JPMORGAN CHASE & CO
Form 424B2
January 02, 2019
The information in this preliminary pricing supplement is not complete and may be changed. This preliminary pricing supplement is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion dated January 2, 2019

Registration Statement Nos. 333-222672 and 333-222672-01; Rule 424(b)(2)
January , 2019

JPMorgan Chase Financial Company LLC
Structured Investments

Auto Callable Contingent Interest Notes Linked to the Lesser Performing of the Russell 2000® Index and the S&P 500® Index due July 31, 2020

Fully and Unconditionally Guaranteed by JPMorgan Chase & Co.

The notes are designed for investors who seek a Contingent Interest Payment with respect to each Review Date for which the closing level of each of the Russell 2000® Index and the S&P 500® Index, which we refer to as the Indices, is greater than or equal to 65.00% of its Initial Value, which we refer to as an Interest Barrier.
The notes will be automatically called if the closing level of each Index on any Review Date (other than the final Review Date) is greater than or equal to its Initial Value.
Investors in the notes should be willing to accept the risk of losing some or all of their principal and the risk that no Contingent Interest Payment may be made with respect to some or all Review Dates.
Investors should also be willing to forgo fixed interest and dividend payments, in exchange for the opportunity to receive Contingent Interest Payments.
The notes are unsecured and unsubordinated obligations of JPMorgan Chase Financial Company LLC, which we refer to as JPMorgan Financial, the payment on which is fully and unconditionally guaranteed by JPMorgan Chase & Co.
Any payment on the notes is subject to the credit risk of JPMorgan Financial, as issuer of the notes, and the credit risk of JPMorgan Chase & Co., as guarantor of the notes.
Payments on the notes are not linked to a basket composed of the Indices. Payments on the notes are linked to the performance of each of the Indices individually, as described below.
Minimum denominations of $1,000 and integral multiples thereof
The notes are expected to price on or about January 28, 2019 and are expected to settle on or about January 31, 2019.
CUSIP: 48130WPR6

Investing in the notes involves a number of risks. See "Risk Factors" beginning on page PS-10 of the accompanying product supplement, "Risk Factors" beginning on page US-1 of the accompanying underlying supplement and "Selected Risk Considerations" beginning on page PS-4 of this pricing supplement.

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the notes or passed upon the accuracy or the adequacy of this pricing supplement or the accompanying product supplement, underlying supplement, prospectus supplement and prospectus. Any representation to the contrary is a criminal offense.

Price to Public (1)	Fees and Commissions (2)	Proceeds to Issuer

Per note	$1,000	$	$
Total	$	$	$

(1) See "Supplemental Use of Proceeds" in this pricing supplement for information about the components of the price to public of the notes.

(2) J.P. Morgan Securities LLC, which we refer to as JPMS, acting as agent for JPMorgan Financial, will pay all of the selling commissions it receives from us to other affiliated or unaffiliated dealers. If the notes priced today, the selling commissions would be approximately $15.00 per $1,000 principal amount note and in no event will these selling commissions exceed $21.25 per $1,000 principal amount note. See "Plan of Distribution (Conflicts of Interest)" in the accompanying product supplement.

If the notes priced today, the estimated value of the notes would be approximately $963.30 per $1,000 principal amount note. The estimated value of the notes, when the terms of the notes are set, will be provided in the pricing supplement and will not be less than $940.00 per $1,000 principal amount note. See "The Estimated Value of the Notes" in this pricing supplement for additional information.

The notes are not bank deposits, are not insured by the Federal Deposit Insurance Corporation or any other governmental agency and are not obligations of, or guaranteed by, a bank.

Pricing supplement to product supplement no. 4-I dated April 5, 2018, underlying supplement no. 1-I dated April 5, 2018 and the prospectus and prospectus supplement, each dated April 5, 2018

Key Terms

Issuer: JPMorgan Chase Financial Company LLC, an indirect, wholly owned finance subsidiary of JPMorgan Chase & Co.

Guarantor: JPMorgan Chase & Co.

Indices: The Russell 2000® Index (Bloomberg ticker: RTY) and the S&P 500® Index (Bloomberg ticker: SPX) (each an "Index" and collectively, the "Indices")

Contingent Interest Payments: If the notes have not been automatically called and the closing level of each Index on any Review Date is greater than or equal to its Interest Barrier, you will receive on the applicable Interest Payment Date for each $1,000 principal amount note a Contingent Interest Payment equal to between $17.50 and $22.50 (equivalent to a Contingent Interest Rate of between 7.00% and 9.00% per annum, payable at a rate of between 1.75% and 2.25% per quarter) (to be provided in the pricing supplement).

If the closing level of either Index on any Review Date is less than its Interest Barrier, no Contingent Interest Payment will be made with respect to that Review Date.

Contingent Interest Rate: Between 7.00% and 9.00% per annum, payable at a rate of between 1.75% and 2.25% per quarter (to be provided in the pricing supplement)

Interest Barrier/Trigger Value: With respect to each Index, 65.00% of its Initial Value

Pricing Date: On or about January 28, 2019

Original Issue Date (Settlement Date): On or about January 31, 2019

Review Dates*: April 25, 2019, July 26, 2019, October 28, 2019, January 28, 2020, April 27, 2020 and July 28, 2020 (final Review Date)

Interest Payment Dates*: April 30, 2019, July 31, 2019, October 31, 2019, January 31, 2020, April 30, 2020 and the Maturity Date

Maturity Date*: July 31, 2020

Call Settlement Date*: If the notes are automatically called on any Review Date (other than the final Review Date), the first Interest Payment Date immediately following that Review Date

Lesser Performing Index: The Index with the Lesser Performing Index Return

Lesser Performing Index Return: The lower of the Index Returns of the Indices

Index Return: With respect to each Index,

$$\frac{\text{Final Value} - \text{Initial Value}}{\text{Initial Value}}$$

Initial Value: With respect to each Index, the closing level of that Index on the Pricing Date

Final Value: With respect to each Index, the closing level of that Index on the final Review Date

Trigger Event: A Trigger Event occurs if, on any day during the Monitoring Period, the closing level of either Index is less than its Trigger Value

Monitoring Period: The period from but excluding the Pricing Date to and including the final Review Date

Automatic Call: If the closing level of each Index on any Review Date (other than the final Review Date) is greater than or equal to its Initial Value, the notes will be automatically called for a cash payment, for each $1,000 principal amount note, equal to (a) $1,000 *plus* (b) the Contingent Interest Payment applicable to that Review Date, payable on the applicable Call Settlement Date. No further payments will be made on the notes.

Payment at Maturity:

If the notes have not been automatically called and (i) the Final Value of each Index is greater than or equal to its Initial Value or (ii) a Trigger Event has not occurred, you will receive a cash payment at maturity, for each $1,000 principal amount note, equal to (a) $1,000 plus (b) the Contingent Interest Payment applicable to the final Review Date.

If the notes have not been automatically called and (i) the Final Value of either Index is less than its Initial Value and (ii) a Trigger Event has occurred,

* Subject to postponement in the event of a market disruption event and as described under “General Terms of Notes — Postponement of a Determination Date — Notes Linked to Multiple Underlyings” and “General Terms of Notes — Postponement of a Payment Date” in the accompanying product supplement

your payment at maturity per $1,000 principal amount note, in addition to any Contingent Interest Payment, will be calculated as follows:

$1,000 + ($1,000 × Lesser Performing Index Return)

If the notes have not been automatically called and (i) the Final Value of either Index is less than its Initial Value and (ii) a Trigger Event has occurred, you will lose some or all of your principal amount at maturity.

How the Notes Work

Payments in Connection with Review Dates Preceding the Final Review Date

Payment at Maturity If the Notes Have Not Been Automatically Called

Total Contingent Interest Payments

The table below illustrates the hypothetical total Contingent Interest Payments per $1,000 principal amount note over the term of the notes based on a hypothetical Contingent Interest Rate of 7.00% per annum, depending on how many Contingent Interest Payments are made prior to automatic call or maturity. The actual Contingent Interest Rate will be provided in the pricing supplement and will be between 7.00% and 9.00% per annum.

Number of Contingent Interest Payments	**Total Contingent Interest Payments**
6	$105.00
5	$87.50
4	$70.00
3	$52.50
2	$35.00
1	$17.50
0	$0.00

Hypothetical Payout Examples

The following examples illustrate payments on the notes linked to two hypothetical Indices, assuming a range of performances for the hypothetical Lesser Performing Index on the Review Dates. **Each hypothetical payment set forth below assumes that the closing level of the Index that is not the Lesser Performing Index on each Review Date is greater than or equal to its Initial Value (and therefore its Interest Barrier and Trigger Value).**

In addition, the hypothetical payments set forth below assume the following:

- an Initial Value for the Lesser Performing Index of 100.00;
- an Interest Barrier and a Trigger Value for the Lesser Performing Index of 65.00 (equal to 65.00% of its hypothetical Initial Value); and
- a Contingent Interest Rate of 7.00% per annum (payable at a rate of 1.75% per quarter).

The hypothetical Initial Value of the Lesser Performing Index of 100.00 has been chosen for illustrative purposes only and may not represent a likely actual Initial Value of either Index.

The actual Initial Value of each Index will be the closing level of that Index on the Pricing Date and will be provided in the pricing supplement. For historical data regarding the actual closing levels of each Index, please see the historical information set forth under “The Indices” in this pricing supplement.

Each hypothetical payment set forth below is for illustrative purposes only and may not be the actual payment applicable to a purchaser of the notes. The numbers appearing in the following examples have been rounded for ease of analysis.

Example 1 — Notes are automatically called on the first Review Date.

Date	Closing Level of Lesser Performing Index	Payment (per $1,000 principal amount note)
First Review Date	105.00	$1,017.50
	Total Payment	$1,017.50 (1.75% return)

Because the closing level of each Index on the first Review Date is greater than or equal to its Initial Value, the notes will be automatically called for a cash payment, for each $1,000 principal amount note, of $1,017.50 (or $1,000 *plus* the Contingent Interest Payment applicable to the first Review Date), payable on the applicable Call Settlement Date. No further payments will be made on the notes.

Example 2 — Notes have NOT been automatically called, the Final Value of the Lesser Performing Index is greater than or equal to its Initial Value and a Trigger Event has occurred.

Date	Closing Level of Lesser Performing Index	Payment (per $1,000 principal amount note)
First Review Date	95.00	$17.50
Second Review Date	85.00	$17.50
Third through Fifth Review Dates	Less than Interest Barrier	$0
Final Review Date	105.00	$1,017.50
	Total Payment	$1,052.50 (5.25% return)

Because the notes have not been automatically called and the Final Value of the Lesser Performing Index is greater than or equal to its Initial Value (and, therefore, its Interest Barrier), even though a Trigger Event has occurred, the payment at maturity, for each $1,000 principal amount note, will be $1,017.50 (or $1,000 *plus* the Contingent Interest Payment applicable to the final Review Date). When added to the Contingent Interest Payments received with respect to the prior Review Dates, the total amount paid, for each $1,000 principal amount note, is $1,052.50.

Example 3 — Notes have NOT been automatically called, the Final Value of the Lesser Performing Index is less than its Initial Value and a Trigger Event has NOT occurred.

Date	Closing Level of Lesser Performing Index	Payment (per $1,000 principal amount note)
First Review Date	95.00	$17.50
Second Review Date	95.00	$17.50
Third through Fifth Review Dates	Greater than Interest Barrier	$17.50
Final Review Date	65.00	$1,017.50
	Total Payment	$1,105.00 (10.50% return)

Because the notes have not been automatically called, the Final Value of the Lesser Performing Index is greater than or equal to its Interest Barrier and a Trigger Event has not occurred, even though the Final Value of the Lesser Performing Index is less than its Initial Value, the payment at maturity, for each $1,000 principal amount note, will be $1,017.50 (or $1,000 plus the Contingent Interest Payment applicable to the final Review Date). When added to the Contingent Interest Payments received with respect to the prior Review Dates, the total amount paid, for each $1,000 principal amount note, is $1,105.00.

Example 4 — Notes have NOT been automatically called, the Final Value of the Lesser Performing Index is less than its Initial Value and its Interest Barrier and a Trigger Event has occurred.

Date	Closing Level of Lesser Performing Index	Payment (per $1,000 principal amount note)
First Review Date	40.00	$0
Second Review Date	45.00	$0
Third through Fifth Review Dates	Less than Interest Barrier	$0
Final Review Date	50.00	$500.00
	Total Payment	$500.00 (-50.00% return)

Because the notes have not been automatically called, the Final Value of the Lesser Performing Index is less than its Initial Value and its Interest Barrier, a Trigger Event has occurred and the Lesser Performing Index Return is -50.00%, the payment at maturity will be $500.00 per $1,000 principal amount note, calculated as follows:

$1,000 + [$1,000 × (-50.00%)] = $500.00

The hypothetical returns and hypothetical payments on the notes shown above apply **only if you hold the notes for their entire term or until automatically called.** These hypotheticals do not reflect the fees or expenses that would be associated with any sale in the secondary market. If these fees and expenses were included, the hypothetical returns and hypothetical payments shown above would likely be lower.

Selected Risk Considerations

An investment in the notes involves significant risks. These risks are explained in more detail in the “Risk Factors” sections of the accompanying product supplement and underlying supplement.

YOUR INVESTMENT IN THE NOTES MAY RESULT IN A LOSS —
The notes do not guarantee any return of principal. If the notes have not been automatically called and (i) the Final

Value of either Index is less than its Initial Value and (ii) a Trigger Event has occurred, you will lose 1% of the principal amount of your notes for every 1% that the Final Value of the Lesser Performing Index is less than its Initial Value. Accordingly, under these circumstances, you will lose some or all of your principal amount at maturity.

THE NOTES DO NOT GUARANTEE THE PAYMENT OF INTEREST AND MAY NOT PAY ANY INTEREST AT ALL —

If the notes have not been automatically called, we will make a Contingent Interest Payment with respect to a Review Date only if the closing level of each Index on that Review Date is greater than or equal to its Interest Barrier. If the closing level of either Index on that Review Date is less than its Interest Barrier, no Contingent Interest Payment will be made with respect to that Review Date. Accordingly, if the closing level of either Index on each Review Date is less than its Interest Barrier, you will not receive any interest payments over the term of the notes.

CREDIT RISKS OF JPMORGAN FINANCIAL AND JPMORGAN CHASE & CO. —

Investors are dependent on our and JPMorgan Chase & Co.'s ability to pay all amounts due on the notes. Any actual or potential change in our or JPMorgan Chase & Co.'s creditworthiness or credit spreads, as determined by the market for taking that credit risk, is likely to adversely affect the value of the notes. If we and JPMorgan Chase & Co. were to default on our payment obligations, you may not receive any amounts owed to you under the notes and you could lose your entire investment.

AS A FINANCE SUBSIDIARY, JPMORGAN FINANCIAL HAS NO INDEPENDENT OPERATIONS AND HAS LIMITED ASSETS —
As a finance subsidiary of JPMorgan Chase & Co., we have no independent operations beyond the issuance and administration of our securities. Aside from the initial capital contribution from JPMorgan Chase & Co., substantially all of our assets relate to obligations of our affiliates to make payments under loans made by us or other intercompany agreements. As a result, we are dependent upon payments from our affiliates to meet our obligations under the notes. If these affiliates do not make payments to us and we fail to make payments on the notes, you may have to seek payment under the related guarantee by JPMorgan Chase & Co., and that guarantee will rank *pari passu* with all other unsecured and unsubordinated obligations of JPMorgan Chase & Co.
THE APPRECIATION POTENTIAL OF THE NOTES IS LIMITED TO THE SUM OF ANY CONTINGENT INTEREST PAYMENTS THAT MAY BE PAID OVER THE TERM OF THE NOTES,
regardless of any appreciation of either Index, which may be significant. You will not participate in any appreciation of either Index.
POTENTIAL CONFLICTS —
We and our affiliates play a variety of roles in connection with the notes. In performing these duties, our and JPMorgan Chase & Co.'s economic interests are potentially adverse to your interests as an investor in the notes. It is possible that hedging or trading activities of ours or our affiliates in connection with the notes could result in substantial returns for us or our affiliates while the value of the notes declines. Please refer to "Risk Factors — Risks Relating to Conflicts of Interest" in the accompanying product supplement.
JPMORGAN CHASE & CO. IS CURRENTLY ONE OF THE COMPANIES THAT MAKE UP THE S&P 500® INDEX,
but JPMorgan Chase & Co. will not have any obligation to consider your interests in taking any corporate action that might affect the level of the S&P 500® Index.
AN INVESTMENT IN THE NOTES IS SUBJECT TO RISKS ASSOCIATED WITH SMALL CAPITALIZATION STOCKS WITH RESPECT TO THE RUSSELL 2000® INDEX —
Small capitalization companies may be less able to withstand adverse economic, market, trade and competitive conditions relative to larger companies. Small capitalization companies are less likely to pay dividends on their stocks, and the presence of a dividend payment could be a factor that limits downward stock price pressure under adverse market conditions.
YOU ARE EXPOSED TO THE RISK OF DECLINE IN THE LEVEL OF EACH INDEX—
Payments on the notes are not linked to a basket composed of the Indices and are contingent upon the performance of each individual Index. Poor performance by either of the Indices over the term of the notes may result in the notes not being automatically called on a Review Date, may negatively affect whether you will receive a Contingent Interest Payment on any Interest Payment Date and your payment at maturity and will not be offset or mitigated by positive performance by the other Index.
YOUR PAYMENT AT MATURITY WILL BE DETERMINED BY THE LESSER PERFORMING INDEX. THE BENEFIT PROVIDED BY THE TRIGGER VALUE MAY TERMINATE ON ANY DAY DURING THE MONITORING PERIOD—
If, on any day during the Monitoring Period, the closing level of either Index is less than its Trigger Value (*i.e.,* a Trigger Event occurs) and the notes have not been automatically called, the benefit provided by the Trigger Value will terminate and you will be fully exposed to any depreciation of the Lesser Performing Index. You will be subject to this potential loss of principal even if that Index subsequently recovers such that the closing level of that Index is greater than or equal to its Trigger Value.
THE AUTOMATIC CALL FEATURE MAY FORCE A POTENTIAL EARLY EXIT —
If your notes are automatically called, the term of the notes may be reduced to as short as approximately three months and you will not receive any Contingent Interest Payments after the applicable Call Settlement Date. There is no guarantee that you would be able to reinvest the proceeds from an investment in the notes at a comparable return and/or with a comparable interest rate for a similar level of risk. Even in cases where the notes are called before maturity, you are not entitled to any fees and commissions described on the front cover of this pricing supplement.

YOU WILL NOT RECEIVE DIVIDENDS ON THE SECURITIES INCLUDED IN EITHER INDEX OR HAVE ANY RIGHTS WITH RESPECT TO THOSE SECURITIES.

THE RISK OF THE CLOSING LEVEL OF AN INDEX FALLING BELOW ITS INTEREST BARRIER OR TRIGGER VALUE IS GREATER IF THE LEVEL OF THAT INDEX IS VOLATILE.

LACK OF LIQUIDITY—

The notes will not be listed on any securities exchange. Accordingly, the price at which you may be able to trade your notes is likely to depend on the price, if any, at which JPMS is willing to buy the notes. You may not be able to sell your notes. The notes are not designed to be short-term trading instruments. Accordingly, you should be able and willing to hold your notes to maturity.

THE FINAL TERMS AND VALUATION OF THE NOTES WILL BE PROVIDED IN THE PRICING SUPPLEMENT —

You should consider your potential investment in the notes based on the minimums for the estimated value of the notes and the Contingent Interest Rate.

THE ESTIMATED VALUE OF THE NOTES WILL BE LOWER THAN THE ORIGINAL ISSUE PRICE (PRICE TO PUBLIC) OF THE NOTES —

The estimated value of the notes is only an estimate determined by reference to several factors. The original issue price of the notes will exceed the estimated value of the notes because costs associated with selling, structuring and hedging the notes are included in the original issue price of the notes. These costs include the selling commissions, the projected profits, if any, that our affiliates expect to realize for assuming risks inherent in hedging our obligations under the notes and the estimated cost of hedging our obligations under the notes. See "The Estimated Value of the Notes" in this pricing supplement.

THE ESTIMATED VALUE OF THE NOTES DOES NOT REPRESENT FUTURE VALUES OF THE NOTES AND MAY DIFFER FROM OTHERS' ESTIMATES —
See "The Estimated Value of the Notes" in this pricing supplement.
THE ESTIMATED VALUE OF THE NOTES IS DERIVED BY REFERENCE TO AN INTERNAL FUNDING RATE —
The internal funding rate used in the determination of the estimated value of the notes is based on, among other things, our and our affiliates' view of the funding value of the notes as well as the higher issuance, operational and ongoing liability management costs of the notes in comparison to those costs for the conventional fixed-rate debt of JPMorgan Chase & Co. The use of an internal funding rate and any potential changes to that rate may have an adverse effect on the terms of the notes and any secondary market prices of the notes. See "The Estimated Value of the Notes" in this pricing supplement.
THE VALUE OF THE NOTES AS PUBLISHED BY JPMS (AND WHICH MAY BE REFLECTED ON CUSTOMER ACCOUNT STATEMENTS) MAY BE HIGHER THAN THE THEN-CURRENT ESTIMATED VALUE OF THE NOTES FOR A LIMITED TIME PERIOD —
We generally expect that some of the costs included in the original issue price of the notes will be partially paid back to you in connection with any repurchases of your notes by JPMS in an amount that will decline to zero over an initial predetermined period. See "Secondary Market Prices of the Notes" in this pricing supplement for additional information relating to this initial period. Accordingly, the estimated value of your notes during this initial period may be lower than the value of the notes as published by JPMS (and which may be shown on your customer account statements).
SECONDARY MARKET PRICES OF THE NOTES WILL LIKELY BE LOWER THAN THE ORIGINAL ISSUE PRICE OF THE NOTES —
Any secondary market prices of the notes will likely be lower than the original issue price of the notes because, among other things, secondary market prices take into account our internal secondary market funding rates for structured debt issuances and, also, because secondary market prices (a) exclude selling commissions and (b) may exclude projected hedging profits, if any, and estimated hedging costs that are included in the original issue price of the notes. As a result, the price, if any, at which JPMS will be willing to buy the notes from you in secondary market transactions, if at all, is likely to be lower than the original issue price. Any sale by you prior to the Maturity Date could result in a substantial loss to you.
SECONDARY MARKET PRICES OF THE NOTES WILL BE IMPACTED BY MANY ECONOMIC AND MARKET FACTORS —
The secondary market price of the notes during their term will be impacted by a number of economic and market factors, which may either offset or magnify each other, aside from the selling commissions, projected hedging profits, if any, estimated hedging costs and the levels of the Indices. Additionally, independent pricing vendors and/or third party broker-dealers may publish a price for the notes, which may also be reflected on customer account statements. This price may be different (higher or lower) than the price of the notes, if any, at which JPMS may be willing to purchase your notes in the secondary market. See "Risk Factors — Risks Relating to the Estimated Value and Secondary Market Prices of the Notes — Secondary market prices of the notes will be impacted by many economic and market factors" in the accompanying product supplement.

The Indices

The Russell 2000® Index consists of the middle 2,000 companies included in the Russell 3000E™ Index and, as a result of the index calculation methodology, consists of the smallest 2,000 companies included in the Russell 3000® Index. The Russell 2000® Index is designed to track the performance of the small capitalization segment of the U.S. equity market. For additional information about the Russell 2000® Index, see "Equity Index Descriptions — The Russell Indices" in the accompanying underlying supplement.

The S&P 500® Index consists of stocks of 500 companies selected to provide a performance benchmark for the U.S. equity markets. For additional information about the S&P 500® Index, see "Equity Index Descriptions — The S&P U.S. Indices" in the accompanying underlying supplement.

Historical Information

The following graphs set forth the historical performance of each Index based on the weekly historical closing levels from January 4, 2013 through December 28, 2018. The closing level of the Russell 2000® Index on December 31, 2018 was 1,348.559. The closing level of the S&P 500® Index on December 31, 2018 was 2,506.85. U.S. equity markets were closed on January 1, 2019 in observance of the New Year's Day holiday. We obtained the closing levels above and below from the Bloomberg Professional® service ("Bloomberg"), without independent verification.

The historical closing levels of each Index should not be taken as an indication of future performance, and no assurance can be given as to the closing level of either Index on the Pricing Date, any Review Date or any day during the Monitoring Period. There can be no assurance that the performance of the Indices will result in the return of any of your principal amount or the payment of any interest.

Tax Treatment

You should review carefully the section entitled "Material U.S. Federal Income Tax Consequences" in the accompanying product supplement no. 4-I. In determining our reporting responsibilities we intend to treat (i) the notes for U.S. federal income tax purposes as prepaid forward contracts with associated contingent coupons and (ii) any Contingent Interest Payments as ordinary income, as described in the section entitled "Material U.S. Federal Income Tax Consequences — Tax Consequences to U.S. Holders — Notes Treated as Prepaid Forward Contracts with Associated Contingent Coupons" in the accompanying product supplement. Based on the advice of Davis Polk & Wardwell LLP, our special tax counsel, we believe that this is a reasonable treatment, but that there are other reasonable treatments that the IRS or a court may adopt, in which case the timing and character of any income or loss on the notes could be materially affected. In addition, in 2007 Treasury and the IRS released a notice requesting comments on the U.S. federal income tax treatment of "prepaid forward contracts" and similar instruments. The notice focuses in particular on whether to require investors in these instruments to accrue income over the term of their investment. It also asks for comments on a number of related topics, including the character of income or loss with respect to these instruments and the relevance of factors such as the nature of the underlying property to which the instruments are linked. While the notice requests comments on appropriate transition rules and effective dates, any Treasury regulations or other guidance promulgated after consideration of these issues could materially affect the tax consequences of an investment in the notes, possibly with retroactive effect. The discussions above and in the accompanying product supplement do not address the consequences to taxpayers subject to special tax accounting rules under Section 451(b) of the Code. You should consult your tax adviser regarding the U.S. federal income tax consequences of an investment in the notes, including possible alternative treatments and the issues presented by the notice described above.

Non-U.S. Holders — Tax Considerations. The U.S. federal income tax treatment of Contingent Interest Payments is uncertain, and although we believe it is reasonable to take a position that Contingent Interest Payments are not subject to U.S. withholding tax (at least if an applicable Form W-8 is provided), a withholding agent may nonetheless withhold on these payments (generally at a rate of 30%, subject to the possible reduction of that rate under an applicable income tax treaty), unless income from your notes is effectively connected with your conduct of a trade or business in the United States (and, if an applicable treaty so requires, attributable to a permanent establishment in the United States). If you are not a United States person, you are urged to consult your tax adviser regarding the U.S. federal income tax consequences of an investment in the notes in light of your particular circumstances.

Section 871(m) of the Code and Treasury regulations promulgated thereunder ("Section 871(m)") generally impose a 30% withholding tax (unless an income tax treaty applies) on dividend equivalents paid or deemed paid to Non-U.S. Holders with respect to certain financial instruments linked to U.S. equities or indices that include U.S. equities. Section 871(m) provides certain exceptions to this withholding regime, including for instruments linked to certain broad-based indices that meet requirements set forth in the applicable Treasury regulations (such an index, a "Qualified Index"). Additionally, a recent IRS notice excludes from the scope of Section 871(m) instruments issued prior to January 1, 2021 that do not have a delta of one with respect to underlying securities that could pay U.S.-source dividends for U.S. federal income tax purposes (each an "Underlying Security"). Based on certain determinations made by us, we expect that Section 871(m) will not apply to the notes with regard to Non-U.S. Holders. Our determination is not binding on the IRS, and the IRS may disagree with this determination. Section 871(m) is complex and its application may depend on your particular circumstances, including whether you enter into other transactions with respect to an Underlying Security. If necessary, further information regarding the potential application of Section 871(m) will be provided in the pricing supplement for the notes. You should consult your tax adviser regarding the potential application of Section 871(m) to the notes.

FATCA. Withholding under legislation commonly referred to as "FATCA" could apply to payments with respect to the notes that are treated as U.S.-source "fixed or determinable annual or periodical" income ("FDAP Income") for U.S. federal income tax purposes (such as interest, if the notes are recharacterized, in whole or in part, as debt instruments, or Contingent Interest Payments if they are otherwise treated as FDAP Income). If the notes are recharacterized, in whole or in part, as debt instruments, withholding could also apply to payments of gross proceeds of a taxable disposition, including an early redemption or redemption at maturity, although under recently proposed regulations (the preamble to which specifies that taxpayers are permitted to rely on them pending finalization), no withholding will apply to payments of gross proceeds (other than any amount treated as FDAP Income). You should consult your tax adviser regarding the potential application of FATCA to the notes.

In the event of any withholding on the notes, we will not be required to pay any additional amounts with respect to amounts so withheld.

The Estimated Value of the Notes

The estimated value of the notes set forth on the cover of this pricing supplement is equal to the sum of the values of the following hypothetical components: (1) a fixed-income debt component with the same maturity as the notes, valued using the internal funding rate described below, and (2) the derivative or derivatives underlying the economic terms of the notes. The estimated value of the notes does not represent a minimum price at which JPMS would be willing to buy your notes in any secondary market (if any exists) at any time. The internal funding rate used in the determination of the estimated value of the notes is based on, among other things, our and our affiliates' view of the funding value of the notes as well as the higher issuance, operational and ongoing liability management costs of the notes in comparison to those costs for the conventional fixed-rate debt of JPMorgan Chase & Co. For additional information, see "Selected Risk Considerations — The Estimated Value of the Notes Is Derived by Reference to an Internal Funding Rate" in this pricing supplement.

The value of the derivative or derivatives underlying the economic terms of the notes is derived from internal pricing models of our affiliates. These models are dependent on inputs such as the traded market prices of comparable derivative instruments and on various other inputs, some of which are market-observable, and which can include volatility, dividend rates, interest rates and other factors, as well as assumptions about future market events and/or environments. Accordingly, the estimated value of the notes is determined when the terms of the notes are set based on market conditions and other relevant factors and assumptions existing at that time.

The estimated value of the notes does not represent future values of the notes and may differ from others' estimates. Different pricing models and assumptions could provide valuations for the notes that are greater than or less than the estimated value of the notes. In addition, market conditions and other relevant factors in the future may change, and any assumptions may prove to be incorrect. On future dates, the value of the notes could change significantly based on, among other things, changes in market conditions, our or JPMorgan Chase & Co.'s creditworthiness, interest rate movements and other relevant factors, which may impact the price, if any, at which JPMS would be willing to buy notes from you in secondary market transactions.

The estimated value of the notes will be lower than the original issue price of the notes because costs associated with selling, structuring and hedging the notes are included in the original issue price of the notes. These costs include the selling commissions paid to JPMS and other affiliated or unaffiliated dealers, the projected profits, if any, that our affiliates expect to realize for assuming risks inherent in hedging our obligations under the notes and the estimated cost of hedging our obligations under the notes. Because hedging our obligations entails risk and may be influenced by market forces beyond our control, this hedging may result in a profit that is more or less than expected, or it may result in a loss. A portion of the profits, if any, realized in hedging our obligations under the notes may be allowed to other affiliated or unaffiliated dealers, and we or one or more of our affiliates will retain any remaining hedging profits. See "Selected Risk Considerations — The Estimated Value of the Notes Will Be Lower Than the Original Issue Price (Price to Public) of the Notes" in this pricing supplement.

Secondary Market Prices of the Notes

For information about factors that will impact any secondary market prices of the notes, see "Risk Factors — Risks Relating to the Estimated Value and Secondary Market Prices of the Notes — Secondary market prices of the notes will be impacted by many economic and market factors" in the accompanying product supplement. In addition, we generally expect that some of the costs included in the original issue price of the notes will be partially paid back to you in connection with any repurchases of your notes by JPMS in an amount that will decline to zero over an initial predetermined period. These costs can include projected hedging profits, if any, and, in some circumstances, estimated hedging costs and our internal secondary market funding rates for structured debt issuances. This initial predetermined time period is intended to be the shorter of six months and one-half of the stated term of the notes. The length of any such initial period reflects the structure of the notes, whether our affiliates expect to earn a profit in connection with our hedging activities, the estimated costs of hedging the notes and when these costs are incurred, as determined by our affiliates. See "Selected Risk Considerations — The Value of the Notes as Published by JPMS (and Which May Be Reflected on Customer Account Statements) May Be Higher Than the Then-Current Estimated Value of the Notes for a Limited Time Period" in this pricing supplement.

Supplemental Use of Proceeds

The notes are offered to meet investor demand for products that reflect the risk-return profile and market exposure provided by the notes. See “How the Notes Work” and “Hypothetical Payout Examples” in this pricing supplement for an illustration of the risk-return profile of the notes and “The Indices” in this pricing supplement for a description of the market exposure provided by the notes.

The original issue price of the notes is equal to the estimated value of the notes plus the selling commissions paid to JPMS and other affiliated or unaffiliated dealers, plus (minus) the projected profits (losses) that our affiliates expect to realize for assuming risks inherent in hedging our obligations under the notes, plus the estimated cost of hedging our obligations under the notes.

Supplemental Plan of Distribution

We expect that delivery of the notes will be made against payment for the notes on or about the Original Issue Date set forth on the front cover of this pricing supplement, which will be the third business day following the Pricing Date of the notes (this settlement cycle being referred to as “T+3”). Under Rule 15c6-1 of the Securities Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in two business days, unless the parties to that trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes on any date prior to two business days before delivery will be required to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisors.

Additional Terms Specific to the Notes

You may revoke your offer to purchase the notes at any time prior to the time at which we accept such offer by notifying the applicable agent. We reserve the right to change the terms of, or reject any offer to purchase, the notes prior to their issuance. In the event of any changes to the terms of the notes, we will notify you and you will be asked to accept such changes in connection with your purchase. You may also choose to reject such changes, in which case we may reject your offer to purchase.

You should read this pricing supplement together with the accompanying prospectus, as supplemented by the accompanying prospectus supplement relating to our Series A medium-term notes of which these notes are a part, and the more detailed information contained in the accompanying product supplement and the accompanying underlying supplement. This pricing supplement, together with the documents listed below, contains the terms of the notes and supersedes all other prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, fact sheets, brochures or other educational materials of ours. You should carefully consider, among other things, the matters set forth in the "Risk Factors" sections of the accompanying product supplement and the accompanying underlying supplement, as the notes involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the notes.

You may access these documents on the SEC website at www.sec.gov as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC website):

Product supplement no. 4-I dated April 5, 2018:
http://www.sec.gov/Archives/edgar/data/19617/000095010318004519/dp87528_424b2-ps4i.pdf
Underlying supplement no. 1-I dated April 5, 2018:
http://www.sec.gov/Archives/edgar/data/19617/000095010318004514/crt_dp87766-424b2.pdf
Prospectus supplement and prospectus, each dated April 5, 2018:
http://www.sec.gov/Archives/edgar/data/19617/000095010318004508/dp87767_424b2-ps.pdf

Our Central Index Key, or CIK, on the SEC website is 1665650, and JPMorgan Chase & Co.'s CIK is 19617. As used in this pricing supplement, "we," "us" and "our" refer to JPMorgan Financial.

COLOR="#00ffff">

N/AEquity compensation plans not approved by security holders

Ambassador Program

Warrants

95,780

395,000

N/A

$1.25

N/A

395,000

RECENT SALES OF UNREGISTERED SECURITIES

Debt Settlement

During fiscal year ended May 31, 2006, we entered into a settlement of outstanding debt with several of our executive officers and Jurak Holdings Limited (the "Settlement Agreement"). Pursuant to the terms and provisions of the Settlement Agreement, we issued 73,070,580 shares of our restricted common stock at $0.02 per share to settle the principal amount of $908,874 and accrued interest of $552,537 due and owing.

During fiscal year ended May 31, 2006, we entered into a settlement of outstanding Accrued Minimum Royalty Fees with one of our executive officers (the "Settlement Agreement"). Pursuant to the terms and provisions of the Settlement Agreement, we issued 11,500,000 shares of our restricted common stock at $0.10 per share to settle the principal amount of $1,150,000 due and owing for Accrued Minimum Royalty Fees.

During fiscal year ended May 31, 2005, we entered into a settlement of outstanding debt with one of our executive officers for services rendered (the "Settlement Agreement"). Pursuant to the terms and provisions of the Settlement Agreement, we issued 453,384 shares of our restricted common stock at $0.20 per share to settle the principal amount of $90,677 plus accrued interest due and owing. In addition, during Fiscal year ended May 31, 2005, we issued 16,302 shares of common stock at $1.12 per share in lieu of compensation.

During fiscal year ended May 31, 2006, we issued 30,000 shares of restricted common stock to a consultant at $0.22 per share in lieu of compensation.

The per share price of the shares was determined by our Board of Directors based upon analysis of certain factors, including but not limited to, the trading price per share of our common stock on the OTC Bulletin Board, our stage of development, industry status, investment climate, and perceived investment risk. We issued shares of our restricted stock in accordance with the transactional exemption under Section 4(2) of the Securities Act of 1933, as amended (the "1933 Securities Act"). The executive officer acknowledged that the securities to be issued have not been registered under the 1933 Securities Act and that they understood the economic risk of an investment in the securities.

Private Placements

During fiscal year ended May 31, 2006, we executed private placements of 1,900,000 and 10,000,000 shares of our restricted common stock, for which we received cash in amounts of $269,566 and $200,000.

During Fiscal Year ended May 31, 2005, we executed Private Placements of 200,000 shares of our restricted common stock, for which we received cash in the amount of $40,000.

Reverse Stock Split

On May 12, 2006, the Board of Directors approved a one-for-six consolidation (reverse split) of our common stock, effective for shareholders of record on May 22, 2006. The consolidated common stock began trading on the NASD OTC Bulletin Board under the symbol "JRAK" on May 23, 2006.

In the consolidation, each six shares of our common stock issued and outstanding was converted to one share of common stock. The number of outstanding shares of common stock was reduced from 45,367,267 shares to 7,561,211 shares. The number of authorized shares of common stock was not reduced by this consolidation. Fractional shares of stock were rounded up to the next whole share.

Stock Compensation

On August 4, 2005, the company entered into an agreement with a consultant for financial consulting services. The agreement includes a stock compensation provision where the Company and the Company's Chief Executive Officer agree to sell 4,250,000 and 750,000 shares, respectively, of the Company's restricted common shares to the consultant. The 750,000 shares were earned upon signing the agreement. The fair market value of the stock transferred by the CEO was $165,000. No additional shares have been issued under this agreement as of May 31, 2006.

In November 2005, the Company entered into an agreement with a consultant for marketing services. Under this agreement, the company issued 30,000 shares to the consultant on November 4, 2005, for marketing services. The fair market value of the stock transferred was $6,720.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our results of operations and financial position should be read in conjunction with our audited financial statements and the notes thereto, included elsewhere in this Annual Report. Our financial statements are prepared in accordance with U.S. GAAP.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The following discussion is intended to provide an analysis of our financial condition and should be read in conjunction with our audited financial statements and the notes thereto. The matters discussed in this section that are not historical or current facts deal with potential future circumstances and developments. Such forward-looking statements include, but are not limited to, the development plans for our growth, trends in the results of our development, anticipated development plans, operating expenses and our anticipated capital requirements and capital resources. Our actual results could differ materially from the results discussed in the forward-looking statements.

RESULTS OF OPERATIONS

	Years ended May 31,		
	2006	2005	% Change
Sales	$ 1,445,362	$ 2,364,398	(39%)
Gross Profit	$ 1,092,623	$ 1,856,376	(41%)
Net Loss	$ (1,087,846)	$ (508,634)	114%
Basic and Diluted Loss per Share	$ (0.16)	$ (0.10) (1)	

(1) Restated to reflect the 1 for 6 reverse stock split on May 22, 2006

The results for fiscal year ended May 31, 2006 include decreased cost of sales. Also, our revenue has decreased by 39% resulting in a 41% decrease in gross profit margin in 2006. We continue to build a team of experienced industry professionals and distributors that can lead us to success in the herbal industry. We believe our operating systems as implemented reduce shipping errors and increase logistic efficiencies and customer service. As a result of management's efforts, we believe we have successfully negotiated the lowest costs of goods and payment terms.

Fiscal Year Ended May 31, 2006 Compared to Fiscal Year Ended May 31, 2005

Our net loss during fiscal year ended May 31, 2006 was ($1,087,846) compared to ($508,634) during fiscal year ended May 31, 2005 (an increase of $579,212). During fiscal year ended May 31, 2006, we generated $1,445,362 in gross sales compared to $2,364,398 in gross sales for fiscal year ended May 31, 2005 (a decrease of $919,036). Cost of goods sold decreased during fiscal year ended May 31, 2006 to $352,739 from $508,022 for fiscal year ended May 31, 2005, resulting in net sales or a gross margin of $1,092,623 for fiscal year ended May 31, 2006 compared to $1,856,376 for 2005, as further discussed below.

The May 31, 2005 selling, general & administrative expenses included in management's discussion and analysis of financial condition and results of operation was modified to reflect the May 31, 2006 classifications.

During fiscal year ended May 31, 2006, we incurred selling,general and administrative expenses of $2,085,410 compared to operating expenses of $2,239,657 during fiscal year ended May 31, 2005 (a decrease of $154,246). Our selling, general and administrative expenses consisted of: (i) $378,325 (2005: $418,708) in salaries and employee benefits; (ii) $3,164 (2005: $57,842) in advertising and promotion; (iii) $300,185 (2005: $459,784) in contract labor; (iv) $79,653 (2005: $64,060) in legal and accounting; (v) $285,398 (2005: $ 289,885) in office and general; (vi) $113,355 (2005: $113,740) in rent; (vii) $47,958 (2005: $63,831) in insurance; (viii) $12,194 (2005: $12,747) in depreciation; (ix) $365,178 (2005: $259,060) in consulting fees; and (x) $500,000 (2005: $500,000) in royalty fees.

Interest expense for the year ended May 31, 2006 was $95,059 compare to $125,353 for the year ended May 31, 2005.

Our net loss during fiscal year ended May 31, 2006 was ($1,087,846) or ($0.16) per share compared to a net loss of ($508,634) or ($0.10) per share for fiscal year ended May 31, 2005. For fiscal year ended May 31, 2006, the weighted average number of shares outstanding was 6,607,394 compared to 5,269,242 for fiscal year ended May 31, 2005.

Sales and Gross Margins

Sales for fiscal year ended May 31, 2006 were $1,445,362, a decrease of 39% over last year's sales of $2,364,398. The decrease in sales was related to issues associated with the reliability of the Company's computer systems used to track and account for distributors' sales activity. The system problems caused delays and inaccuracies in the accumulation of sales data, which affected the timely calculation and payment of distributor bonuses. These problems caused a decline in sales activity. In May 2006, the Company installed a new computer system, which improved the sales data accumulation process. In July 2006, the Company rolled out a replicated Company website for each of its 9,900 distributors. The replicated websites allow each distributor to advertise to their specific customers, while providing the product and company information from the Company's new website. The new computer system and the replicated websites have already resulted in an increase in sales volume. Management is confident that the Company has regained the confidence of the distributor network.

Gross profit or margin in fiscal year ended May 31, 2006 decreased over fiscal year ended May 31, 2005. Gross margin for fiscal year ended May 31, 2006 was $1,092,623 compared with $1,856,376 for the same period for 2005. Gross margin as a percentage of revenue was 76% in fiscal year ended May 31, 2006 compared with 79% in fiscal year ended May 31, 2005. The decline in gross margin was due to an increase in product costs.

Operating Expenses

Total operating expenses for fiscal year ended May 31, 2006 were $2,085,410 compared with $2,239,657 for the same period in 2005. The decrease is primarily relates to decreases in many expenditures, and cannot be attributed to a large decrease in an single or any group of expenditures.

Salaries and benefits for fiscal year ended May 31, 2006 were $378,325 compared with $418,708 in 2005. Contract labor was $300,185 for fiscal year ended May 31, 2006 compared with $459,784 for 2005. Contract labor is utilized to provide the company with maximum flexibility.

Interest costs for fiscal year ended May 31, 2006 were $95,059 compared with $125,353 for the same period in 2005. Interest costs primarily relate to loans from a principal stockholder and related entities.

Net Loss

The net loss for fiscal year ended May 31, 2006 was ($1,087,846) compared to a net loss of ($508,634) for fiscal year ended May 31, 2005, an increase of $579,212. Basic loss per share was ($0.16) for fiscal year ended May 31, 2006 and ($0.10) per share for fiscal year ended May 31, 2005.

LIQUIDITY AND CAPITAL RESOURCES

As of May 31, 2006, our current assets were $110,841 and our current liabilities were $604,586, resulting in a working capital deficit of $493,745. As of May 31, 2006, total assets were $171,024 consisting of: (i) $44,073 in cash; (ii) $0 in accounts receivable; (iii) $58,154 in net inventory; (iv) $8,614 in prepaid expenses; (v) $26,034 in restricted cash; (vi) $19,365 in deposits; and (vii) $14,784 in office furnishings and equipment (net of depreciation and amortization).

As of May 31, 2006, total liabilities were comprised of (i) $208,643 in accounts payable; (ii) $135,605 in accrued compensation; (iii) $250,000 in accrued minimum royalties; (iv) $4,993 payable to stockholder/ officers; (v) and $6,598 in current and long-term portion of capital lease obligation.

Stockholders' deficit decreased from ($2,599,666) at fiscal year ended May 31, 2005 to ($434,815) at fiscal year ended May 31, 2006 due to cash generated from the Private Placement offering and conversion of outstanding debt.

Net cash flows used in operating activities during fiscal year ended May 31, 2006 was ($412,218) compared with net cash flows provided by operating activities of $5,671 for the same period in 2005. The change was caused primarily by an increase in the net loss and offset by stock compensation and an increase in accrued compensation and royalties.

Net cash flows provided by investing activities during fiscal year ended May 31, 2006 was $9,510 compared with net cash used in investing activities of ($2,744) during fiscal year ended May 31, 2005. The change was caused by a decrease in restricted cash.

Net cash flows provided by financing activities was $446,293 during fiscal year ended May 31, 2006 compared with net cash used in financing activities of ($2,951) during fiscal year ended May 31, 2005. The change was primarily caused by an increase in proceeds received from stock issuances.

PLAN OF OPERATION

We have been, since our inception, reliant on external investment to finance ongoing operations as we are not yet operating profitably. While we expect that we will achieve profitable operations in the future, there can be no assurance that our revenue, margins, and profitability will increase or be sufficient to support our operations in the long term. We expect we will need to raise additional capital to meet short and long-term operating requirements. We believe that private placements of equity capital and debt financing may be adequate to fund our long-term operating requirements. We may also encounter business endeavors that require significant cash commitments or unanticipated problems or expenses that could result in a requirement for additional cash. If we raise additional funds through the issuance of equity or convertible debt securities other than to current shareholders, the percentage ownership of our current shareholders would be reduced, and such securities might have rights, preferences or privileges senior to our common stock. Additional financing may not be available upon acceptable terms, or at all. If adequate funds are not available or are not available on acceptable terms, we may not be able to take advantage of prospective business endeavors or opportunities, which could significantly and materially restrict our business operations. We are continuing to pursue external financing alternatives to improve our working capital position and to grow our business to the greatest possible extent.

MATERIAL COMMITMENTS

A significant commitment for fiscal year ending May 31, 2007 relates to the License Agreement with Jurak Holdings Limited. As of fiscal year ended May 31, 2006, an aggregate amount of $250,000 is due and owing to Jurak Holdings Limited for Accrued Minimum Royalty fees.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this Annual Report, we do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources, that are material to our investors. The term "off-balance sheet arrangement" generally means any transaction, agreement or other contractual arrangement to which an entity unconsolidated with us is a party, under which we have: (i) any obligation arising under a guarantee contract, derivative instrument or variable interest; or (ii) a retained or contingent interest in assets transferred to such entity or similar arrangement that serves as credit, liquidity, or market risk support for such assets.

FUTURE OUTLOOK

The demand for our product is largely dependent upon the level of acceptance and understanding of herbal dietary supplements in the North American distributor and consumer sectors. Market size for herbal dietary supplement products and our relative share of this market will be affected by a number of factors, which include general understanding and awareness, continuing growth in homeopathic awareness, government regulations and general economic conditions. We are attempting to mitigate some of these risks through education and employing well-known persons to endorse our products.

As we continue to expand our operations internationally we must be aware of any inherent business risks associated with doing so. We have attempted to mitigate these risks by establishing a network marketing system utilizing persons who are familiar with the industry.

ITEM 7. FINANCIAL STATEMENTS

JURAK CORPORATION WORLD WIDE, INC.

Audited Financial Statements

May 31, 2006

Index

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders

Jurak Corporation World Wide, Inc.

We have audited the accompanying balance sheets of Jurak Corporation World Wide, Inc. as of May 31, 2006 and 2005, and the related statements of operations, stockholders' deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Accounting Oversight Board (United States).

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jurak Corporation World Wide, Inc. as of May 31, 2006 and 2005, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered recurring losses from operations and its total liabilities exceed its total assets. These factors raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Carver Moquist & O'Connor, LLC

Minneapolis, Minnesota

September 11, 2006

JURAK CORPORATION WORLD WIDE, INC.

NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

Note 1. Nature of Business and Summary of Significant Accounting Policies:

Nature of business:

Jurak Corporation World Wide, Inc. (the Company) was incorporated on November 3, 1997 in the State of Minnesota, is located in Las Vegas, Nevada, and markets its products throughout the United States and Canada. The Company manufactures and markets dietary and herbal supplement products.

A summary of the Company's significant accounting policies follows:

Revenue recognition:

The Company recognizes revenue when persuasive evidence of an arrangement exists, title and risk of ownership passes, the sales price is fixed or determinable, and collectibility is probable. Generally, these criteria are met at the time product is shipped.

Use of estimates:

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the financial statement date and revenues and expenses during the reporting period. Actual results could differ from Company estimates.

Income taxes:

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of the enactment.

Cash:

The Company considers all highly liquid debt instruments with original maturities at three months or less to be cash equivalents.

The Company maintains its cash in a high quality financial institution. The balances at times may exceed the Federally insured limits.

Segment Reporting

The Company operates as one reporting segment.

Inventories:

Inventories are valued at the lower of cost or market, using the first-in, first-out method (FIFO). Inventories are reported at their net amounts, and consist of the following:

Office furnishings and equipment:

Office furnishings and equipment are recorded at cost and depreciated on a straight-line basis over their estimated useful life of three to seven years. Maintenance and minor renewals are expensed when incurred.

Long-lived assets:

Long-lived assets, such as property and equipment are reviewed for impairment whenever changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an assets exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the assets exceeds the fair value of the asset.

Advertising:

The Company expenses advertising costs as they are incurred. Advertising costs were $345 and $3,284 for the year ended May 31, 2006 and 2005 respectively.

Shipping and handling costs:

Shipping and handling costs charged to customers have been included in sales. Inbound freight and handling costs incurred by the Company have been included in cost of sales.

- **Fair value of financial instruments:**

The carrying value of the Company's financial instruments approximates fair value at May 31, 2006 and 2005. The carrying amounts for cash, accounts payable, accrued liabilities and notes payable approximate fair value due to the short maturity of these instruments.

Loss per common share:

Loss per share is computed based on the weighted-average number of common shares outstanding. There are 395,000 warrants outstanding and 95,780 certificates for shares of stock at May 31, 2006 that would be considered anti-dilutive and therefore are not included.

Recent accounting pronouncements:

The FASB issued SFAS No. 123(R), "Share-Based Payment," in December 2004, which will require the cost of employee compensation paid with equity instruments to be measured based on grant-date fair values and recognized over the vesting period. In April 2005, the Securities and Exchange Commission announced the adoption of a new rule that amends the compliance dates for SFAS No. 123(R). The new rule allows companies to implement SFAS No. 123(R) at the beginning of their fiscal year that begins after June 15, 2005. Under the new rule, SFAS No. 123(R) will become effective for the Company in the first quarter of fiscal 2007. The Company believes the adoption of SFAS 123(R) will not impact the Company's financial statements as it has not issued stock options to its employees and currently has no stock compensation plans for its employees, executives, or directors.

In May 2005, the FASB issued SFAS 154, "Accounting Changes and Error Corrections" which replaces

APB Opinion No. 20 "Accounting Changes" and SFAS No.3, "Reporting Accounting Changes in Interim

Financial Statements-An Amendment of APB Opinion No.28." SFAS 154 provides guidance on the accounting for and reporting of accounting changes and error corrections. It establishes retrospective application, or the latest practicable date, as the required method for reporting a change in accounting principle and the reporting of a correction of an error. SFAS 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. Adoption of SFAS 154 should not have an impact on our results of operations and financial condition.

Note 2. Company's Continued Existence:

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. However, the Company has sustained substantial losses and its liabilities exceed its assets. The Company intends to generate positive cash flows from operations through increased sales utilizing the network of distributors in place, issuing additional stock, and obtaining necessary capital through additional advances from the Company's principal stockholder or through private placements.

To continue operations, the Company must raise additional capital. As stated in Note 5, the Company completed a private placement of common stock for fiscal year 2006. Additionally, the Company completed an additional private placement of common stock in June 2006 for fiscal year 2007. However, there can be no assurance the Company will be able to obtain additional capital from private placements in the future. The Company has no committed sources or arrangements for additional financing.

The financial statements do not include any adjustment relating to recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary should the Company be unable to continue to exist. Management believes that actions presently being taken provide the opportunity for the Company to continue as a going concern.

Note 3. Capital Lease Obligations:

The Company has capital leases for new computer equipment, expiring through October 2008. The leases bear interest ranging from 5% to 25%. The obligations are collateralized by the equipment under lease. Total cost and accumulated amortization of the lease equipment was $20,406 and $14,263 at May 31, 2006 and $20,406 and $7,461 at May 31, 2005. Amortization expense on the leased assets is included with depreciation expense.

Future minimum lease payments under capital lease and the net present value of the future minimum lease payments are as follows for the years ended May 31:

Note 4. Stockholder Rights:

The Board of Directors has the power and authority to fix by resolution any designation, class, series, voting power, preference, right, qualification, limitation, restriction, dividend, time and place of redemption and conversion right with respect to any stock of the Company.

Note 5 Stock Transactions:

During the year ended May 31, 2006 the Company completed two private placements totaling 11,900,000 shares of restricted common stock in exchange for which it received $469,566. Subsequent to May 31, 2006, the Company sold an additional 10,000,000 shares of restricted common stock in exchange for $200,000 in June 2006.

During the years ended May 31, 2006 and 2005, no shares and 16,302 shares, respectively, were issued to various distributors under its distributor bonus plan (Note 8).

Stock Splits

The Company completed a one-for-six reverse stock split on May 22, 2006. All per share information reflects the effect of this stock reverse stock split.

Note 6. Income Taxes:

The (benefit) for income taxes differs from the amount computed by applying the U.S. federal income tax rate to loss before income taxes as follows:

Tax law provides for limitation on the use of future loss carryovers should significant ownership changes occur. The Company has a net operating loss carry forwards of approximately $4,200,000 that expire through the year 2025.

Note 7. Related Party Transactions:

The principal stockholder and related entities have advances to the Company totaling $4,993 and $1,345,813 as of May 31,2006 and 2005, respectively. These amounts include accumulated accrued interest of $4,993 and $539,991 as of May 31, 2006 and 2005, respectively. Interest on the advances is at 8%. Interest totaling $84,491 and $120,437 was charged to operations for the years ended May 31, 2006 and 2005, respectively.

Note 8 Commitments**:**

Operating Lease:

The Company rents office and warehouse space in Las Vegas, Nevada under terms of an operating lease which calls for an initial base monthly rental of approximately $6,700, increasing annually, plus common area operating expenses, through June 2009. Rent expense plus common area operating expenses under this agreement for the years ended May 31, 2006 and 2005 was $101,689 and $92,530, respectively.

Minimum lease payments are the following for the years ending May 31:

2007	$ 84,899
2008	87,446
2009	90,069
2010	7,524
Total Future Minimum Lease Payments	$269,938

Stock Bonus Plan:

The Company is offering 3,000,000 of its shares to its distributors under a plan whereby the distributors earn a stock bonus based on sales and "bonus points." A distributor who purchases enough product for 160 points, sponsors three persons who each purchase enough product for 160 points, and who in turn sponsor three additional persons who each purchase enough product for 160 points, will receive 10 certificates. Each certificate is redeemable for one share of the Company's common stock three years after the certificate has been earned. The number of certificates outstanding at May 31, 2006 and 2005 were 95,780 and 83,433, respectively. The liability for the bonus points of $103,395 and $100,287 at May 31, 2006 and 2005, respectively, is included in accrued compensation. These amounts are redeemable into common stock at a fair market value on the date that they are fully earned and redeemed. During the years ended May 31, 2006 and 2005, respectively, no shares and 16,302 shares were issued to various distributors under this plan.

Restricted Cash:

The Company has entered into several agreements with banks whereby a certain amount must be deposited into a restricted cash account in exchange for credit card processing services.

License Agreement:

The Company has entered into an intellectual property license agreement with an entity related to the principal stockholder and to a related foundation. The agreement calls for royalty payments to the entity and foundation that total 8% of "net sales price", subject to a minimum annual royalty fee of $500,000 payable to the entity related to the principal stockholder, and other conditions as defined by the agreement.

The minimum royalty fees expensed for the year ended May 31, 2006 and 2005 were $500,000 and $500,000, respectively. The accrued royalties at November 30, 2005 totaled $1,150,000 and were converted to equity on January 9, 2006. Accrued royalties due under this license agreement are $250,000 and $900,736 at May 31, 2006 and 2005, respectively.

Note 9. Subsequent event:

As a continuation to the Company's private placement offering in May 2006, the Company issued an additional 10,000,000 restricted common shares in exchange for $200,000 in cash.

ITEM 8. CHANGES IN AND DISAGREEMENT WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 8A. CONTROLS AND PROCEDURES

An evaluation was conducted under the supervision and with the participation of our management, including Anthony Carl Jurak, our Chief Executive Officer, and Roger Theriault, our President, and Maria Guedes, our Vice President of Operations/Assistant Secretary, of the effectiveness of the design and operation of our disclosure controls and procedures as of May 31, 2006. Based on that evaluation, Mr. Jurak, Mr. Theriault and Ms. Guedes concluded that our disclosure controls and procedures were effective as of such date to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in Security and Exchange Commission rules and forms. Such officers also confirm that there was no change in our internal control over financial reporting during the fiscal year ended May 31, 2006 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

AUDIT COMMITTEE REPORT

The audit committee operates under a written charter adopted by the Board of Directors during June 2004. As of the date of this Annual Report, Anthony Jurak has been appointed to our audit committee. Mr. Jurak is not "independent" within the meaning of Rule 10A-3 under the Exchange Act. The Board of Directors has determined that there is not a financial expert serving on the audit committee. We are currently involved in appointing a financial expert to the audit committee, but haven't finalized such appointment as of the date of this Annual Report.

The audit committee has reviewed and discussed with management our audited financial statements as of and for fiscal year ended May 31, 2006. The audit committee has also discussed with Carver Moquist & O'Connor LLC the matters required to be discussed by Statement on Auditing Standards No. 61, Communication with Audit Committees, as amended, by the Auditing Standards Board of the American Institute of Certified Public Accountants. The audit committee has received and reviewed the written disclosures and the letter from Carver Moquist & O'Connor LLC required by Independence Standards Board Standard No. 1, Independence Discussions with Audit Committees, as amended, and has discussed with Carver Moquist & O'Connor LLC their independence.

Based on the reviews and discussions referred to above, the audit committee has recommended to our Board of Directors that the audited financial statements referred to above be included in our Annual Report on Form 10-KSB for fiscal year ended May 31, 2006 be filed with the Securities and Exchange Commission.

ITEM 8B. OTHER INFORMATION

Not applicable.

Part III

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

IDENTIFICATION OF DIRECTORS AND EXECUTIVE OFFICERS

All of our directors hold office until the next annual general meeting of the shareholders or until their successors are elected and qualified. Our officers are appointed by our Board of Directors and hold office until their earlier death, retirement, resignation or removal.

As of the date of this Annual Report, our directors and executive officers, their ages and positions held are as follows:

NAME	AGE	OFFICES HELD
Anthony C. Jurak	68	Director, Chairman of the Board and Chief Executive Officer/Secretary
Roger Theriault	60	Director, President
Maria J. Guedes	37	Vice President of Operations/Assistant

Secretary

BIOGRAPHIES

The backgrounds of our directors and executive officers are as follows:

Anthony C. Jurak.

Mr. Jurak is the founder of our company, and a director and Chairman of the Board and our Chief Executive Officer/Secretary. Mr. Jurak was also a co-chairman and secretary/treasurer for more than the five years of Matol Partners Corporation, terminating his position in February 1997, and since has worked primarily for us. While with Matol Partners Corporation, Mr. Jurak was in charge of finances and then committed his time to marketing and sales. Mr. Jurak has broad marketing and financial experience, including wholesale and retail companies.

Roger Theriault.

Mr. Theriault is our President and a director. Mr. Theriault was also the director of national sales for Shaklee Canada from 1979 to 1984. During that time, he was mostly involved in marketing and sales and responsible for three regional sales managers and more than 100,000 distributors. Mr. Theriault was the founder of Nova Sante Pacific International where he worked from 1989 to 1994. Since 1995, he has been a consultant to Triple Gold (Ecuador), Radical Advance Technologies and CiDem (France).

Maria J. Guedes.

Ms. Guedes is our Vice-President of Operations, Assistant Secretary since 1997. Ms. Guedes is a graduate of Notre Dame College (Canada) with a degree in business. Ms. Guedes provides human resource management, maintains and oversees the development of our customized computer databases, oversees inventory control systems, reviews accounting practices and acts as the office manager/administrator.

FAMILY RELATIONSHIPS

There are no family relationships among our directors or officers.

INVOLVEMENT IN CERTAIN

LEGAL PROCEEDINGS

During the past five years, none of our directors, executive officers or persons that may be deemed promoters is or have been involved in any legal proceeding concerning (i) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (ii) any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses); (iii) being subject to any order, judgment or decree, not subsequently reversed, suspended, or vacated, of any court of competent jurisdiction permanently or temporarily enjoining, barring, suspending or otherwise limiting involvement in any type of business, securities or banking activity; or (iv) being found by a court, the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law (and the judgment has not been reversed, suspended or vacated).

COMMITTEES OF THE BOARD OF DIRECTORS

Audit Committee

The audit committee operates under a written charter adopted by the Board of Directors during June 2004. As of the date of this Annual Report, Anthony Jurak has been appointed to our audit committee. Mr. Jurak is not "independent" within the meaning of Rule 10A-3 under the Exchange Act. The Board of Directors has determined that there is not a financial expert serving on the audit committee. We are currently involved in appointing a financial expert to the audit committee, but haven't finalized such appointment as of the date of this Annual Report.

The audit committee's primary function is to provide advice with respect to our financial matters and to assist the Board of Directors in fulfilling its oversight responsibilities regarding finance, accounting, and legal compliance. The audit committee's primary duties and responsibilities will be to: (i) serve as an independent and objective party to monitor our financial reporting process and internal control system; (ii) review and appraise the audit efforts of our independent accountants; (iii) evaluate our quarterly financial performance as well as our compliance with laws and regulations; (iv) oversee management's establishment and enforcement of financial policies and business practices; and (v) provide an open avenue of communication among the independent accountants, management, and the Board of Directors.

COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

Section 16(a) of the Exchange Act requires directors and officers, and the persons who beneficially own more than 10% of common stock of certain companies, to file reports of ownership and changes in ownership with the Securities and Exchange Commission. We are not required to file reports under Section 16 of the Exchange Act.

ITEM 10. EXECUTIVE COMPENSATION

During fiscal years ended May 31, 2006 and 2005, certain officers were compensated for their role as executive officers. As of the date of this Annual Report, we do not have any stock option, pension, annuity, insurance, profit sharing or similar benefit plans. Executive compensation is subject to change concurrent with our requirements. We do not have employment agreements with any of our officers.

Generally, our directors do not receive salaries or fees for serving as directors nor do they receive any compensation for attending meetings of the Board of Directors. However, we may adopt a director compensation policy in the future. We do not currently have any standard arrangement pursuant to which our directors are compensated for services provided as a director or for committee participation or special assignments. Directors are, however, entitled to reimbursement of expenses incurred in attending meetings.

SUMMARY COMPENSATION TABLE

Compensation

None of our executive officers received an annual salary and bonus that exceeded $60,000 during the fiscal years ended May 31, 2006, 2005 and 2004. We do not currently have a compensation committee. Compensation decisions are made from time-to-time by our Board of Directors with no established policies or formulas. The following table sets forth the compensation received by Mr. Jurak.

	Long Term Compensation	
Annual Compensation	Awards	Payouts

Name and Principal Position	Year	Salary ($)	Bonus ($)	Other Annual Compen-sation ($)	Restricted Stock Award(s) ($)	Securities Underlying Options/SARs (#)	LTIP Payouts ($)	All Other Compen-sation ($)
Anthony Jurak Chief Executive Officer/ Secretary, Chairman of the Board, Director	2006	$60,000	Nil	Nil	None	Nil	None	None
	2005	$60,000	Nil	Nil	None	Nil	None	None
	2004	$60,000	Nil	Nil	None	Nil	None	None

Stock Options/SAR Grants In Fiscal Year Ended May 31, 2006

As of the date of this Annual Report, we do not have a stock option plan in effect. The following reflects the information for fiscal year ended May 31, 2006 regarding stock options. No stock options were granted in any previous fiscal years.

Name	Number of Securities Under Options/SARs Granted	% of Total Options/SARs Granted to Employees in Financial Year	Exercise or Base Price ($/Security)	Expiration Date
Not Applicable	Nil	Nil	Nil	Not applicable

Long Term Incentive Plan ("LTIP") Awards Table

We have no long-term incentive plans in place and therefore there were no awards made under any long-term incentive plan to any of the above executive officers during fiscal year ended May 31, 2006.

EMPLOYMENT AGREEMENTS

As of the date of this Annual Report, we do not have any employment agreements with our executive officers, but we intend to enter into such agreements with our senior executive officers in the future.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

As of the date of this Annual Report, the following table sets forth certain information with respect to the beneficial ownership of our common stock by each stockholder known by us to be the beneficial owner of more than 5% of our common stock and by each of our current directors and executive officers. Each person has sole voting and investment power with respect to the shares of common stock, except as otherwise indicated. Beneficial ownership consists of a direct interest in the shares of common stock, except as otherwise indicated. As of May 31, 2006, there are 90,631,791 shares of common stock issued and outstanding.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percentage of Class
Common	Anthony C. Jurak (1) (2) (3)	68,482,885	68.05%
Common	Roger Theriault (1)	7,096,037	7.05%
Common	Maria Guedes (1)	75,564	0.08%
Common	Executive Officers/Directors as a group	75,564,486	75.18%

(1) The address for all management is 1181 Grier Drive, Suite C, Las Vegas, Nevada 89119.

(2) 31,498,393 shares held in trust by Jurak Holdings Limited, 4478 97th Street, Edmonton, Alberta, Canada T6E 5R9,

of which Anthony Jurak is the sole beneficiary.

(3) 18,788,675 shares held in trust by 152581 Canada Ltd., c/o 1181 Grier Drive, Suite C, Las Vegas, Nevada 89119, of which Anthony Jurak is the sole beneficiary

CHANGES IN CONTROL

Our Board of Directors is unaware of any arrangement or understanding among the individuals listed in the beneficial ownership table with respect to election of our directors or other matters. We are unaware of any contract or other arrangement the operation of which may at a subsequent date result in a change in control of our company.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

On approximately January 1, 1999, we entered into an intellectual property license agreement (the "License Agreement") with Jurak Holdings Limited, a corporation organized under the laws of the Province of Alberta and an affiliate of our Chief Executive Office and one of our directors, Anthony Jurak. Pursuant to the terms and provisions of the License Agreement, beginning with fiscal year 2003, for a term of ten (10) years, we are required to pay annually the greater of $500,000 ("Minimum Royalty Fee") or eight percent (8%) of the net sales revenue ("Continuing Royalty Fee") of all licensed products sold under the license agreement. After fiscal 2013, we are required to make payments in the amount of the Continuing Royalty Fee. As of the date of this Annual Report, the amount of the Accrued Minimum Royalty Fee due and owing is $250,000.

ITEM 13. EXHIBITS

(a) Exhibit List

31.1 Certificate pursuant to Rule 13a-14(a)

32.1 Certificate pursuant to 18 U.S.C. Subsection 1350

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

AUDIT FEES

During fiscal year ended May 31, 2006, we incurred approximately $21,788 in fees to our principal independent accountants for professional services rendered in connection with preparation and audit of our financial statements for fiscal year ended May 31, 2006 and for the review of our financial statements for the quarters ended August 31, 2005, November 30, 2005 and February 28, 2006.

During fiscal year ended May 31, 2005, we incurred approximately $10,542 in fees to our principal independent accountant for professional services rendered in connection with audit of our financial statements for fiscal year ended May 31, 2005 and for the review of our financial statements for the quarters ended August 31, 2004, November 30, 2004 and February 28, 2005.

Our principal accountants did not bill any other audit-related fees during the respective time periods.

TAX FEES

During the fiscal year ended May 31, 2006, we incurred approximately $3,500 to our principal independent accountants for professional services rendered in connection with tax compliance, consultation, and planning, including preparation of federal and state income tax returns for the years ended May 31, 2004 and 2005. Tax returns for the fiscal year ended May 31, 2006 have not been prepared; therefore, no costs have been incurred.

ALL OTHER FEES

During the fiscal year ended May 31, 2005, we incurred approximately $2,500 to our principal independent accountants for professional services other than audit and tax services.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Jurak Corporation World Wide, Inc.

(Registrant)

By /s/ Anthony Jurak
Anthony Jurak
Chairman, Chief Executive Officer and Director

Date September 11, 2006

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By /s/ Anthony Jurak
Anthony Jurak
Chairman of the Board, Director

Date September 11, 2006

By /s/ Roger Theriault
Roger Theriault
President, Director

Date September 11, 2006