leverage ratio, includes total quarterly average assets adjusted for unrealized gains/(losses) on AFS securities, less deductions for goodwill and other intangible assets, defined benefit pension plan assets, and deferred tax assets related to tax attributes, including NOLs.
(c) For each of the risk-based capital ratios, the capital adequacy of JPMorgan Chase Bank, N.A. and its IDI subsidiaries is evaluated against the lower of the two ratios as calculated under Basel III approaches (Standardized or Advanced) as required by the Collins Amendment of the Dodd-Frank Act (the "Collins Floor").
(d) The Tier 1 leverage ratio is not a risk-based measure of capital. This ratio is calculated by dividing Tier 1 capital by adjusted average assets.

Strategy and Governance

The Firm's CEO, together with the Board of Directors and the Operating Committee, establishes principles and guidelines for capital planning, issuance, usage and distributions, and minimum capital targets for the level and composition of capital in business-as-usual and highly stressed environments. The DRPC reviews and approves the capital management and governance policy of the Firm. The Firm's Audit Committee is responsible for reviewing and approving the capital stress testing control framework.

The Capital Governance Committee and the Regulatory Capital Management Office ("RCMO") support the Firm's strategic capital decision-making. The Capital Governance Committee oversees the capital adequacy assessment process, including the overall design, scenario development and macro assumptions, and ensures that capital stress test programs are designed to adequately capture the risks specific to the Firm's businesses. RCMO, which reports to the Firm's CFO, is responsible for designing and monitoring the Firm's execution of its capital policies and strategies once approved by the Board, as well as reviewing and monitoring the execution of its capital adequacy assessment process. The Basel Independent Review function ("BIR"), which reports to the RCMO, conducts independent assessments of the Firm's regulatory capital framework to ensure compliance with the applicable U.S. Basel rules in support of senior management's responsibility for assessing and managing capital and for the DRPC's oversight of management in executing that responsibility. For additional discussion on the DRPC, see Enterprise-wide Risk Management on pages 75–137 in the 2017 Annual Report on Form 10-K.

Monitoring and Management of Capital

In its monitoring and management of capital, the Firm takes into consideration an assessment of economic risk and all regulatory capital requirements to determine the level of capital needed to meet and maintain the objectives discussed above, as well as to support the framework for allocating capital to its business segments. While economic risk is considered prior to making decisions on future business activities, in most cases the Firm considers risk-based regulatory capital to be a proxy for economic risk capital.

Regulatory Capital

The Federal Reserve establishes capital requirements, including well-capitalized standards, for the consolidated financial holding company. The OCC establishes similar minimum capital requirements for the Firm's national banks, including JPMCB and CUSA. The U.S. capital requirements generally follow the Capital Accord of the Basel Committee, as amended from time to time.

Basel III Overview

Capital rules under Basel III establish minimum capital ratios and overall capital adequacy standards for large and internationally active U.S. bank holding companies ("BHC") and banks, including the Firm and its IDI subsidiaries. Basel III sets forth two comprehensive approaches for calculating RWA: a standardized approach ("Basel III Standardized"), and an advanced approach ("Basel III Advanced"). Certain of the requirements of Basel III are subject to phase-in periods that began on January 1, 2014 and continue through the end of 2018 ("transitional period").

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 methodologies, the Firm may supplement such amounts to incorporate management judgment and feedback from its regulators.

Basel III also includes a requirement for Advanced Approach banking organizations, including the Firm, to calculate the SLR. For additional information on the SLR, see page 88 in the 2017 Annual Report on Form 10-K.

On December 7, 2017, the Basel Committee issued the Basel III Reforms. Potential changes to the requirements for U.S. financial institutions are being considered by the U.S. banking regulators. For additional information on Basel III reforms, refer to Supervision & Regulation on pages 1–8 in the 2017 Annual Report on Form 10-K.

Basel III Fully Phased-In

Basel III Fully Phased-In the Basel III transitional period will end on December 31, 2018, at which point the Firm will calculate its capital ratios under both the Basel III Standardized and Advanced Approaches on a Fully Phased–In basis. In the case of the SLR, the Fully Phased-In well-capitalized ratio is effective January 1, 2018. The Firm manages each of its lines of business, as well as the corporate functions, primarily on a Basel III Fully Phased-In basis.

The Firm's estimates of its Basel III Standardized and Advanced Fully Phased-In capital, RWA and capital ratios, and SLRs for the Firm, JPMCB and CUSA are based on the current published U.S. Basel III rules. The actual impact on the Firm's capital ratios and

SLR as of the effective date of the rules may differ from the Firm's current estimates depending on changes the Firm may make to its businesses in the future, further implementation guidance from the regulators, and regulatory approval of certain of the Firm's internal risk models (or, alternatively, regulatory disapproval of the Firm's internal risk models that have previously been conditionally approved).

The following table presents reconciliations of total stockholders' equity to Basel III Fully Phased-In CET1 capital, Tier 1 capital and Basel III Advanced and Standardized Fully Phased-In Total capital as of December 31, 2017 and 2016. For additional information on the components of regulatory capital, see Note 26 in the 2017 Annual Report on Form 10-K.

Figure 31. JPMC Capital Components

December 31, (in millions)		2017		2016
Total stockholders' equity	**$**	**255,693**	**$**	**254,190**
Less: Preferred stock		26,068		26,068
Common stockholders' equity		**229,625**		**228,122**
Less:				
Goodwill		47,507		47,288
Other intangible assets		855		862
Add:				
Certain Deferred tax liabilities [(a)(b)]		2,204		3,230
Less: Other CET1 capital adjustments [(b)]		223		1,468
Standardized/Advanced Fully Phased-In CET1 capital		**183,244**		**181,734**
Preferred stock		26,068		26,068
Less:				
Other Tier 1 adjustments [(c)]		748		328
Standardized/Advanced Fully Phased-In Tier 1 capital	**$**	**208,564**	**$**	**207,474**
Long-term debt and other instruments qualifying as Tier 2 capital	$	14,827	$	15,253
Qualifying allowance for credit losses		14,672		14,854
Other		(103)		(94)
Standardized Fully Phased-In Tier 2 capital	**$**	**29,396**	**$**	**30,013**
Standardized Fully Phased-in Total capital	**$**	**237,960**	**$**	**237,487**
Adjustment in qualifying allowance for credit losses for Advanced Tier 2 capital		(10,462)		(10,961)
Advanced Fully Phased-In Tier 2 capital	**$**	**18,934**	**$**	**19,052**
Advanced Fully Phased-In Total capital	**$**	**227,498**	**$**	**226,526**

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

(b) Includes the effect from the revaluation of the Firm's net deferred tax liability as a result of the enactment of the TCJA.

(c) Includes the deduction associated with the permissible holdings of covered funds (as defined by the Volcker Rule). The deduction was not material as of December 31, 2017 and 2016.

Figure 32. JPMCB Capital Components

December 31, (in millions)		2017		2016
Total stockholders' equity	**$**	**211,337**	**$**	**204,874**
Less: Preferred stock				
Common stockholders' equity		**211,337**		**204,874**
Less:				
Goodwill		26,185		25,334
Other intangible assets		130		83
Add:				
Certain Deferred tax liabilities [(a)(b)]				
Less: Other CET1 capital adjustments [(b)]		647		138
Standardized/Advanced Transitional CET1 capital		**184,375**		**179,319**
Preferred stock				
Less:				
Other Tier 1 adjustments [(c)]		0		(22)
Standardized/Advanced Transitional Tier 1 capital	**$**	**184,375**	**$**	**179,341**
Long-term debt and other instruments qualifying as Tier 2 capital	$	313	$	522
Qualifying allowance for credit losses		11,149		11,793
Other		2		6
Standardized Transitional Tier 2 capital	**$**	**11,464**	**$**	**12,321**
Standardized Transitional Total capital	**$**	**195,839**	**$**	**191,662**
Adjustment in qualifying allowance for credit losses for Advanced Tier 2 capital		(6,420)		(7,025)
Advanced Transitional Tier 2 capital	**$**	**5,136**	**$**	**5,280**
Advanced Transitional Total capital	**$**	**189,511**	**$**	**184,621**

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

(b) Includes the effect from the revaluation of the Firm's net deferred tax liability as a result of the enactment of the TCJA.

(c) Includes the deduction associated with the permissible holdings of covered funds (as defined by the Volcker Rule). The deduction was not material as of December 31, 2017 and 2016.

Figure 33. CUSA Capital Components

December 31, (in millions)		2017		2016
Total stockholders' equity	**$**	**34,465**	**$**	**29,755**
Common stockholders' equity		**34,465**		**29,755**
Less:				
Goodwill		12,202		12,093
Other intangible assets		23		21
Certain Deferred tax assets		3		4
Other CET1 capital adjustments [a]		510		510
Deductions due to insufficient amount of additional tier 1 and tier 2 capital to cover deductions		128		343
Standardized/Advanced Transitional CET1 capital	**$**	**21,600**	**$**	**16,784**
Standardized/Advanced Transitional Tier 1 capital	**$**	**21,600**	**$**	**16,784**
Long-term debt and other instruments qualifying as Tier 2 capital	$	4,650	$	4,650
Qualifying allowance for credit losses	$	1,441	$	1,428
Standardized Transitional Tier 2 capital	**$**	**6,091**	**$**	**6,078**
Standardized Transitional Total capital	**$**	**27,691**	**$**	**22,862**
Advanced Transitional Tier 2 capital	**$**	**4,650**	**$**	**4,650**
Advanced Transitional Total capital	**$**	**26,250**	**$**	**21,434**

(a) Includes the effect from the revaluation of the Firm's net deferred tax liability as a result of the enactment of the TCJA.

Line of Business Equity

Each business segment is allocated capital by taking into consideration stand-alone peer comparisons and regulatory capital requirements. For 2016, capital was allocated to each business segment for, among other things, goodwill and other intangibles associated with acquisitions effected by the line of business. ROE is measured and internal targets for expected returns are established as key measures of a business segment's performance.

On at least an annual basis, the Firm assesses the level of capital required for each line of business as well as the assumptions and methodologies used to allocate capital. Through the end of 2016, capital was allocated to the lines of business based on a single measure, Basel III Advanced Fully Phased-In RWA. Effective January 1, 2017, the Firm's methodology used to allocate capital to the Firm's business segments was updated. The new methodology incorporates Basel III Standardized Fully Phased-In RWA (as well as Basel III Advanced Fully Phased-In RWA), leverage, the GSIB surcharge, and a simulation of capital in a severe stress environment. The methodology will continue to be weighted towards Basel III Advanced Fully Phased-In RWA because the Firm believes it to be the best proxy for economic risk. The Firm will consider further changes to its capital allocation methodology as the regulatory framework evolves. In addition, under the new methodology, capital is no longer allocated to each line of business for goodwill and other intangibles associated with acquisitions effected by the line of business. The Firm will continue to establish internal ROE targets for its business segments, against which they will be measured, as a key performance indicator.

Planning and Stress Testing

Comprehensive Capital Analysis and Review

The Federal Reserve requires large bank holding companies, including the Firm, to submit a capital plan on an annual basis. The Federal Reserve uses the CCAR and Dodd-Frank Act stress test 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 the CCAR, the Federal Reserve evaluates each BHC's capital adequacy and internal capital adequacy assessment processes ("ICAAP"), as well as its plans to make capital distributions, such as dividend payments or stock repurchases.

On June 28, 2017, the Federal Reserve informed the Firm that it did not object, on either a quantitative or qualitative basis, to the Firm's 2017 capital plan. For information on actions taken by the Firm's Board of Directors following the 2017 CCAR results, see Capital actions on pages 89-90 in the 2017 Annual Report on Form 10-K.

The Firm's CCAR process is integrated into and employs the same methodologies utilized in the Firm's ICAAP process, as discussed below.

Internal Capital Adequacy Assessment Process

Semiannually, the Firm completes the ICAAP, which provides management with a view of the impact of severe and unexpected events on earnings, balance sheet positions, reserves and capital. The Firm's ICAAP integrates stress testing protocols with capital planning.

The process assesses 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. However, when defining a broad range of scenarios, actual events can always be worse. Accordingly, management considers additional stresses outside these scenarios, as necessary. ICAAP results are reviewed by management and the Audit Committee.

Other Capital Requirements

Total Loss Absorbing Capacity (TLAC)

On December 15, 2016, the Federal Reserve issued its final TLAC rule which requires the top-tier holding companies of eight U.S. GSIB holding companies, including the Firm, to maintain minimum levels of external TLAC and external long-term debt that satisfies certain eligibility criteria ("eligible LTD"), effective January 1, 2019. The minimum external TLAC requirement is the greater of (A) 18% of the financial institution's RWA plus applicable buffers, including its G-SIB surcharge as calculated under Method 1 and (B) 7.5% of its total leverage exposure plus a buffer equal to 2.0%. The required minimum level of eligible long-term debt is equal to the greater of (A) 6% of the financial institution's RWA, plus its U.S. Method 2 G-SIB surcharge and (B) 4.5% of the Firm's total leverage exposure. The final TLAC rule permanently grandfathered all long-term debt issued before December 31, 2016, to the extent these securities would be ineligible because they contained impermissible acceleration rights or were governed by non U.S. law. As of December 31, 2017, the Firm was compliant with the requirements under the current rule to which it will be subject on January 1, 2019.

Glossary

Term	Definition
165(d) Rule	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
2014 Guidance	Guidance for Covered Insured Depository Institution Resolution Plan Submissions issued by the FDIC in 2014
2015 Resolution Plan	Resolution plan submitted by JPMC to the Agencies by July 1, 2015 pursuant to Section 165(d)
2017 Public Filing	The public portion of the 2017 Resolution Plan
2017 Resolution Plan	Resolution plan submitted by JPMC to the Agencies by July 1, 2017 pursuant to Section 165(d)
ACH	Automated clearing house
Agencies	The Federal Reserve and FDIC
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 (as of December 31, 2016, Asset & Wealth Management was referred to as Asset Management)
Asset Management	JPMC's Asset Management sub-line of business or Object of Sale, as indicated in this Public Filing (as of December 31, 2016, Asset Management was referred to as Global Investment Management)
ATM	Automated teller machine
Auto Finance (Auto)	JPMC's Auto Finance Object of Sale
Bankruptcy Playbook	A step-by-step bankruptcy execution plan setting forth the actions that would be taken in a resolution scenario in order to implement the Preferred Resolution Strategy; also includes a document completion guide and a guide to key components of the ISDA Protocol
Basel III	Third Basel Accord by the Basel Committee
Basel Committee	Basel Committee on Banking Supervision
BAU	Business As Usual
BHC	Bank holding company
Board	Board of directors
BP2S	BNP Paribas Securities Services SCA
Capital Governance Committee	JPMorgan Chase's committee that oversees the capital adequacy assessment process
CBL	Clearstream Bank S.A.
CBL	Core Business Line
CCAR	Comprehensive Capital Analysis and Review

Term	Definition
CCP	Central counterparty, which is an entity that interposes itself between counterparties to contracts traded in one or more financial markets, becoming the buyer to every seller and the seller to every buyer, thereby ensuring the performance of open contracts
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
CHAPS Co.	CHAPS Clearing Company Limited
CHIPS	The Clearing House Interbank Payments System
CIB Advisory	Subject matter experts within Corporate & Investment Bank
CIDI	Covered Insured Depository Institution
CIO	Chief Investment Office
CLS	Continuous linked settlement
CLS Bank	CLS Bank International
CME	Chicago Mercantile Exchange Inc.
Commercial Banking	Commercial Banking line of business
Commercial Term Lending	JPMC's Commercial Term Lending sub-line of business or Object of Sale, as indicated in this Public Filing
Consumer & Community Banking or CCB	Consumer & Community Banking line of business
Consumer/Business Banking or CBB	JPMC's 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; the Consumer, Community & Commercial Banking would then be divided into seven regional Objects of Sale
Contingency Funding Plan	JPM Group’s Contingency Funding Plan
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	JPMC's Corporate Client Banking sub-line of business
Corporate Treasury	JPMC’s Corporate Treasury
Credit Card	JPMC's Credit Card sub-line of business or Object of Sale, as indicated in this Public Filing
Crisis Management Framework	Framework to support the JPMC resolution plan, designed around our resolution strategy, capital and liquidity resources and operational resilience

Term	Definition
Crisis Management Group	A cross-border group including JPMC's U.S. and host country regulators that establishes a mechanism for information exchange, cooperation and coordination between relevant regulators of JPMC; the objective of the group is to enhance preparedness for, and facilitate, the orderly resolution of JPM Group
Critical Operations	Operations of JPMorgan Chase identified by the Agencies, 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
Critical Services	Critical services, as defined by the IDI Rule, which are critical services and providers of critical services that are necessary to continue the day-to-day operations of the IDIs
CTC Risk Committee	CIO, Treasury and Corporate Risk Committee
CUSA	Chase Bank USA, N.A.
Custody & Fund Services	JPMC's Custody & Fund Services sub-line of business, which is an Object of Sale as indicated in this Public Filing
DFAST	Dodd-Frank Act Stress Test
DIF	FDIC Deposit Insurance Fund
Directors Risk Policy Committee	The risk policy committee of the JPMC Board, which has authority over JPMC, JPMCB and CUSA
Discount Window	The Federal Reserve Discount Window
Divestiture Playbook	Playbooks that collectively provide a clear road map to divest the Objects of Sale
Dodd-Frank Act	The Dodd-Frank Wall Street Reform and Consumer Protection Act
DTC	The Depository Trust Company
DTCC	The Depository Trust & Clearing Corporation
EBA Clearing	The trading name of ABE Clearing S.A.S
Edge Act	1919 Amendment to the Federal Reserve Act of 1913
Emergency Transfer Motion	An emergency motion to, among other things, transfer the interests of JPMCH to NewCo and the stock of JPMCB to JPMCH (and indirectly to NewCo and the Trust), to be filed immediately after commencement of JPMC's Chapter 11 Proceedings
EPN	Electronic Payments Network
Equities	JPMC's Equities sub-line of business
ETD	Exchange traded derivatives
EU	European Union
EUI	Euroclear UK & Ireland (formerly CREST)
Euroclear	Euroclear Bank
FDI Act	Federal Deposit Insurance Act of 1950
FDIC	Federal Deposit Insurance Corporation
FedACH	FedACH Services
Federal Reserve	Board of Governors of the Federal Reserve System

Term	Definition
Fedwire Funds	Fedwire Funds Service
Fedwire Securities	Fedwire Securities Service
FHLB	Federal Home Loan Banks
The Firm	JPMorgan Chase & Co.
First Day Papers	Documents relevant to the commencement of JPMC's Chapter 11 Proceedings, including the Routine First Day Motions
Fixed Income	JPMC's Fixed Income sub-line of business
FMU	Financial market utility
Franchise Components	Objects of Sale and Objects of Unwind
FX	Foreign exchange
G10	Belgium, Canada, France, Germany, Italy, Japan, Netherland, Sweden, Switzerland, United Kingdom and United States
GEMS	Global Entity Management System
General Counsel	JPMC's General Counsel
Global Banking	JPMC's Global Banking Object of Sale
Global Clearing	JPMC's Global Clearing sub-line of business
Global Investment Banking	JPMC's Global Investment Banking sub-line of business
Global Lending	JPMC's Global Lending sub-line of business
Global Lending Portfolio	JPMC's Global Lending Portfolio Object of Sale
Governance Playbooks	An MLE's governance playbook describing the major decisions the relevant Board and senior management will need to make and actions they will need to take to facilitate JPMorgan Chase's Preferred Resolution Strategy
G-SIB	Global systemically important bank
Home Lending Production	JPMC's Home Lending Production sub-line of business
Home Lending Servicing	JPMC's Home Lending Production sub-line of business
HQLA	High quality liquid assets
JPMCH	JPMorgan Chase Holdings LLC
IDI Rule	12 CFR Part 360.10, a regulation issued under the FDI Act, requiring each CIDI to submit periodically to the FDIC a plan for the resolution of such institution in the event of its failure
IP	Intellectual property
IPO	Initial public offering
ISDA	International Swaps and Derivatives Association, Inc.
ISDA Master Agreements	Master agreement published by the International Swaps and Derivatives Association
ISDA Protocol	2015 ISDA Universal Resolution Stay Protocol
JPM Liquidity Stress Framework	Framework designed to measure liquidity risk to ensure that JPM has sufficient liquidity resources to meet minimum operating liquidity and peak cash outflows

Term	Definition
JPMC	JPMorgan Chase & Co.
JPMCB	JPMorgan Chase Bank, N.A.
JPMCB London Branch	JPMCB – London Branch
JPMCH	JPMorgan Chase Holdings LLC, The Firm's Intermediate Holding Company
JPMorgan Chase	JPMC and its subsidiaries
JPMS LLC	J.P. Morgan Securities LLC
JPMS plc	J.P. Morgan Securities plc
JPMVEC	J.P. Morgan Ventures Energy Corporation
Jurisdictional Modular Protocol	ISDA Resolution Stay Jurisdictional Modular Protocol
Key Operating Entities	Material Legal Entities other than JPMC or JPMCH
LCH Ltd	LCH.Clearnet Limited
LCH SA	LCH.Clearnet SA
LCR	Liquidity coverage ratio
LER Criteria	The factors used by JPMC to evaluate its legal entities
Legal Entity System	GEMS
Limit and Indicators Policy	JPMorgan Chase's firmwide limit and indicator policy
Liquidity Risk Infrastructure	The Firm's liquidity risk measurement, analytics, reporting, and management infrastructure
Liquidity Risk Oversight	JPMC's Liquidity Risk Oversight function
LOB	Line of business
LTD	Long-term debt
Material Legal Entity or MLE	A subsidiary or branch of JPMorgan Chase that meets the definition of "material entity" under the relevant regulations
Merchant Services	JPMC's Merchant Services sub-line of business or Object of Sale, as indicated in this Public Filing
Middle Market Banking	JPMC's Middle Market Banking sub-line of business
MIS	Management Information Systems
Mortgage Servicing Rights	JPMC's Mortgage Servicing Object of Sale
NSCC	National Securities Clearing Corporation
Objects of Sale	Components of JPMorgan Chase's businesses that can be sold or divested in a timely and orderly manner in it's a recovery or resolution event
OCC	Office of the Comptroller of the Currency
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

Term	Definition
Oversight & Control	A functional group within the Corporate line of business
Paymentech	Paymentech, LLC
Portfolio of Auto Loans	JPMC's Portfolio of Auto Loans Object of Sale
Portfolio of CTL Loans	JPMC's Portfolio of CTL Loans Object of Sale
Portfolio of Non-Trust Credit Card Loans	JPMC's Portfolio of Non-Trust Credit Card Loans Object of Sale
Preferred Resolution Strategy	Single Point of Entry resolution strategy underlying the Firm's Title I resolution plan
Prime Finance	JPMC's Prime Finance sub-line of business or Object of Sale, as indicated in this Public Filing
Public Filing	The public section of JPMCB's and CUSA's IDI Resolution Plans
Qualified Financial Contracts or QFC	Certain common financial transactions such as agreements for derivatives, securities lending transactions and repurchase, or repo, transactions, subject to the ISDA Protocol
Rating Agency Playbooks	Playbooks for maintaining, reestablishing or establishing investment-grade ratings for derivatives trading entities
RBC	Royal Bank of Canada
RCAP	Resolution capital adequacy and positioning, which means the TLAC of JPMorgan Chase, as determined by JPMC in accordance with its current good faith interpretation of the Federal Reserve's Notice of Proposed Rulemaking Regarding Total Loss Absorbing Capacity dated November 30, 2015
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 Resolution 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.
RCMO	Regulatory Capital Management Office
Real Estate Banking	JPMC's Real Estate Banking sub-line of business
Real Estate Portfolios	JPMC's Real Estate Portfolios sub-line of business
Recovery Period	The period following the Stress Period and during which the recovery plan is formally activated
Resolution Period	The period which begins immediately after JPMC's bankruptcy filing and extends through the completion of the Preferred Resolution Strategy
Restricted Liquidity Framework	Framework within the JPMorgan Chase legal entity stress framework for funding frictions which assesses jurisdictional, operational, counterparty and tax frictions
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

Term	Definition
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 Resolution 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
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
Severely Adverse	One of three hypothetical, supervisory scenarios used by the Federal Reserve in supervisory stress testing
Shortcomings	Weaknesses or gaps that were not Deficiencies, but which raised questions as to the feasibility or operationalization of the resolution plan, and had to be remedied in the 2017 Resolution Plan
Single Point of Entry	Resolution strategy where the holding company files for bankruptcy and subsidiaries receive capital and liquidity support to continue their operations
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 JPMCH and JPMCB, as applicable, will provide capital and/or liquidity support to the Key Operating Entities
Supported Subsidiary	Direct and indirect subsidiaries of JPMC that may receive support pursuant to the Support Agreement
Systemic Risk Advisory Committee	An advisory committee established by the FDIC to provide advice and recommendations on a broad range of issues regarding the resolution of systemically important financial companies
SWIFT	The Society for Worldwide Interbank Financial Telecommunication
TARGET2	Trans-European Automated Real-time Gross settlement Express Transfer
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 I	A resolution plan filed to the FRB and FDIC jointly (the Agencies) under section 165(d) under Dodd-Frank
Title II	Title II of the Dodd-Frank Act
TLAC	Total loss absorbing capacity
Treasury and CIO	JPMC's Treasury and CIO sub-line of business
Treasury Services	JPMC's Treasury Services 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

Term	Definition
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
Wealth Management	JPMC's Wealth Management sub-line of business or Object of Sale, as indicated in this Public Filing (as of December 31, 2016, Asset Management was referred to as Wealth Management & Investment Solutions)