

JPMORGAN SECURITIES LENDING LITIGATION ADMINISTRATOR
C/O RUST CONSULTING, INC.
P.O. BOX 22
MINNEAPOLIS, MN 55440-0022

IMPORTANT LEGAL NOTICE



NAME
ADDRESS
CITY STATE ZIP CODE

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

BOARD OF TRUSTEES OF THE AFTRA RETIREMENT FUND, in
its capacity as a fiduciary of the AFTRA Retirement Fund,
individually and on behalf of all others similarly situated,
Plaintiff,

v.

JPMORGAN CHASE BANK, N.A.,

Defendant.

Consolidated as
Civil Action No. 09-00686 (SAS) (DF)

Judge Shira A. Scheindlin

BOARD OF TRUSTEES OF THE IMPERIAL COUNTY EMPLOYEES'
RETIREMENT SYSTEM, in its capacity as a fiduciary of the
Imperial County Employees' Retirement System, individually
and on behalf of all others similarly situated,
Plaintiff,

v.

JPMORGAN CHASE BANK, N.A.,

Defendant.

THE INVESTMENT COMMITTEE OF THE MANHATTAN AND
BRONX SURFACE TRANSIT OPERATING AUTHORITY PENSION
PLAN, in its capacity as a fiduciary of the MaBSTOA Pension
Plan, individually and on behalf of all others similarly situated,
Plaintiff,

v.

JPMORGAN CHASE BANK, N.A.,

Defendant.

NOTICE OF PENDENCY OF CLASS ACTION

TO ALL MEMBERS OF THE FOLLOWING CLASS:

All plans and entities for which JPMorgan Chase Bank, N.A., pursuant to a securities lending agreement, invested cash collateral, either directly or through a collective investment vehicle, in one or more debt securities of Sigma Finance, Inc. and continued to hold those debt securities as of the close of business on September 30, 2008.

This Class includes only those investors who held Sigma medium-term notes that were purchased in June 2007 and had a maturity date of June 2009.

PLEASE READ THIS NOTICE CAREFULLY. A FEDERAL COURT AUTHORIZED THIS NOTICE.

THIS IS NOT A SOLICITATION. YOU HAVE NOT BEEN SUED.

This Notice is to inform you that a class has been certified in a lawsuit against JPMorgan Chase Bank, N.A. (“JPMorgan”) alleging breaches of fiduciary duties under the Employee Retirement Income Security Act of 1974 (“ERISA”) and breaches of fiduciary duty and breach of contract under New York state law (“Class Action”). If you fit into the class definition defined ABOVE, you will be deemed part of the Class.

This Notice is to inform you of the nature of the Class Action and of your rights in connection with it. You should read the entire Notice carefully because your legal rights are affected whether you act or not. The United States District Court for the Southern District of New York has authorized this Notice, but it is not an expression of an opinion by the Court as to the merits of any of the claims or defenses asserted by either side in the Class Action.

Further information regarding the Class Action and this Notice may be obtained by: contacting Class Counsel at the contact information listed below; visiting the Internet website created and maintained by Class Counsel and dedicated to the litigation – www.jpmorgansecuritieslendinglitigation.com; or calling the following toll-free number (866) 591-7247.

BASIC INFORMATION

1. Why did I receive this notice package?

You received this Notice because a review of JPMorgan’s records indicates that you are a plan or entity, or represent a plan or entity, for which JPMorgan, pursuant to a securities lending agreement, purchased medium-term notes issued by Sigma Finance, Inc. that were scheduled to mature in June 2009. The Court caused this Notice to be sent to you because, if you fall within that group, you have a right to know about the pending Class Action.

This Notice explains the litigation and your legal rights. The Court in charge of the case is the United States District Court for the Southern District of New York, and the case is known as *Board of Trustees of the AFTRA Retirement Fund, et al. v. JPMorgan Chase Bank, N.A.*, No. 09-CV-00686. The fiduciaries of the plans and entities who sued are called Named Plaintiffs – they are the Board of Trustees of the AFTRA Retirement Fund, the Board of Trustees of the Imperial County Employees’ Retirement System and the Investment Committee of the Manhattan and Bronx Surface Transit Operating Authority Pension Plan. The individual lawsuits filed by the Named Plaintiffs were consolidated by the Court under the case name above. JPMorgan – the bank the Named Plaintiffs sued – is called the Defendant. Additionally, you might have relevant information with regard to the Class Action. If so, please contact Class Counsel at the address and numbers designated in the section below.

2. How do I obtain more information?

You may call or address written questions to any of the attorneys listed below:

Joseph H. Meltzer, Esq.
Peter H. LeVan, Esq.
Shannon O. Lack, Esq.
Barroway Topaz Kessler Meltzer & Check, LLP
280 King of Prussia Road
Radnor, PA 19087
Telephone: (610) 667-7706
Facsimile: (610) 667-7056
www.btkmc.com

Please do not contact the Court. Any questions regarding the Class Action or this Notice should be directed to Class Counsel.

3. What is this lawsuit about?

The lawsuits allege that JPMorgan breached (i) its fiduciary duty to prudently manage the assets of its securities lending clients and (ii) its fiduciary duty of loyalty, which encompasses the obligation to avoid conflicts of interest. The lawsuits brought by plans or entities not covered by ERISA also allege that JPMorgan committed a breach of the securities lending agreement and is liable for damages resulting from the breach.

More specifically, the lawsuits allege that each of the Named Plaintiffs entered into securities lending agreements with JPMorgan. Pursuant to such agreements, JPMorgan loaned the plans' securities to third party borrowers in return for cash collateral. According to the allegations in the Named Plaintiffs' Complaints, JPMorgan acted imprudently by investing \$490 million of securities lending collateral on behalf of members of the Class in medium-term notes ("MTNs") issued by Sigma Finance, Inc. ("Sigma") that had a maturity date of June 2009, and by failing subsequently to sell the MTNs. Plaintiffs allege that the Sigma MTNs were secured by a "floating lien" on Sigma's assets, which was subject to subordination by the lien interests of repurchase ("repo") financing counterparties to Sigma. The complaints further allege that JPMorgan placed itself in a position of conflict with its securities lending clients by providing repo financing to Sigma and, to secure repayment of such financing and subject to the terms of the repo financing agreements, took title to assets of Sigma that otherwise were available to secure the Sigma MTNs. Finally, the Named Plaintiffs allege that JPMorgan's alleged breaches of fiduciary duty caused losses to members of the Class when, in late September 2008, JPMorgan declared default of its repo agreements with Sigma and Sigma thereafter entered receivership.

JPMorgan has denied all of Plaintiffs' allegations of wrongdoing and has asserted certain affirmative defenses. Specifically, JPMorgan contends that it acted prudently in purchasing and holding the Sigma MTNs and recommending that its securities lending clients hold them rather than sell them at a price JPMorgan believed would likely be less than their intrinsic value. JPMorgan further contends that it did not violate any duty of loyalty owed to members of the Class or place itself in a position of conflict of interest by providing repo financing to Sigma or otherwise. Accordingly, JPMorgan maintains that it is not liable to the Class or any of its members.

The Court has made no determination with respect to any of the parties' claims or defenses.

This Notice is given to you because a review of JPMorgan's records indicates that you are a member of the Class whose rights may be affected by the Class Action. This Notice is intended merely to advise you of the pendency of the Class Action and of your rights with respect to the Class Action.

4. Why is this a class action?

In a class action, one or more persons called class representatives sue on behalf of persons who have similar claims. All of these people who have similar claims collectively make up the "Class" and are referred to individually as "Class Members." One lawsuit before one judge resolves the issues and claims for all Class Members together regardless of the outcome – favorable or unfavorable. Because Named Plaintiffs believe that the wrongful conduct alleged by the Named Plaintiffs in this case affected a large number of participants in JPMorgan's securities lending program in a highly similar way, the Named Plaintiffs filed this case as a class action. On August 4, 2010, the Court certified the class as proposed and appointed Barroway Topaz Kessler Meltzer & Check, LLP as Class Counsel.

5. Are filed papers in this lawsuit available?

This Notice does not fully describe all of the claims, contentions and defenses of the parties. The pleadings and other papers filed in the Class Action are available for inspection, during business hours, at the Office of the Clerk of the Court, United States District Court for the Southern District of New York. The title of this case is *Board of Trustees of the AFTRA Retirement Fund, et al. v. JPMorgan Chase Bank, N.A.* and the case number is 1:09-CV-00686. In addition, you may obtain a copy of the complaints by contacting Class Counsel, whose names, addresses, and telephone numbers are listed above.

6. I am still not sure if I am included.

As noted above, the Court has certified a class of plans or entities that participated in JPMorgan's securities lending program and on whose behalf JPMorgan purchased and held Sigma MTNs maturing in June 2009 and everyone who fits the following description is a Class Member:

All plans and entities for which JPMorgan Chase Bank, N.A., pursuant to a securities lending agreement, invested cash collateral, either directly or through a collective investment vehicle, in one or more debt securities of Sigma Finance, Inc. and continued to hold those debt securities as of the close of business on September 30, 2008.

This Class includes only those investors who held Sigma medium-term notes that were purchased in June 2007 and had a maturity date of June 2009.

If you are still not sure whether you are included in the Class, you may ask for help. Please call any of the attorneys listed above or call the JPMorgan Securities Litigation Helpline at (866) 591-7247. The JPMorgan Securities Litigation Helpline is operated by Class Counsel and is not affiliated with JPMorgan.

7. Can I exclude myself from the Class?

If you wish to remain a Class Member, you are not required to do anything at this time. You will be deemed a member of the Class and will be bound by any judgment in the Class Action, whether it is favorable or unfavorable. If there is a recovery, you may be entitled to a share in the proceeds, less such costs, expenses, Named Plaintiff case contribution awards and attorneys' fees as the Court may allow out of any such recovery. If the Defendant prevails in the Class Action, you may not pursue a lawsuit on your own with regard to any of the issues decided in the Class Action. In the event a settlement is negotiated regarding the Class Action, you will be given an opportunity to object to the settlement and ask the Court not to approve the settlement or certain parts of the settlement.

If you wish, you may request that you be excluded from the Class and from the case. This is sometimes referred to as "opting-out" of the class. Because this Class Action was certified under Federal Rule of Civil Procedure 23(b)(3) as an "opt-out" class action, you have the right to exclude yourself from the Class. If you request exclusion, you will not be part of the case. This means that if there is a settlement, or if the Court awards money damages to the Class Members, you will not be entitled to share in the proceeds. You will also not be bound by any judgment in the Class Action, and you would retain the right to file your own lawsuit. In the event you wish to exclude yourself from the Class, you must make a request in writing. In order to be valid, each such request for exclusion must set forth the name and address of the plan or entity requesting exclusion, must state that such plan or entity requests exclusion from the Class, and must be signed by a representative of the plan or entity. Requests for Exclusion must be mailed to the Notice Administrator at:

JPMorgan Securities Lending Litigation Administrator
c/o Rust Consulting, Inc.
P.O. Box 22
Minneapolis, MN 55440-0022

To be effective, your Request for Exclusion must be postmarked no later than November 5, 2010. If you do not request exclusion from the class by November 5, 2010, you will be considered a Class Member and you will be bound by any final judgment or settlement in this Class Action. Do not request exclusion if you wish to participate in this Action as a Class Member.

THE LAWSUIT

8. What has happened so far in the case?

After the Class Action was filed, Defendant answered the Named Plaintiffs' complaints, denying all allegations of wrongdoing asserted against them and asserting affirmative defenses. Thereafter, the parties engaged in extensive discovery, which included the review and analysis of numerous documents, the taking of a substantial number of depositions, and the exchange of expert reports. On August 4, 2010, the Court certified the class as proposed and appointed Barroway Topaz Kessler Meltzer & Check, LLP as Class Counsel. The Court has not made any finding that JPMorgan engaged in any wrongful conduct or violated any law or regulation.

THE LAWYERS REPRESENTING YOU

9. Do I have a lawyer in this case?

As stated above, the Court appointed the law firm of Barroway Topaz Kessler Meltzer & Check, LLP as Class Counsel to represent you and other Class Members. You will not be personally charged for these lawyers. Any fees or costs, if any, ultimately allowed by the Court to Class Counsel will be paid out of any recovery in the Class Action.

HOW MAY I HELP?

This Notice summarizes the pending lawsuit. Even though the lawyers representing you have been able to gather a substantial amount of relevant information, you may have in your possession documents or information that will be beneficial in the lawsuit. If you have any information or documents regarding your participation in JPMorgan's securities lending program that relate to the allegations raised by the Named Plaintiffs summarized above and detailed in available Court documents, please contact any of the attorneys listed above.

REMEMBER, PLEASE DO NOT CONTACT THE COURT. ANY QUESTIONS REGARDING THE CLASS ACTION OR THIS NOTICE SHOULD BE DIRECTED TO CLASS COUNSEL.

DATE: September 22, 2010