

In re JPMorgan Stable Value Fund ERISA Litigation
Plan of Allocation Examples

The distribution of the Net Settlement proceeds to Class members is governed by the Settlement Agreement and in particular the Plan of Allocation. (See sections 4 and 6 of the Second Amended Settlement Agreement.)

The below explanation is an example of one way in which the settlement proceeds may be allocated for those for whom we have sufficient participant data. This plan may be modified as needed to resolve administrative issues arising during the distribution process. Furthermore, this plan of allocation does not necessarily reflect the method by which damages would be calculated at trial if the class were to prevail.

Step 1 determines the underperformance, if any, for each of the Plans invested in JPM’s Stable Value Funds compared to the Benchmark. The chart below reflects the crediting rate underperformance (“deficit”), if any, for each quarter for the period 2009-2012 by comparing the Stable Value Funds’ actual crediting rates against the crediting rates the Plans would have received under the Benchmark. Four examples are shown. Plan A had a deficit every quarter. Plan B had a deficit through 4Q11 and then performed over the benchmark. Plan C liquidated their investment after 2Q11. Plan D, which began in 4Q10, did not have a deficit in any quarter.

	<u>Plan A</u>	<u>Plan B</u>	<u>Plan C</u>	<u>Plan D</u>
1Q09	-0.189%	-0.041%	-0.322%	
2Q09	-0.351%	-0.208%	-0.446%	
3Q09	-0.460%	-0.274%	-0.522%	
4Q09	-0.491%	-0.264%	-0.530%	
1Q10	-0.512%	-0.209%	-0.538%	
2Q10	-0.455%	-0.180%	-0.522%	
3Q10	-0.370%	-0.113%	-0.464%	
4Q10	-0.387%	-0.068%	-0.442%	0.025%
1Q11	-0.395%	-0.045%	-0.424%	0.011%
2Q11	-0.439%	-0.050%	-0.399%	0.028%
3Q11	-0.424%	-0.059%		0.082%
4Q11	-0.343%	-0.008%		0.169%
1Q12	-0.346%	0.040%		0.170%
2Q12	-0.458%	0.063%		0.156%
3Q12	-0.441%	0.078%		0.139%
4Q12	-0.373%	0.056%		0.127%

Step 2 is to calculate the average quarterly balance for each participant in each plan who participates in this settlement. Shown below are three hypothetical participants, with changing investment balances over time. There is no calculation for participants in Plan D above because their Plan did not experience any underperformance in comparison to the Benchmark.

	Participant in A	Participant in B	Participant in C
1Q09	\$100,000	\$5,000	\$20,000
2Q09	\$101,000	\$5,100	\$20,240
3Q09	\$102,000	\$5,200	\$20,483
4Q09	\$103,000	\$5,300	\$20,729
1Q10	\$104,000	\$5,400	\$20,977
2Q10	\$105,000	\$5,500	\$21,229
3Q10	\$106,000	\$5,600	\$21,484
4Q10	\$107,000	\$5,700	\$21,742
1Q11	\$108,000	\$5,600	\$22,003
2Q11	\$109,000	\$5,500	\$22,267
3Q11	\$110,000	\$5,400	
4Q11	\$111,000	\$5,300	
1Q12	\$112,000	\$5,200	
2Q12	\$113,000	\$5,100	
3Q12	\$114,000	\$5,000	
4Q12	\$115,000	\$4,900	

Step 3 adjusts their respective balances after 4Q10. Participant in Plan A increased his or her investments after 4Q10, but the calculation will be based on the 4Q10 balance, not any subsequent increases. Alternatively, if the balance goes down, as shown with Participant in Plan B below, the calculation is performed on the remaining balance, not on the 4Q10 balance. For example, Participant in Plan B sold part of his or her investment after 4Q10 and therefore the calculations in 2011 and 2012 will be based on the remaining balance.

	Participant in A	Participant in B	Participant in C
1Q09	\$100,000	\$5,000	\$20,000
2Q09	\$101,000	\$5,100	\$20,240
3Q09	\$102,000	\$5,200	\$20,483
4Q09	\$103,000	\$5,300	\$20,729
1Q10	\$104,000	\$5,400	\$20,977
2Q10	\$105,000	\$5,500	\$21,229
3Q10	\$106,000	\$5,600	\$21,484
4Q10	\$107,000	\$5,700	\$21,742
1Q11	\$107,000	\$5,600	\$21,742
2Q11	\$107,000	\$5,500	\$21,742
3Q11	\$107,000	\$5,400	

4Q11	\$107,000	\$5,300
1Q12	\$107,000	\$5,200
2Q12	\$107,000	\$5,100
3Q12	\$107,000	\$5,000
4Q12	\$107,000	\$4,900

Step 4 is to calculate Individual Underperformance Amounts for each participant who participates in this settlement on a quarterly basis based on the adjusted balances calculated in Step 3. If the actual crediting rate exceeded the Benchmark, the amount for that quarterly period will be negative and will be deducted from the total Individual Underperformance Amount as illustrated below for Participant B. These quarterly amounts are then added for each participant to arrive at his or her total Individual Underperformance Amount.

	Individual Underperformance Amount for Part A	Individual Underperformance Amount for Part B	Individual Underperformance Amount for Part C
1Q09	\$188.71	\$2.07	\$64.36
2Q09	\$354.77	\$10.60	\$90.23
3Q09	\$469.07	\$14.24	\$107.01
4Q09	\$505.55	\$14.01	\$109.91
1Q10	\$532.48	\$11.28	\$112.82
2Q10	\$477.38	\$9.91	\$110.74
3Q10	\$391.87	\$6.31	\$99.64
4Q10	\$413.76	\$3.87	\$96.11
1Q11	\$423.10	\$2.54	\$92.22
2Q11	\$469.95	\$2.76	\$86.75
3Q11	\$453.89	\$3.18	
4Q11	\$366.53	\$0.43	
1Q12	\$370.17	-\$2.08	
2Q12	\$490.30	-\$3.21	
3Q12	\$471.87	-\$3.90	
4Q12	\$399.26	-\$2.75	
Total	\$6,778.67	\$69.27	\$969.81

Any participant with a negative Individual Underperformance Amount is not a member of the class.

Step 5 is to add all the Individual Underperformance Amounts to arrive at a Total Underperformance Amount for all participants participating in this settlement. Next, each such participant's share of the settlement is calculated as a percentage of the Total Underperformance Amount by dividing that participant's Individual Underperformance Amount by the Total Underperformance Amount. The final step is to apply that percentage to the Net Settlement Amount (estimated to be about \$45 million) to determine the total settlement amount due to that participant.