

Annual Report

JPMorgan Insurance Trust

December 31, 2009

JPMorgan Insurance Trust Intrepid Mid Cap Portfolio

NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

This material must be preceded or accompanied by a current prospectus.

J.P.Morgan
Asset Management

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Investments in the Portfolio are not bank deposits or obligations of, or guaranteed or endorsed by, any bank and are not insured or guaranteed by the FDIC, the Federal Reserve Board or any other government agency. You could lose money if you sell when the Portfolio's share price is lower than when you invested.

Past performance is no guarantee for future performance. The general market views expressed in this report are opinions based on conditions through the end of the reporting period and are subject to change without notice based on market and other conditions. These views are not intended to predict the future performance of the Portfolio or the securities markets. References to specific securities and their issuers are for illustrative purposes only and are not intended to be, and should not be interpreted as, recommendations to purchase or sell such securities. Such views are not meant as investment advice and may not be relied on as an indication of trading intent on behalf of the Portfolio.

This Portfolio is intended to be a funding vehicle for variable annuity contracts and variable life insurance policies (collectively "Policies") offered by separate accounts of participating insurance companies. Portfolio shares are also offered through qualified pension and retirement plans ("Eligible Plans"). Individuals may not purchase shares directly from the Portfolio.

Prospective investors should refer to the Portfolio's prospectus for a discussion of the Portfolio's investment objective, strategies and risks. Call J.P. Morgan Funds Service Center at 1-800-480-4111 for a prospectus containing more complete information about the Portfolio including management fees and other expenses. Please read it carefully before investing.

PRESIDENT'S LETTER

JANUARY 15, 2010 (Unaudited)

Dear Shareholder:

It is hard to imagine a more negative and confusing environment than the one we faced one year ago. At the time, the global financial system was in the midst of an unprecedented crisis, stock markets were crashing around the world and the U.S. economy was in the midst of its worst recession since World War II. Today, things look better in many ways; the financial crisis has abated, stock markets are up substantially from their lows, and the economy appears to have embarked on a recovery.



"Today, things look better in many ways; the financial crisis has abated, stock markets are up substantially from their lows, and the economy appears to have embarked on a recovery."

While this is welcomed, we, like you, are aware of how far we still have to go to return to "normal" in terms of the economy and markets. Pent-up demand – combined with monetary and fiscal stimulus—may have ignited the recovery, but the recovery will need job growth to sustain itself. While we do expect job growth to eventually materialize, the economy remains vulnerable to a relapse on the road to recovery. Therefore, it makes sense to maintain a diversified portfolio – one that can benefit from a recovery maturing into a full-fledged expansion, while still providing some protection from any potential retreat from that path.

Equity markets move sharply higher

After a dismal 2008, equities continued to sink in early 2009, with the Standard & Poor's 500 Index ("S&P 500 Index") dropping to a 14-year low on March 9. From that point on, however, equity markets rebounded strongly and by the end of December the S&P 500 Index had risen by 26.5% for the year to a level of 1,115.

From an equity style perspective, mid cap companies surged ahead of their small and large cap counterparts over the past 12 months (40.5%, according to the Russell Midcap Index, compared to 28.4% and 27.2%, as measured by the Russell 1000 and the Russell 2000 Indexes, respectively). Overall, growth stocks fared better than value in the large cap space, reflecting the heavy weighting of financial companies among the latter. The Russell 1000 Growth Index returned 37.2% for the 12-month period, compared to 19.7% for the Russell 1000 Value Index. Moving down the capitalization spectrum, the Russell Midcap Growth and the Midcap Value Indices returned 46.3% and 34.2%, respectively. In the small cap segment, the Russell 2000 Growth Index returned 34.5%, while the Russell 2000 Value Index provided a 20.6% return.

After turning in a dismal performance at the end of 2008, overseas stocks also posted strong gains, particularly in the emerging markets countries of Brazil, Russia, India, and China. The MSCI Emerging Markets Index returned an impressive 79.0% gross return for the 12-month reporting period, while the MSCI EAFE Index returned 32.5% (gross) for the same period.

Treasury markets decline as investors seek higher yields

Credit-related areas of the fixed income markets staged their own rebound in 2009 as investors fled to the mortgage, investment-grade corporate and high yield areas of the market, all of which posted strong gains. Treasury markets, however, declined as investors retreated from the "flight to safety" that they took in 2008. Within this environment, the Barclays Capital U.S. Aggregate Index returned a modest 5.9% for the 12-month period. The Barclays Capital High Yield Index returned a spectacular 58.2%, while the Barclays Capital Emerging Markets Index returned 34.2%. Yields on the benchmark 10-year Treasury climbed from 2.3% 12 months ago to 3.9% as of the end of the reporting period. Yields on the 30-year benchmark were 4.6%, compared to 2.7% 12 months ago, while yields on the two-year note also rose, from 0.8% to 1.11%.

Manage risks on the road to recovery

Both the Federal Reserve and the Federal Government have taken unprecedented steps to aid the economy. Although the effectiveness of these measures will be debated for years to come, the economy appears to be improving whether due to government stimulus or not. Less controversial, however, are the eventual negative side effects of these actions. In the long run, the debt incurred by the Federal Government to stimulate the economy should result in both higher taxes and higher long-term interest rates. While the New Year may bring investors some new investing opportunities, it's also important to safeguard portfolios against potential risks by maintaining a balanced approach including a diverse array of fixed income and alternative asset classes.

On behalf of everyone at J.P. Morgan Asset Management, I would like to wish you a very happy and prosperous new year. We look forward to continuing to support your investment goals in 2010 and beyond. Should you have any questions, please visit our website at www.jpmorganfunds.com, or contact the J.P. Morgan Funds Service Center at 1-800-480-4111.

Sincerely yours,



George C.W. Gatch
President and CEO
J.P. Morgan Funds

JPMorgan Insurance Trust Intrepid Mid Cap Portfolio

PORTFOLIO COMMENTARY

AS OF DECEMBER 31, 2009 (Unaudited)

PORTFOLIO FACTS

Portfolio Inception	March 30, 1995
Fiscal Year End	December 31
Net Assets as of 12/31/2009	\$42,824,045
Primary Benchmark	Russell Midcap Index

Q: HOW DID THE PORTFOLIO PERFORM?

A: The JPMorgan Insurance Trust Intrepid Mid Cap Portfolio, which seeks long-term capital growth by investing primarily in equity securities with intermediate capitalizations*, returned 35.66%** for the 12 months ended December 31, 2009, compared to the 40.48% for its benchmark, the Russell Midcap Index (the "Index") for the same period.

Q: WHY DID THE PORTFOLIO PERFORM THIS WAY?

A: For the U.S. stock market, the last 12 months have arguably been one of the most dramatic periods on record. The year began as 2008 ended – with stock prices falling swiftly – and the decline continued into early March. By the time prices bottomed out, investors had witnessed among the steepest stock market plunges and the worst economic collapses since the Great Depression of the 1930's. Banks largely stopped lending, layoffs soared, fear spread and consumer confidence sharply declined.

The market rebound was equally dramatic. Driven largely by coordinated efforts by the U.S. Treasury and Federal Reserve to shore up confidence in the financial system and keep credit flowing, stocks, beginning in March, staged a significant "relief rally" – the biggest since the 1930's – that spanned the entire U.S. equity spectrum. By the end of the year, stocks recouped significant portions of their losses – though major indices remained well below their highs set in the fall of 2007. Meantime, the U.S. economy showed signs of life by expanding at an annualized 2.2% rate in the third quarter – its first increase since the second quarter of 2008.

Although the Portfolio generated a strong absolute return during the reporting period, it lagged its benchmark. The Portfolio's exposure to companies with attractive value characteristics helped during the period, not surprising given that value stocks generally outperformed growth stocks, as the market entered recovery. However, these value factors were overshadowed by the Portfolio's momentum factors that focus on stocks with strong recent performance, which hurt relative returns.

In terms of specific sectors, detractors to performance included consumer cyclicals and software. Three specific

examples of stocks that were negative contributors included NCR Corp., which provides technology services to companies, the auto manufacturer Ford Motor Co., and Lexmark International, Inc., which manufactures printing and imaging equipment for offices and homes. The Portfolio owned NCR because of its attractive value characteristics, but the firm has struggled recently as a result of a slowdown in its ATM unit. In the case of Lexmark, we believed the stock looked moderately attractive from a valuation and momentum standpoint. However, due to reduced demand for consumables the stock underperformed. The Portfolio did not own Ford, which is contained in the Index, largely due to its poor valuation characteristics and uncertainty within the auto industry. This proved to be the wrong decision as the stock significantly appreciated leading to underperformance by the Portfolio.

Sectors that helped the Portfolio's performance included basic materials and financials. Specific contributors included Genworth Financial, Inc., an insurance and asset management firm, Pepsi Cola Bottling, Inc., a soft drink company, and Priceline.com, an online travel reservation service. In the case of Genworth Financial, the stock had dropped significantly during the market's fall, to a level we judged to be attractive as a result of its value characteristics and reduced financial market turmoil. As the stock market rallied, Genworth outperformed the Index, benefiting from improving business trends. Pepsi Cola Bottling was a stock the Portfolio owned because of its value and momentum characteristics. It was also bought out during the year by Pepsico, Inc., which boosted performance. priceline.com benefitted from increased exposure to the European travel market. The Portfolio owned the stock because of its momentum characteristics, and it outperformed the Index.

Q: HOW WAS THE PORTFOLIO MANAGED?

A: The Portfolio's investment philosophy is based on behavioral finance theory. Behavioral finance theorizes that investors are consistently irrational in making many investment decisions, indicating that investor behavior can be affected by psychological biases and emotional reactions. The Portfolio employed a disciplined quantitative ranking methodology to identify stocks of companies in each sector that exhibited superior momentum (companies whose share values have been increasing and have the potential for continued growth) with attractive stock valuations. The managers then conduct in-depth fundamental research to ensure that the companies met their original investment thesis. The Portfolio continues to be run in a manner that strives to be style pure, fully invested and sector neutral.

TOP TEN EQUITY HOLDINGS OF THE PORTFOLIO***

1. Sempra Energy	1.4%
2. Life Technologies Corp.	1.0
3. Computer Sciences Corp.	1.0
4. Western Digital Corp.	1.0
5. Jarden Corp.	1.0
6. Energen Corp.	1.0
7. AmerisourceBergen Corp.	1.0
8. CA, Inc.	1.0
9. NRG Energy, Inc.	1.0
10. L-3 Communications Holdings, Inc.	1.0

PORTFOLIO COMPOSITION BY SECTOR***

Consumer Discretionary	18.0%
Financials	17.9
Information Technology	14.6
Industrials	11.8
Health Care	9.4
Utilities	8.5
Materials	6.9
Energy	6.0
Consumer Staples	3.9
Telecommunication Services	1.6
U.S. Treasury Obligation	0.3
Short-Term Investment	1.1

* The advisor seeks to achieve the Portfolio's objectives. There can be no guarantee it will be achieved.

** The return shown is based on net asset value calculated for shareholder transactions and may differ from the return shown in the financial highlights which reflects adjustments made to the net asset value in accordance with accounting principles generally accepted in the United States of America.

*** Percentages indicated are based upon total investments (excluding Investments of Cash Collateral for Securities on Loan) as of December 31, 2009. The Portfolio's composition is subject to change.

JPMorgan Insurance Trust Intrepid Mid Cap Portfolio

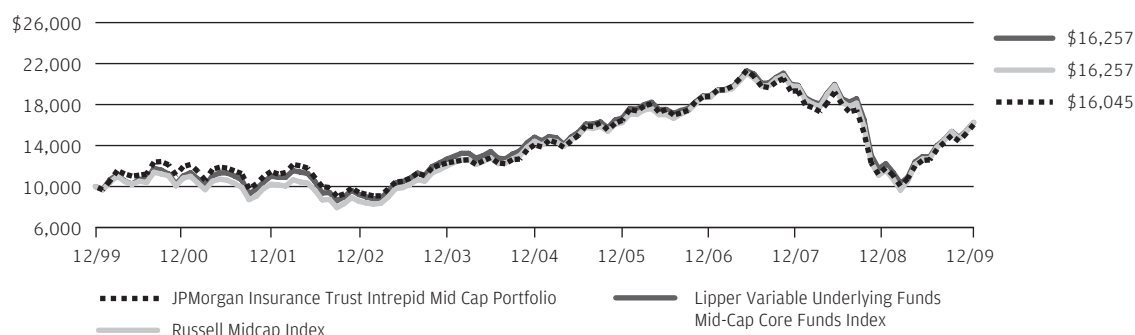
PORTFOLIO COMMENTARY

AS OF DECEMBER 31, 2009 (Unaudited) (continued)

AVERAGE ANNUAL TOTAL RETURNS AS OF DECEMBER 31, 2009

	INCEPTION DATE OF CLASS	1 YEAR	5 YEAR	10 YEAR
CLASS 1 SHARES	3/30/95	35.66%	2.67%	4.84%
CLASS 2 SHARES	8/16/06	35.37	2.51	4.76

TEN YEAR PERFORMANCE (12/31/99 TO 12/31/09)



Source: Lipper, Inc. The performance quoted is past performance and is not a guarantee of future results. Mutual funds are subject to certain market risks. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data shown. For up-to-date month-end performance information please call 1-800-480-4111.

Returns for the Class 2 Shares prior to its inception date are based on the performance of Class 1 Shares. The actual returns of Class 2 Shares would have been lower than shown because Class 2 Shares have higher expenses than Class 1 Shares.

The graph illustrates comparative performance for \$10,000 invested in Class 1 Shares of the JPMorgan Insurance Trust Intrepid Mid Cap Portfolio, the Russell Midcap Index and the Lipper Variable Underlying Funds Mid-Cap Core Funds Index from December 31, 1999 to December 31, 2009. The performance of the Portfolio assumes reinvestment of all dividends and capital gains, if any. The performance of the Russell Midcap Index does not reflect the deduction of expenses associated with a mutual fund and has been adjusted to reflect reinvestment of all dividends and capital gains of the securities included in the

benchmark. The performance of the Lipper Variable Underlying Funds Mid-Cap Core Funds Index includes expenses associated with a mutual fund, such as investment management fees. These expenses are not identical to the expenses charged by the Portfolio. The Russell Midcap Index is an unmanaged index which measures the performance of 800 smallest companies of the Russell 1000 Index. The Lipper Variable Underlying Funds Mid-Cap Core Funds Index is an index based on the total returns of certain mutual funds within the Portfolio's designated category as determined by Lipper, Inc. Investors cannot invest directly in an index.

The performance does not reflect any charges imposed by the Policies or Eligible Plans. If these charges were included, the returns would be lower than shown. Performance may reflect the waiver of the Portfolio's fees and reimbursement of expenses for certain periods since the inception date. Without these waivers and reimbursements performance would have been lower.

The returns shown are based on net asset values calculated for shareholder transactions and may differ from the returns shown in the financial highlights which reflect adjustments made to the net asset values in accordance with accounting principles generally accepted in the United States of America.

JPMorgan Insurance Trust Intrepid Mid Cap Portfolio

SCHEDULE OF PORTFOLIO INVESTMENTS AS OF DECEMBER 31, 2009

SHARES	SECURITY DESCRIPTION	VALUE(\$)	SHARES	SECURITY DESCRIPTION	VALUE(\$)
Common Stocks – 97.6%					
Consumer Discretionary – 17.8%					
Auto Components – 0.9%					
4,600	Autoliv, Inc., (Sweden) (c)	199,456			
7,400	TRW Automotive Holdings Corp. (a) (c)	<u>176,712</u>			
		<u>376,168</u>			
Distributors – 0.2%					
2,900	Genuine Parts Co.	<u>110,084</u>			
Diversified Consumer Services – 2.2%					
4,200	Apollo Group, Inc., Class A (a)	254,436			
2,098	Education Management Corp. (a) (c)	46,177			
13,850	H&R Block, Inc.	313,287			
39,300	Service Corp. International	<u>321,867</u>			
		<u>935,767</u>			
Hotels, Restaurants & Leisure – 1.4%					
8,700	Brinker International, Inc.	129,804			
1,400	Choice Hotels International, Inc.	44,324			
500	Hyatt Hotels Corp., Class A (a)	14,905			
2,900	International Speedway Corp., Class A	82,505			
15,900	Wyndham Worldwide Corp. (c)	<u>320,703</u>			
		<u>592,241</u>			
Household Durables – 2.7%					
2,400	D.R. Horton, Inc.	26,088			
150	Garmin Ltd., (Cayman Islands) (c)	4,605			
14,000	Jarden Corp. (c)	432,740			
10,450	Leggett & Platt, Inc.	213,180			
17,200	Newell Rubbermaid, Inc.	258,172			
300	NVR, Inc. (a) (c)	<u>213,213</u>			
		<u>1,147,998</u>			
Internet & Catalog Retail – 0.7%					
1,400	priceline.com, Inc. (a) (c)	<u>305,900</u>			
Leisure Equipment & Products – 0.3%					
4,650	Hasbro, Inc. (c)	<u>149,079</u>			
Media – 3.1%					
11,100	CBS Corp., Class B	155,955			
3,000	CTC Media, Inc., (Russia) (a)	44,700			
6,250	DISH Network Corp., Class A	129,812			
3,200	DreamWorks Animation SKG, Inc., Class A (a)	127,840			
26,900	Gannett Co., Inc.	399,465			
800	John Wiley & Sons, Inc., Class A	33,504			
5,600	Liberty Global, Inc., Class A (a)	122,696			
2,800	McGraw-Hill Cos., Inc. (The)	93,828			
3,900	Regal Entertainment Group, Class A (c)	56,316			
6,000	Viacom, Inc., Class B (a)	<u>178,380</u>			
		<u>1,342,496</u>			
Multiline Retail – 1.6%					
7,950	Big Lots, Inc. (a)	230,391			
1,000	Dollar General Corp. (a)	22,430			
900	J.C. Penney Co., Inc.	23,949			
15,700	Macy's, Inc.	263,132			
3,800	Nordstrom, Inc. (c)	<u>142,804</u>			
		<u>682,706</u>			
Specialty Retail – 3.6%					
2,700	Abercrombie & Fitch Co., Class A (m)	94,095			
2,950	Advance Auto Parts, Inc. (m)	119,416			
2,300	Aeropostale, Inc. (a) (c) (m)	78,315			
3,500	AutoNation, Inc. (a) (c)	67,025			
1,300	Bed Bath & Beyond, Inc. (a)	50,219			
8,100	GameStop Corp., Class A (a) (c)	177,714			
13,150	Gap, Inc. (The)	275,493			
5,700	Limited Brands, Inc. (c)	109,668			
8,200	RadioShack Corp.	159,900			
4,100	Ross Stores, Inc.	175,111			
4,000	Signet Jewelers Ltd., (Bermuda) (a)	106,880			
3,200	TJX Cos., Inc.	<u>116,960</u>			
		<u>1,530,796</u>			
Textiles, Apparel & Luxury Goods – 1.1%					
6,300	Coach, Inc.	230,139			
7,800	Hanesbrands, Inc. (a)	188,058			
2,900	Jones Apparel Group, Inc.	<u>46,574</u>			
		<u>464,771</u>			
Total Consumer Discretionary					
		<u>7,638,006</u>			
Consumer Staples – 3.8%					
Beverages – 1.7%					
10,500	Coca-Cola Enterprises, Inc.	222,600			
17,400	Constellation Brands, Inc., Class A (a)	277,182			
7,900	Dr. Pepper Snapple Group, Inc.	<u>223,570</u>			
		<u>723,352</u>			
Food & Staples Retailing – 0.3%					
63,900	Rite Aid Corp. (a)	96,489			
4,500	SUPERVALU, Inc.	<u>57,195</u>			
		<u>153,684</u>			
Food Products – 0.8%					
5,800	Dean Foods Co. (a)	104,632			
9,300	Del Monte Foods Co.	105,462			
9,500	Tyson Foods, Inc., Class A	<u>116,565</u>			
		<u>326,659</u>			
Personal Products – 0.4%					
4,500	Herbalife Ltd., (Cayman Islands)	<u>182,565</u>			

SEE NOTES TO FINANCIAL STATEMENTS.

SHARES	SECURITY DESCRIPTION	VALUE(\$)	SHARES	SECURITY DESCRIPTION	VALUE(\$)
Common Stocks – Continued					
Thriffs & Mortgage Finance – 1.1%			Industrials – 11.7%		
17,000	Hudson City Bancorp, Inc. (c)	233,410	Aerospace & Defense – 2.1%		
17,200	New York Community Bancorp, Inc.	<u>249,572</u>	5,900	Goodrich Corp. (c)	379,075
		<u>482,982</u>	4,650	L-3 Communications Holdings, Inc.	404,318
	Total Financials	<u>7,603,507</u>	2,500	Northrop Grumman Corp.	<u>139,625</u>
					<u>923,018</u>
Health Care – 9.3%			Airlines – 0.9%		
Biotechnology – 1.6%			6,800	Copa Holdings S.A., (Panama), Class A	<u>370,396</u>
5,400	BioMarin Pharmaceutical, Inc. (a) (c)	101,574	Building Products – 0.1%		
2,400	Cephalon, Inc. (a) (c)	149,784	1,500	Lennox International, Inc. (c)	<u>58,560</u>
4,800	Dendreon Corp. (a) (c)	126,144	Commercial Services & Supplies – 1.2%		
4,471	Talecris Biotherapeutics Holdings Corp. (a)	99,569	3,200	Pitney Bowes, Inc. (c)	72,832
4,700	Vertex Pharmaceuticals, Inc. (a)	<u>201,395</u>	11,330	R.R. Donnelley & Sons Co.	252,319
		<u>678,466</u>	6,285	Republic Services, Inc.	<u>177,928</u>
Health Care Equipment & Supplies – 1.6%					<u>503,079</u>
4,000	Hospira, Inc. (a)	204,000	Construction & Engineering – 1.1%		
3,400	Inverness Medical Innovations, Inc. (a) (c)	141,134	2,600	KBR, Inc.	49,400
5,350	Kinetic Concepts, Inc. (a) (c)	201,427	3,300	Shaw Group, Inc. (The) (a)	94,875
2,700	Varian Medical Systems, Inc. (a)	<u>126,495</u>	7,000	URS Corp. (a)	<u>311,640</u>
		<u>673,056</u>			<u>455,915</u>
Health Care Providers & Services – 3.8%			Electrical Equipment – 1.3%		
2,710	Aetna, Inc. (c) (m)	85,907	7,350	Hubbell, Inc., Class B	347,655
16,100	AmerisourceBergen Corp.	419,727	5,400	Thomas & Betts Corp. (a)	<u>193,266</u>
8,000	CIGNA Corp. (c)	282,160			<u>540,921</u>
10,000	Health Management Associates, Inc., Class A (a)	72,700	Machinery – 3.7%		
2,800	Humana, Inc. (a)	122,892	4,850	AGCO Corp. (a) (c) (m)	156,849
2,850	Laboratory Corp. of America Holdings (a)	213,294	2,246	Cummins, Inc.	103,002
2,000	LifePoint Hospitals, Inc. (a)	65,020	6,750	Dover Corp.	280,867
4,600	Lincare Holdings, Inc. (a) (c)	170,752	3,550	Gardner Denver, Inc. (c)	151,052
8,050	Omnicare, Inc. (c)	<u>194,649</u>	1,100	Joy Global, Inc.	56,749
		<u>1,627,101</u>	7,500	Oshkosh Corp.	277,725
Life Sciences Tools & Services – 1.0%			5,045	Parker Hannifin Corp.	271,825
8,482	Life Technologies Corp. (a)	<u>443,015</u>	2,450	SPX Corp.	134,015
Pharmaceuticals – 1.3%			2,700	Stanley Works (The) (c)	<u>139,077</u>
2,200	Allergan, Inc.	138,622			<u>1,571,161</u>
4,350	Endo Pharmaceuticals Holdings, Inc. (a)	89,218	Marine – 0.3%		
6,200	King Pharmaceuticals, Inc. (a)	76,074	3,700	Kirby Corp. (a) (c)	<u>128,871</u>
6,600	Mylan, Inc. (a) (c)	121,638	Professional Services – 0.1%		
3,950	Watson Pharmaceuticals, Inc. (a) (c)	<u>156,460</u>	1,700	Verisk Analytics, Inc., Class A (a)	<u>51,476</u>
		<u>582,012</u>	Road & Rail – 0.8%		
	Total Health Care	<u>4,003,650</u>	3,700	CSX Corp. (c)	179,413
			3,800	Ryder System, Inc.	<u>156,446</u>
					<u>335,859</u>

SEE NOTES TO FINANCIAL STATEMENTS.

JPMorgan Insurance Trust Intrepid Mid Cap Portfolio

SCHEDULE OF PORTFOLIO INVESTMENTS AS OF DECEMBER 31, 2009 (continued)

SHARES	SECURITY DESCRIPTION	VALUE(\$)	SHARES	SECURITY DESCRIPTION	VALUE(\$)
Common Stocks – Continued					
Trading Companies & Distributors – 0.1%					
2,500	WESCO International, Inc. (a) (c)	67,525			
	Total Industrials	5,006,781			
Information Technology – 14.5%					
Communications Equipment – 1.3%					
8,300	Brocade Communications Systems, Inc. (a)	63,329			
7,600	CommScope, Inc. (a)	201,628			
6,100	Harris Corp.	290,055			
		555,012			
Computers & Peripherals – 1.7%					
5,100	Lexmark International, Inc., Class A (a)	132,498			
8,800	NCR Corp. (a)	97,944			
3,750	QLogic Corp. (a) (c)	70,762			
9,850	Western Digital Corp. (a)	434,878			
		736,082			
Electronic Equipment, Instruments & Components – 1.7%					
8,400	Arrow Electronics, Inc. (a) (c)	248,724			
11,400	Avnet, Inc. (a)	343,824			
1,100	Tech Data Corp. (a)	51,326			
9,200	Vishay Intertechnology, Inc. (a)	76,820			
		720,694			
IT Services – 4.5%					
4,850	Alliance Data Systems Corp. (a) (c)	313,262			
7,800	Broadridge Financial Solutions, Inc.	175,968			
7,700	Computer Sciences Corp. (a)	442,981			
34,538	Convergys Corp. (a)	371,283			
1,900	DST Systems, Inc. (a)	82,745			
9,900	Fidelity National Information Services, Inc.	232,056			
5,100	Hewitt Associates, Inc., Class A (a) (c)	215,526			
2,100	Lender Processing Services, Inc.	85,386			
		1,919,207			
Office Electronics – 0.3%					
13,800	Xerox Corp. (c)	116,748			
Semiconductors & Semiconductor Equipment – 2.8%					
7,000	Integrated Device Technology, Inc. (a)	45,290			
3,300	Intersil Corp., Class A (c)	50,622			
3,500	Linear Technology Corp.	106,890			
14,900	Marvell Technology Group Ltd., (Bermuda) (a) (c)	309,175			
13,700	Micron Technology, Inc. (a)	144,672			
11,500	National Semiconductor Corp. (c)	176,640			
25,100	ON Semiconductor Corp. (a) (c)	221,131			
2,100	Teradyne, Inc. (a) (c)	22,533			
Semiconductors & Semiconductor Equipment – Continued					
5,150	Xilinx, Inc.	129,059			
		1,206,012			
Software – 2.2%					
8,580	BMC Software, Inc. (a)	344,058			
18,100	CA, Inc.	406,526			
11,100	Symantec Corp. (a)	198,579			
		949,163			
	Total Information Technology	6,202,918			
Materials – 6.8%					
Chemicals – 3.9%					
1,050	Airgas, Inc.	49,980			
6,300	Ashland, Inc.	249,606			
5,720	Celanese Corp., Class A	183,612			
850	CF Industries Holdings, Inc.	77,163			
2,850	Eastman Chemical Co.	171,684			
2,300	FMC Corp.	128,248			
4,600	Lubrizol Corp.	335,570			
5,000	PPG Industries, Inc.	292,700			
3,100	Scotts Miracle-Gro Co. (The), Class A	121,861			
2,350	Terra Industries, Inc.	75,646			
		1,686,070			
Containers & Packaging – 1.1%					
12,000	Crown Holdings, Inc. (a)	306,960			
3,500	Pactiv Corp. (a)	84,490			
3,700	Temple-Inland, Inc.	78,107			
		469,557			
Metals & Mining – 1.1%					
2,850	Cliffs Natural Resources, Inc.	131,357			
2,900	Reliance Steel & Aluminum Co.	125,338			
1,600	Schnitzer Steel Industries, Inc., Class A	76,320			
1,850	Walter Energy, Inc.	139,323			
		472,338			
Paper & Forest Products – 0.7%					
10,500	International Paper Co.	281,190			
	Total Materials	2,909,155			
Telecommunication Services – 1.6%					
Diversified Telecommunication Services – 1.6%					
11,087	CenturyTel, Inc.	401,460			
32,900	Qwest Communications International, Inc.	138,509			
13,850	Windstream Corp.	152,212			
	Total Telecommunication Services	692,181			

SEE NOTES TO FINANCIAL STATEMENTS.

SHARES	SECURITY DESCRIPTION	VALUE(\$)
Common Stocks – Continued		
Utilities – 8.4%		
Electric Utilities – 1.4%		
13,100	DPL, Inc.	361,560
6,850	Edison International	<u>238,243</u>
		<u>599,803</u>
Gas Utilities – 2.3%		
9,195	Energen Corp.	430,326
5,400	National Fuel Gas Co.	270,000
11,750	UGI Corp.	<u>284,233</u>
		<u>984,559</u>
Independent Power Producers & Energy Traders – 0.9%		
17,200	NRG Energy, Inc. (a)	<u>406,092</u>
Multi-Utilities – 3.8%		
950	Alliant Energy Corp.	28,747
24,330	CenterPoint Energy, Inc.	353,028
10,600	CMS Energy Corp. (c)	165,996
1,600	DTE Energy Co.	69,744
6,950	MDU Resources Group, Inc.	164,020
10,500	Sempra Energy	587,790

SHARES	SECURITY DESCRIPTION	VALUE(\$)
Multi-Utilities – Continued		
14,700	TECO Energy, Inc. (c)	<u>238,434</u>
		<u>1,607,759</u>
	Total Utilities	<u>3,598,213</u>
	Total Common Stocks (Cost \$39,661,261)	<u>41,819,639</u>
PRINCIPAL AMOUNT (\$)		
U.S. Treasury Obligation – 0.3%		
115,000	U.S. Treasury Note, 1.250%, 11/30/10 (k) (Cost \$116,004)	<u>115,808</u>
SHARES		
Short-Term Investment – 1.1%		
Investment Company – 1.1%		
460,150	JPMorgan Liquid Assets Money Market Fund, Institutional Class Shares, 0.170% (b) (l) (m) (Cost \$460,150)	<u>460,150</u>
Investment of Cash Collateral for Securities on Loan – 23.3%		
Investment Company – 23.3%		
9,976,257	JPMorgan Prime Money Market Fund, Capital Shares, 0.130% (b) (l) (Cost \$9,976,257)	<u>9,976,257</u>
	Total Investments – 122.3% (Cost \$50,213,672)	52,371,854
	Liabilities in Excess of Other Assets – (22.3)%	<u>(9,547,809)</u>
	NET ASSETS – 100.0%	<u>\$42,824,045</u>

Percentages indicated are based on net assets.

Futures Contracts

NUMBER OF CONTRACTS	DESCRIPTION	EXPIRATION DATE	NOTIONAL AMOUNT AT 12/31/09	UNREALIZED APPRECIATION (DEPRECIATION)
Long Futures Outstanding				
3	S&P Mid Cap 400	03/18/10	\$1,087,350	<u>\$12,488</u>

NOTES TO SCHEDULE OF PORTFOLIO INVESTMENTS:

- ADR – American Depositary Receipt
- (a) – Non-income producing security.
- (b) – Investment in affiliate. Money market fund registered under the Investment Company Act of 1940, as amended, and advised by J.P. Morgan Investment Management Inc. or JPMorgan Investment Advisors Inc.
- (c) – Security, or a portion of the security, has been delivered to a counterparty as part of a security lending transaction.
- (k) – Security is fully or partially segregated with the broker as collateral for futures or with brokers as initial margin for futures contracts.
- (l) – The rate shown is the current yield as of December 31, 2009.
- (m) – All or a portion of this security is reserved for current or potential holdings of futures, swaps, options, TBAs, when-issued securities, delayed delivery securities, reverse repurchase agreements, and forward foreign currency contracts.

SEE NOTES TO FINANCIAL STATEMENTS.

STATEMENT OF ASSETS AND LIABILITIES

AS OF DECEMBER 31, 2009

	Intrepid Mid Cap Portfolio
ASSETS:	
Investments in non-affiliates, at value	\$ 41,935,447
Investments in affiliates, at value	10,436,407
Total investment securities, at value	52,371,854
Receivables:	
Investment securities sold	487,620
Portfolio shares sold	8,990
Interest and dividends	66,105
Total Assets	<u>52,934,569</u>
LIABILITIES:	
Payables:	
Investment securities purchased	48,389
Collateral for securities lending program	9,976,257
Portfolio shares redeemed	29,338
Variation margin on futures contracts	13,004
Accrued liabilities:	
Investment advisory fees	16,631
Administration fees	3,454
Distribution fees	3
Custodian and accounting fees	5,549
Trustees' and Chief Compliance Officer's fees	547
Other	17,352
Total Liabilities	<u>10,110,524</u>
Net Assets	<u>\$ 42,824,045</u>
NET ASSETS:	
Paid in capital	\$ 50,224,995
Accumulated undistributed (distributions in excess of) net investment income	532,072
Accumulated net realized gains (losses)	(10,103,692)
Net unrealized appreciation (depreciation)	2,170,670
Total Net Assets	<u>\$ 42,824,045</u>
Net Assets:	
Class 1	\$ 42,810,183
Class 2	13,862
Total	<u>\$ 42,824,045</u>
Outstanding units of beneficial interest (shares) (unlimited amount authorized, no par value):	
Class 1	3,235,035
Class 2	1,048
Net asset value, offering and redemption price per share:	
Class 1	\$ 13.23
Class 2	13.22
Cost of investments in non-affiliates	\$ 39,777,265
Cost of investments in affiliates	10,436,407
Value of securities on loan	9,644,566

SEE NOTES TO FINANCIAL STATEMENTS.

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Intrepid Mid Cap Portfolio
INVESTMENT INCOME:	
Interest income from non-affiliates	\$ 763
Dividend income from non-affiliates	870,744
Dividend income from affiliates	3,738
Income from securities lending (net)	20,167
Total investment income	<u>895,412</u>
EXPENSES:	
Investment advisory fees	256,012
Administration fees	40,774
Distribution fees – Class 2	28
Custodian and accounting fees	35,366
Interest expense to affiliates	47
Professional fees	45,283
Trustees' and Chief Compliance Officer's fees	394
Printing and mailing costs	52,284
Transfer agent fees	10,512
Other	12,013
Total expenses	<u>452,713</u>
Less amounts waived	(99,170)
Less earnings credits	(2)
Net expenses	<u>353,541</u>
Net investment income (loss)	<u>541,871</u>
REALIZED/UNREALIZED GAINS (LOSSES):	
Net realized gain (loss) on transactions from:	
Investments in non-affiliates	(7,612,199)
Futures	304,093
Net realized gain (loss)	<u>(7,308,106)</u>
Change in net unrealized appreciation (depreciation) of:	
Investments in non-affiliates	19,086,993
Futures	12,488
Change in net unrealized appreciation (depreciation)	<u>19,099,481</u>
Net realized/unrealized gains (losses)	<u>11,791,375</u>
Change in net assets resulting from operations	<u><u>\$12,333,246</u></u>

SEE NOTES TO FINANCIAL STATEMENTS.

STATEMENT OF CHANGES IN NET ASSETS
FOR THE PERIODS INDICATED

	Intrepid Mid Cap Portfolio	
	Year Ended 12/31/2009	Year Ended 12/31/2008
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS:		
Net investment income (loss)	\$ 541,871	\$ 632,026
Net realized gain (loss)	(7,308,106)	(2,736,851)
Change in net unrealized appreciation (depreciation)	<u>19,099,481</u>	<u>(24,078,921)</u>
Change in net assets resulting from operations	<u>12,333,246</u>	<u>(26,183,746)</u>
DISTRIBUTIONS TO SHAREHOLDERS:		
Class 1		
From net investment income	(631,942)	(340,163)
From net realized gains	-	(5,416,993)
Class 2		
From net investment income	(138)	(37)
From net realized gains	-	(1,282)
Total distributions to shareholders	<u>(632,080)</u>	<u>(5,758,475)</u>
CAPITAL TRANSACTIONS:		
Change in net assets from capital transactions	<u>(8,044,761)</u>	<u>(3,803,883)</u>
NET ASSETS :		
Change in net assets	3,656,405	(35,746,104)
Beginning of period	<u>39,167,640</u>	<u>74,913,744</u>
End of period	<u>\$ 42,824,045</u>	<u>\$ 39,167,640</u>
Accumulated undistributed (distributions in excess of) net investment income	<u>\$ 532,072</u>	<u>\$ 630,708</u>
CAPITAL TRANSACTIONS:		
Class 1		
Proceeds from shares issued	\$ 2,197,122	\$ 6,215,852
Dividends and distributions reinvested	631,942	5,757,156
Cost of shares redeemed	<u>(10,873,963)</u>	<u>(15,778,139)</u>
Change in net assets from Class 1 capital transactions	<u>\$ (8,044,899)</u>	<u>\$ (3,805,131)</u>
Class 2		
Dividends and distributions reinvested	\$ 138	\$ 1,319
Cost of shares redeemed	-	(71)
Change in net assets from Class 2 capital transactions	<u>\$ 138</u>	<u>\$ 1,248</u>
Total change in net assets from capital transactions	<u>\$ (8,044,761)</u>	<u>\$ (3,803,883)</u>
SHARE TRANSACTIONS:		
Class 1		
Issued	213,861	490,420
Reinvested	64,815	396,772
Redeemed	<u>(991,005)</u>	<u>(1,141,979)</u>
Change in Class 1 Shares	<u>(712,329)</u>	<u>(254,787)</u>
Class 2		
Reinvested	14	91
Redeemed	-	(5)
Change in Class 2 Shares	<u>14</u>	<u>86</u>

SEE NOTES TO FINANCIAL STATEMENTS.

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FINANCIAL HIGHLIGHTS
FOR THE PERIODS INDICATED

	Per share operating performance						
	Investment operations				Distributions		
	Net asset value, beginning of period	Net investment income (loss)	Net realized and unrealized gains (losses) on investments	Total from investment operations	Net investment income	Net realized gain	Total distributions
Intrepid Mid Cap Portfolio							
Class 1							
Year Ended December 31, 2009	\$ 9.92	\$0.18	\$ 3.30	\$ 3.48	\$(0.17)	\$ -	\$(0.17)
Year Ended December 31, 2008	17.82	0.16	(6.63)	(6.47)	(0.08)	(1.35)	(1.43)
Year Ended December 31, 2007	18.90	0.08	0.50	0.58	(0.12)	(1.54)	(1.66)
Year Ended December 31, 2006	20.02	0.13	2.50	2.63	(0.08)	(3.67)	(3.75)
Year Ended December 31, 2005	17.70	0.08	2.85	2.93	(0.02)	(0.59)	(0.61)
Class 2							
Year Ended December 31, 2009	9.90	0.12	3.33	3.45	(0.13)	-	(0.13)
Year Ended December 31, 2008	17.78	0.12	(6.61)	(6.49)	(0.04)	(1.35)	(1.39)
Year Ended December 31, 2007	18.89	0.03	0.50	0.53	(0.10)	(1.54)	(1.64)
August 16, 2006(e) through December 31, 2006	17.33	0.05	1.51	1.56	-	-	-

(a) Annualized for periods less than one year.

(b) Not annualized for periods less than one year.

(c) Includes adjustments in accordance with accounting principles generally accepted in the United States of America and as such, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

(d) Includes earnings credits and interest expense, each of which is less than 0.01%, if applicable or unless otherwise noted.

(e) Commencement of offering of class of shares.

SEE NOTES TO FINANCIAL STATEMENTS.

Ratios/Supplemental data

Ratios to average net assets (a)

Net asset value, end of period	Total return (b)(c)	Net assets, end of period (000's)	Net expenses (d)	Net investment income (loss)	Expenses without waivers, reimbursements and earning credits	Portfolio turnover rate (b)
\$13.23	35.66%	\$42,810	0.90%	1.37%	1.15%	74%
9.92	(38.82)	39,157	0.90	1.10	1.01	101
17.82	2.87	74,897	0.90	0.41	0.95	105
18.90	14.12	77,734	0.92	0.75	1.02	136
20.02	17.10	62,959	0.95	0.43	0.98	151
13.22	35.37	14	1.15	1.14	1.40	74
9.90	(38.98)	10	1.15	0.87	1.27	101
17.78	2.60	17	1.15	0.16	1.20	105
18.89	9.00	16	1.14	0.80	1.25	136

SEE NOTES TO FINANCIAL STATEMENTS.

NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2009

1. Organization

JPMorgan Insurance Trust (the “Trust”) is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company established as a Massachusetts business trust.

The following is a separate Portfolio of the Trust (the “Portfolio”) covered by this report:

	Classes Offered	Diversified/Non-Diversified
Intrepid Mid Cap Portfolio	Class 1 and Class 2	Diversified

Portfolio shares are offered only to separate accounts of participating insurance companies and Eligible Plans. Individuals may not purchase shares directly from the Portfolio.

All classes of shares have equal rights as to earnings, assets and voting privileges except that each class may bear different distribution and service fees, and each class has exclusive voting rights with respect to its distribution plan or administrative services plan.

2. Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Trust in preparation of its financial statements. The policies are in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses for the period. Actual results could differ from those estimates.

A. Valuation of Investments – Equity securities listed on a North American, Central American, South American or Caribbean securities exchange shall generally be valued at the last sale price on the exchange on which the security is principally traded that is reported before the time when the net assets of the Portfolio are valued. The value of securities listed on The NASDAQ Stock Market LLC shall generally be the NASDAQ Official Closing Price. Fixed income securities (other than certain short-term investments maturing in less than 61 days) are valued each day based on readily available market quotations received from third party broker-dealers of comparable securities or independent or affiliated pricing services approved by the Board of Trustees. Such pricing services and broker-dealers will generally provide bid-side quotations. Generally, short-term investments (other than certain high yield securities) maturing in less than 61 days are valued at amortized cost, which approximates market value. Certain investments of the Portfolio may, depending upon market conditions, trade in relatively thin markets and/or in markets that experience significant volatility. As a result of these conditions, the prices used by the Portfolio to value securities may differ from the value that would be realized if these securities were sold and the differences could be material. Futures and options shall generally be valued on the basis of available market quotations. Swaps and other derivatives are valued daily primarily using independent or affiliated pricing services approved by the Board of Trustees. If valuations are not available from such services or values received are deemed not representative of market value, values will be obtained from a third party broker-dealer or counterparty. Investments in other open-end investment companies are valued at such investment company’s current day closing net asset value per share.

Securities or other assets for which market quotations are not readily available or for which market quotations do not represent the value at the time of pricing (including certain illiquid securities) are fair valued in accordance with procedures established by and under the supervision and responsibility of the Board of Trustees. Valuations may be based upon current market prices of securities that are comparable in coupon, rating, maturity and industry. It is possible that the estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and such differences could have been material. Trading in securities on most foreign exchanges and over-the-counter markets is normally completed before the close of the domestic market and may also take place on days when the domestic market is closed. In accordance with procedures adopted by the Board of Trustees, the Portfolio applies fair value pricing on equity securities on a daily basis except for North American, Central American, South American and Caribbean equity securities held in its portfolio by utilizing the quotations of an independent pricing service, unless the Portfolio’s advisor determines that use of another valuation methodology is appropriate. The pricing service uses statistical analyses and quantitative models to adjust local market prices using factors such as subsequent movement and changes in the prices of indices, securities and exchange rates in other markets, in determining fair value as of the time the Portfolio calculates its net asset values.

Valuations reflected in this report are as of the report date. As a result, changes in valuation due to significant market events and/or issuer related events after the report date and prior to issuance of the report are not reflected herein.

The various inputs that are used in determining the fair value of the Portfolio’s investments are summarized into the three broad levels listed below.

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Portfolio’s own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table represents each valuation input by sector as presented on the Schedule of Portfolio Investments:

	Level 1 Quoted prices	Level 2 Other significant observable inputs	Level 3 Significant unobservable inputs	Total
Total Investments in Securities #	<u>\$52,256,046</u>	<u>\$115,808</u>	<u>\$-</u>	<u>\$52,371,854</u>
Appreciation in Other Financial Instruments				
Futures Contracts	<u>\$ 12,488</u>	<u>\$ -</u>	<u>\$-</u>	<u>\$ 12,488</u>

Portfolio holdings designated as Level 1 and Level 2 are disclosed individually in the Schedule of Portfolio Investments ("SOI"). Level 2 consists of a U.S. Treasury Note that is held for futures collateral. Please refer to the SOI for industry specifics of the portfolio holdings.

B. Futures Contracts – The Portfolio uses index futures contracts to gain or reduce exposure to the stock market, maintain liquidity and minimize transaction costs. The Portfolio buys futures contracts to immediately invest incoming cash in the market or sell futures in response to cash outflows, thereby simulating an invested position in the underlying index while maintaining a cash balance for liquidity.

Futures contracts provide for the delayed delivery of securities at a fixed price at some future date or for the change in the value of a specified security or financial index over a predetermined time period. Upon entering into a futures contract, the Portfolio is required to deposit with the broker, cash or securities in an amount equal to a certain percentage of the contract amount. This is known as the initial margin deposit. Subsequent payments, referred to as variation margin, are made or received by the Portfolio periodically and are based on changes in the market value of open futures contracts. Changes in the market value of open futures contracts are recorded as unrealized appreciation or depreciation in the Statement of Operations. Realized gains or losses, representing the difference between the value of the contract at the time it was opened and the value at the time it was closed, are reported in the Statement of Operations at the closing or expiration of futures contracts. Securities deposited as initial margin are designated in the Schedule of Portfolio Investments and cash deposited is recorded on the Statement of Assets and Liabilities. Receivable and/or payable to brokers for the daily variation margin is also recorded on the Statement of Assets and Liabilities.

The Portfolio may be subject to the risk that the change in the value of the futures contract may not correlate perfectly with the underlying index. Use of long futures contracts subjects the Portfolio to risk of loss in excess of the amounts shown on the Statement of Assets and Liabilities, up to the notional amount of the futures contracts. Use of short futures contracts subjects the Portfolio to unlimited risk of loss. The Portfolio may enter into futures contracts only on exchanges or boards of trade. The exchange or board of trade acts as the counterparty to each futures transaction; therefore, the Portfolio's credit risk is limited to failure of the exchange or board of trade. Under some circumstances, futures exchanges may establish daily limits on the amount that the price of a futures contract can vary from the previous day's settlement price, which could effectively prevent liquidation of unfavorable positions.

The Portfolio held futures contracts from February 28, 2009 through December 31, 2009. The ending notional amount and balance are indicative of volume during the period from February 28, 2009 through December 31, 2009.

C. Securities Lending – The Portfolio may lend securities to brokers approved by its advisor in order to generate additional income. Goldman Sachs Bank USA ("GS Bank") serves as lending agent for the Portfolio. Securities loaned are collateralized by cash, which is invested in approved instruments ("collateral investments"), in accordance with investment guidelines. Upon termination of the loan, the Portfolio is required to return to the borrower the posted cash collateral. Loans are subject to termination by the Portfolio or the borrower at any time.

Securities lending income is comprised of income earned on cash collateral investments, net of a rebate received from or paid to borrowers for use of cash collateral and lending agent fees. This amount is recorded as Income from securities lending (net) on the Statement of Operations. The Portfolio also receives payments from the borrower during the period of the loan, equivalent to dividends and interest earned on the securities loaned, which are recorded as dividend or interest income, respectively, on the Statement of Operations. For the year ended December 31, 2009, the Portfolio earned \$19,219 from the investment of cash collateral, prior to rebates or fees, from an investment in an affiliated fund as described below.

At the inception of a loan, securities are exchanged for cash collateral equal to at least 102% of the value of loaned U.S. securities, plus accrued interest. The securities lending agreement with GS Bank requires that the loaned securities be marked to market on a daily basis and additional cash collateral is requested from borrowers when the cash received from borrowers becomes less than 102% of the value of loaned securities.

NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2009 (continued)

The value of the cash collateral received is recorded as a liability on the Statement of Assets and Liabilities and details of cash collateral investments are disclosed in the Schedule of Portfolio Investments. At December 31, 2009, the value of outstanding securities on loan and the value of collateral investments were as follows:

	Value of Securities on Loan	Cash Collateral Posted by Borrower	Total Value of Collateral Investments
	\$9,644,566	\$9,976,257	\$9,976,257

The Portfolio bears the risk of loss associated with the investment of the cash collateral and is not entitled to additional collateral from the borrower to cover any such losses. To the extent that the value of the collateral investments declines below the amount owed to a borrower, the Portfolio may incur losses that exceed the amount it earned on lending the security. Upon termination of a loan, the Portfolio may use leverage (borrow money) to repay the borrower for cash collateral posted, when the Advisor does not believe that it is prudent to sell the cash collateral investments to fund this liability.

Securities lending involves counterparty risks, including the risk that the loaned securities may not be returned in a timely manner or at all. Subject to certain conditions, GS Bank has agreed to indemnify the Portfolio from losses resulting from a borrower failure to return a loaned security.

The Portfolio invests cash collateral amounts received from borrowers in JPMorgan Prime Money Market Fund – Capital Shares. The Advisor of the Portfolio waived fees associated with the Portfolio's investment in JPMorgan Prime Money Market Fund of \$4,530. This amount offsets the administration fees and shareholder servicing fees incurred by JPMorgan Prime Money Market Fund related to the Portfolio's investment in such fund. A portion of the waiver is voluntary.

D. Security Transactions and Investment Income – Investment transactions are accounted for on the trade date (the date the order to buy or sell is executed). Securities gains and losses are calculated on a specifically identified cost basis. Interest income is determined on the basis of coupon interest accrued using the effective interest method adjusted for amortization of premiums and accretion of discounts. Dividend income less foreign taxes withheld, if any, is recorded on the ex-dividend date or when the Portfolio first learns of the dividend.

The Portfolio records distributions received in excess of income from underlying investments as a reduction of cost of investments and/or realized gain. Such amounts are based on estimates if actual amounts are not available and actual amounts of income, realized gain and return of capital may differ from the estimated amounts. The Portfolio adjusts the estimated amounts of components of distributions (and consequently its net investment income) as necessary once the issuers provide information about the actual composition of the distributions.

E. Allocation of Income and Expenses – In calculating the net asset value per share of each class, investment income, realized and unrealized gains and losses and expenses other than class specific expenses are allocated daily to each class of shares based upon the proportion of net assets of each class at the beginning of each day. Expenses directly attributable to a portfolio are charged directly to that portfolio while the expenses attributable to more than one portfolio of the Trust are allocated among the respective portfolios. Each class of shares bears its pro-rata portion of expenses attributable to the Portfolio, except that each class separately bears expenses related specifically to that class, such as distribution fees.

F. Federal Income Taxes – The Portfolio is treated as a separate taxable entity for Federal income tax purposes. The Portfolio's policy is to comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), applicable to regulated investment companies and to distribute to shareholders all of its distributable net investment income and net realized gain on investments. Accordingly, no provision for Federal income tax is necessary. The Portfolio is also a segregated portfolio of assets for insurance purposes and intends to comply with the diversification requirements of Subchapter L of the Code. The Portfolio is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. However, the Portfolio's conclusions may be subject to future review based on changes in, or the interpretation of, the accounting standards or tax laws and regulations. The Portfolio's federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service.

G. Dividends and Distributions to Shareholders – Dividends from net investment income are declared and paid at least annually. Dividends are declared separately for each class. No class has preferential dividend rights; differences in per share rates are due to differences in separate class expenses. Net realized capital gains, if any, are distributed at least annually. The amount of dividends and distributions from net investment income and net realized capital gains is determined in accordance with Federal income tax regulations, which may differ from accounting principles generally accepted in the United States of America. To the extent these "book/tax" differences are permanent in nature (i.e., that they result from other than timing of recognition – "temporary differences"), such amounts are reclassified within the capital accounts based on their Federal tax-basis treatment.

The following amounts were reclassified within the capital accounts:

	Paid-in-Capital	Accumulated Undistributed/ (Overdistributed) Net Investment Income	Accumulated Net Realized Gain (Loss) on Investments
	\$-	\$(8,427)	\$8,427

The reclassifications for the Portfolio relate primarily to distributions from investments in business development companies.

3. Fees and Other Transactions with Affiliates

A. Investment Advisory Fee – Pursuant to the Investment Advisory Agreement, JPMorgan Investment Advisors Inc. (“JPMIA” or the “Advisor”) acts as the investment advisor to the Portfolio. The Advisor is an indirect, wholly-owned subsidiary of JPMorgan Chase & Co. (“JPMorgan”). The Advisor supervises the investments of the Portfolio and for such services is paid a fee. The fee is accrued daily and paid monthly based on the Portfolio’s average daily net assets at an annual fee rate of 0.65%.

Effective January 1, 2010, the investment advisory business of JPMIA was transferred to J.P. Morgan Investment Management Inc. (“JPMIM”) and JPMIM became the investment advisor for the Portfolio, assuming all rights and responsibilities of JPMIA with respect to the Portfolio. JPMIM is a wholly-owned subsidiary of JPMorgan Asset Management Holdings Inc., which is a wholly-owned subsidiary of JPMorgan. The appointment of JPMIM did not change the portfolio management team, investment strategies, investment advisory fees charged to the Portfolio or the terms of the investment advisory agreement (other than the identity of the advisor).

The Advisor waived Investment Advisory fees and/or reimbursed expenses as outlined in Note 3.E.

B. Administration Fee – Pursuant to an Administration Agreement, JPMorgan Funds Management, Inc. (the “Administrator”), an indirect, wholly-owned subsidiary of JPMorgan, provides certain administration services to the Portfolio. In consideration of these services, the Administrator receives a fee computed daily and paid monthly at the annual rate of 0.15% of the first \$25 billion of the average daily net assets of all funds in the J.P. Morgan Funds Complex (excluding funds of funds and money market funds) and 0.075% of the average daily net assets in excess of \$25 billion of all such funds. For the year ended December 31, 2009, the annual effective rate was 0.10% of the Portfolio’s average daily net assets.

J.P. Morgan Investor Services, Co. (“JPMIS”), an indirect, wholly-owned subsidiary of JPMorgan, serves as the Portfolio’s Sub-administrator (the “Sub-administrator”). For its services as Sub-administrator, JPMIS receives a portion of the fees payable to the Administrator.

C. Distribution Fees – Pursuant to a Distribution Agreement, JPMorgan Distribution Services, Inc. (the “Distributor”), a wholly-owned subsidiary of JPMorgan, serves as the Trust’s exclusive underwriter and promotes and arranges for the sale of the Portfolio’s shares.

The Board of Trustees has adopted a Distribution Plan (the “Distribution Plan”) for Class 2 Shares of the Portfolio in accordance with Rule 12b-1 under the 1940 Act. The Distribution Plan provides that the Portfolio shall pay distribution fees, including payments to the Distributor, at an annual rate of 0.25% of the average daily net assets of Class 2 Shares.

D. Custodian and Accounting Fees – JPMorgan Chase Bank, N.A. (“JPMCB”), an affiliate of the Portfolio, provides portfolio custody and accounting services for the Portfolio. The amounts paid directly to JPMCB by the Portfolio for custody and accounting services are included in Custodian and accounting fees in the Statement of Operations. The custodian fees may be reduced by credits earned by the Portfolio, based on uninvested cash balances held by the custodian. Such earnings credits are presented separately in the Statement of Operations.

Interest expense, if any, paid to the custodian related to cash overdrafts is included in Interest expense to affiliates in the Statement of Operations.

E. Waivers and Reimbursements – The Advisor and Administrator have contractually agreed to waive fees and/or reimburse the Portfolio to the extent that total annual operating expenses (excluding acquired fund fees and expenses, dividend expense related to short sales, interest, taxes, extraordinary expenses and expenses related to the Board of Trustees’ deferred compensation plan) exceed the percentages of the Portfolio’s average daily net assets as shown in the table below:

	Class 1	Class 2
	0.90%	1.15%

The contractual expense limitation agreements were in effect for the year ended December 31, 2009. The expense limitation percentages in the table above are in place until at least April 30, 2010.

For the year ended December 31, 2009, the Advisor contractually waived fees for the Portfolio in the amount of \$98,165. The Advisor does not expect the Portfolio to repay any such waived fees in future years.

Additionally, the Portfolio may invest in one or more money market funds advised by the Advisor or its affiliates. The Advisor, Administrator and the Distributor waive fees in an amount sufficient to offset the respective fees each charges to the affiliated money market fund on the Portfolio’s investment in such affiliated money market fund. A portion of the waiver is voluntary.

NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2009 (continued)

The amount of waivers resulting from investments in the money market funds for the year ended December 31, 2009 (excluding the waiver disclosed in Note 2.C. regarding cash collateral for securities lending invested in JPMorgan Prime Money Market Fund) was \$1,005.

F. Other – Certain officers of the Trust are affiliated with the Advisor, the Administrator and the Distributor. Such officers, with the exception of the Chief Compliance Officer, receive no compensation from the Portfolio for serving in their respective roles.

The Board of Trustees appointed a Chief Compliance Officer to the Portfolio in accordance with federal securities regulations. The Portfolio, along with other affiliated portfolios, makes reimbursement payments, on a pro-rata basis, to the Administrator for a portion of the fees associated with the Office of the Chief Compliance Officer. Such fees are included in Trustees' and Chief Compliance Officer's fees in the Statement of Operations.

The Trust adopted a Trustee Deferred Compensation Plan (the "Plan") which allows the independent Trustees to defer the receipt of all or a portion of compensation related to performance of their duties as a Trustee. The deferred fees are invested in various J.P. Morgan Funds until distribution in accordance with the Plan.

During the year ended December 31, 2009, the Portfolio may have purchased securities from an underwriting syndicate in which the principal underwriter or members of the syndicate are affiliated with the Advisor.

The Portfolio may use related party broker/dealers. For the year ended December 31, 2009, the Portfolio did not incur any brokerage commissions with broker/dealers affiliated with the Advisor.

The Securities and Exchange Commission has granted an exemptive order permitting the Portfolio to engage in principal transactions with J.P. Morgan Securities, Inc., an affiliated broker, involving taxable money market instruments subject to certain conditions.

4. Investment Transactions

During the year ended December 31, 2009, purchases and sales of investments (excluding short-term investments) were as follows:

	Purchases (excluding U.S. Government)	Sales (excluding U.S. Government)	Purchases of U.S. Government	Sales of U.S. Government
	\$28,413,399	\$35,343,122	\$116,119	\$-

5. Federal Income Tax Matters

For Federal income tax purposes, the cost and unrealized appreciation (depreciation) in value of the investment securities at December 31, 2009, were as follows:

	Aggregate Cost	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)
	\$50,704,909	\$5,000,608	\$3,333,663	\$1,666,945

The difference between book and tax basis appreciation (depreciation) on investments is primarily attributed to wash sale loss deferrals.

The tax character of distributions paid during the fiscal year ended December 31, 2009 was as follows:

	Total Distributions Paid From:		Total Distributions Paid
	Ordinary Income		
	\$632,080		\$632,080

The tax character of distributions paid during the fiscal year ended December 31, 2008 was as follows:

	Total Distributions Paid From:		Total Distributions Paid
	Ordinary Income	Net Long Term Capital Gains	
	\$933,353	\$4,825,122	\$5,758,475

At December 31, 2009, the components of net assets (excluding paid in capital) on a tax basis were as follows:

	Current Distributable Ordinary Income	Current Distributable Long Term Capital Gain or (Tax Basis Capital Loss Carryover)	Unrealized Appreciation (Depreciation)
	\$533,464	\$(9,477,167)	\$1,666,945

The cumulative timing differences primarily consist of trustee deferred compensation, post-October loss deferrals and wash sale loss deferrals.

As of December 31, 2009, the Portfolio had net capital loss carryforwards, expiring during the year indicated, which are available to offset future realized gains:

	2016	2017	Total
	\$1,770,303	\$7,706,864	\$9,477,167

Net capital losses incurred after October 31 and within the taxable year are deemed to arise on the first business day of the Portfolio's next taxable year. For the year ended December 31, 2009, the Portfolio deferred to January 1, 2010 post-October capital losses of \$122,799.

6. Borrowings

The Trust and JPMCB have entered into a financing arrangement. Under this arrangement, JPMCB provides an unsecured, uncommitted credit facility in the aggregate amount of \$100 million to certain of the J.P. Morgan Funds including the Portfolio. Advances under the arrangement are taken primarily for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities, and are subject to the Portfolio's borrowing restrictions. Interest on borrowings is payable at a rate determined by JPMCB at the time of borrowing. This agreement has been extended until November 16, 2010.

The Portfolio had no borrowings outstanding from the unsecured, uncommitted credit facility at December 31, 2009, or at any time during the year then ended.

Interest expense paid, if any, as a result of borrowings from the unsecured, uncommitted credit facility is included in Interest expense to affiliates in the Statement of Operations.

7. Risks, Concentrations and Indemnifications

In the normal course of business, the Portfolio enters into contracts that contain a variety of representations which provide general indemnifications. The Portfolio's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Portfolio that have not yet occurred. However, based on experience, the Portfolio expects the risk of loss to be remote.

From time to time, the Portfolio may have a concentration of several shareholders holding a significant percentage of shares outstanding. Investment activities of these shareholders could have a material impact on the Portfolio.

8. Subsequent Event

Management has evaluated all subsequent transactions and events after the balance sheet date through February 16, 2010, the date on which these financial statements were issued and, except as already included in the notes to these financial statements, has determined that no additional items require disclosure.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees of JPMorgan Insurance Trust and Shareholders of JPMorgan Insurance Trust Intrepid Mid Cap Portfolio:

In our opinion, the accompanying statement of assets and liabilities, including the schedule of portfolio investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of JPMorgan Insurance Trust Intrepid Mid Cap Portfolio (a separate Portfolio of JPMorgan Insurance Trust) (hereafter referred to as the “Portfolio”) at December 31, 2009, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as “financial statements”) are the responsibility of the Portfolio’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company 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. An audit 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, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2009 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
New York, New York
February 16, 2010

TRUSTEES

(Unaudited)

The Portfolio's Statement of Additional Information includes additional information about the Portfolio's Trustees and is available, without charge, upon request by calling 1-800-480-4111 or on the J.P. Morgan Funds' website at www.jpmorganfunds.com.

Name (Year of Birth); Positions With the Portfolio (1)	Principal Occupations During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee (2)	Other Directorships Held Outside Fund Complex
Independent Trustees			
William J. Armstrong (1941); Trustee of Trust since 2005; Trustee of heritage J.P. Morgan Funds since 1987.	Retired; CFO and Consultant, EduNeering, Inc. (internet business education supplier) (2000-2001); Vice President and Treasurer, Ingersoll-Rand Company (manufacturer of industrial equipment) (1972-2000).	132	None.
John F. Finn (1947); Trustee of Trust since 2005; Trustee of heritage One Group Mutual Funds since 1998.	President and Chief Executive Officer, Gardner, Inc. (wholesale distributor to outdoor power equipment industry) (1979-present).	132	Director, Cardinal Health, Inc. (CAH) (1994-present); Director, Greif, Inc. (GEF) (packaging manufacturer) (2007-present).
Dr. Matthew Goldstein (1941); Trustee of Trust since 2005; Trustee of heritage J.P. Morgan Funds since 2003.	Chancellor, City University of New York (1999-present); President, Adelphi University (New York) (1998-1999).	132	Director, Bronx-Lebanon Hospital Center; Director, United Way of New York City (2002-present).
Robert J. Higgins (1945); Trustee of Trust since 2005; Trustee of heritage J.P. Morgan Funds since 2002.	Retired; Director of Administration of the State of Rhode Island (2003-2004); President – Consumer Banking and Investment Services, Fleet Boston Financial (1971-2001).	132	None.
Peter C. Marshall (1942); Trustee of Trust since 2005; Trustee of heritage One Group Mutual Funds since 1985.	Self-employed business consultant (2000-present); Senior Vice President, W.D. Hoard, Inc. (corporate parent of DCI Marketing, Inc.) (2000-2002); President, DCI Marketing, Inc. (1992-2000).	132	Director, Center for Deaf and Hard of Hearing (1990-present).
Marilyn McCoy* (1948); Trustee of Trust since 2005; Trustee of heritage One Group Mutual Funds since 1999.	Vice President of Administration and Planning, Northwestern University (1985-present).	132	Trustee, Carleton College (2003-present).
William G. Morton, Jr. (1937); Trustee of Trust since 2005; Trustee of heritage J.P. Morgan Funds since 2003.	Retired; Chairman Emeritus (2001-2002), and Chairman and Chief Executive Officer, Boston Stock Exchange (1985-2001).	132	Trustee, Stratton Mountain School (2001-present).

TRUSTEES

(Unaudited) (continued)

Name (Year of Birth); Positions With the Portfolio (1)	Principal Occupations During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee (2)	Other Directorships Held Outside Fund Complex
Independent Trustees (continued)			
Robert A. Oden, Jr. (1946); Trustee of Trust since 2005; Trustee of heritage One Group Mutual Funds since 1997.	President, Carleton College (2002-present); President, Kenyon College (1995-2002).	132	Trustee, American University in Cairo (1999-present); Trustee, Carleton College (2002-present).
Fergus Reid, III (1932); Trustee of Trust (Chairman) since 2005; Trustee (Chairman) of heritage J.P. Morgan Funds since 1987.	Chairman, Joe Pietryka, Inc. (formerly Lumelite Corporation) (plastics manufacturing) (2003-present); Chairman and Chief Executive Officer, Lumelite Corporation (1985-2002).	132	Trustee, Morgan Stanley Funds (164 portfolios) (1992-present).
Frederick W. Ruebeck (1939); Trustee of Trust since 2005; Trustee of heritage One Group Mutual Funds since 1994.	Advisor, JP Greene & Associates, LLC (broker- dealer) (2000-2009); Chief Investment Officer, Wabash College (2004-present); self-employed consultant (2000-present); Director of Investments, Eli Lilly and Company (pharmaceuticals) (1988-1999).	132	Trustee, Wabash College (1988-present); Chairman, Indianapolis Symphony Orchestra Foundation (1994-present).
James J. Schonbachler (1943); Trustee of Trust since 2005; Trustee of heritage J.P. Morgan Funds since 2001.	Retired; Managing Director of Bankers Trust Company (financial services) (1968-1998).	132	None.
Interested Trustees			
Frankie D. Hughes** (1952), Trustee of Trust since 2008.	Principal and Chief Investment Officer, Hughes Capital Management, Inc. (fixed income asset management) (1993-present).	132	None.
Leonard M. Spalding, Jr.*** (1935); Trustee of Trust since 2005; Trustee of heritage J.P. Morgan Funds since 1998.	Retired; Chief Executive Officer, Chase Mutual Funds (investment company) (1989-1998); President and Chief Executive Officer, Vista Capital Management (investment management) (1990-1998); Chief Investment Executive, Chase Manhattan Private Bank (investment management) (1990-1998).	132	Director, Glenview Trust Company, LLC (2001-present); Trustee, St. Catherine College (1998-present); Trustee, Bellarmine University (2000-present); Director, Springfield-Washington County Economic Development Authority (1997-present); Trustee, Catholic Education Foundation (2005-present).

(1) Each Trustee serves for an indefinite term, subject to the Trust's current retirement policy, which is age 75 for all Trustees, except Mr. Reid for whom it is age 78.

(2) A Fund Complex means two or more registered investment companies that hold themselves out to investors as related companies for purposes of investment and investor services or have a common investment adviser or have an investment adviser that is an affiliated person of the investment adviser of any of the other registered investment companies. The J.P. Morgan Funds Complex for which the Board of Trustees serves currently includes ten registered investment companies (132 funds).

* Ms. McCoy has served as Vice President of Administration and Planning for Northwestern University since 1985. William M. Daley, Head of Corporate Responsibility for JPMorgan Chase & Co., has served as a member of the Board of Trustees of Northwestern University since 2005. The Portfolio's investment adviser is a wholly-owned subsidiary of JPMorgan Chase & Co.

** Ms. Hughes is treated as an "interested person" based on the portfolio holdings of clients of Hughes Capital Management, Inc.

*** Mr. Spalding is treated as an "interested person" due to his ownership of JPMorgan Chase stock.

The contact address for each of the Trustees is 245 Park Avenue, New York, NY 10167.

OFFICERS

(Unaudited)

Name (Year of Birth), Positions Held with the Trust (Since)	Principal Occupations During Past 5 Years
George C.W. Gatch (1962), President (2005)	Managing Director, J.P. Morgan Investment Management Inc.; Director and President, JPMorgan Distribution Services, Inc. and JPMorgan Funds Management, Inc. since 2005. Mr. Gatch is CEO and President of the J.P. Morgan Funds. Mr. Gatch has been an employee of J.P. Morgan since 1986 and has held positions such as President and CEO of DKB Morgan, a Japanese mutual fund company, which was a joint venture between J.P. Morgan and Dai-Ichi Kangyo Bank, as well as positions in business management, marketing, and sales.
Robert L. Young (1963), Senior Vice President (2005)*	Director and Vice President, JPMorgan Distribution Services, Inc. and JPMorgan Funds Management, Inc.; Chief Operating Officer, J.P. Morgan Funds since 2005, and One Group Mutual Funds from 2001 until 2005. Mr. Young was Vice President and Treasurer, JPMorgan Funds Management, Inc. (formerly One Group Administrative Services), and Vice President and Treasurer, JPMorgan Distribution Services, Inc. (formerly One Group Dealer Services, Inc.) from 1999 to 2005.
Patricia A. Maleski (1960), Vice President and Chief Administrative Officer (2005), Treasurer and Principal Financial Officer (2008)	Managing Director, JPMorgan Funds Management, Inc.; Head of Funds Administration and Board Liaison, J.P. Morgan Funds. Ms. Maleski has been with JPMorgan Chase & Co. since 2001.
Frank J. Nasta (1964), Secretary (2008)	Managing Director and Associate General Counsel, JPMorgan Chase since 2008; Previously, Director, Managing Director, General Counsel and Corporate Secretary, J. & W. Seligman & Co. Incorporated; Secretary of each of the investment companies of the Seligman Group of Funds and Seligman Data Corp.; Director and Corporate Secretary, Seligman Advisors, Inc. and Seligman Services, Inc.
Stephen M. Ungerman (1953), Chief Compliance Officer (2005)	Managing Director, JPMorgan Chase & Co.; Mr. Ungerman was head of Fund Administration – Pooled Vehicles from 2000 to 2004. Mr. Ungerman has been with JPMorgan Chase & Co. since 2000.
Paul L. Gulinello (1950), AML Compliance Officer (2005)	Vice President and Anti Money Laundering Compliance Officer for JPMorgan Asset Management Americas, additionally responsible for personal trading and compliance testing since 2004; Treasury Services Operating Risk Management and Compliance Executive supporting all JPMorgan Treasury Services business units from July 2000 to 2004.
Michael J. Tansley (1964), Controller (2008)	Vice President, JPMorgan Funds Management, Inc. since July 2008; prior to joining JPMorgan Chase, Mr. Tansley worked for General Electric, as Global eFinance Leader in GE Money from 2004 through 2008 and Vice President and Controller of GE Asset Management from 1998.
Elizabeth A. Davin (1964), Assistant Secretary (2005)*	Vice President and Assistant General Counsel, JPMorgan Chase since 2005; Senior Counsel, JPMorgan Chase (formerly Bank One Corporation) from 2004 to 2005; Assistant General Counsel and Associate General Counsel and Vice President, Gartmore Global Investments, Inc. from 1999 to 2004.
Jessica K. Ditullio (1962), Assistant Secretary (2005)*	Vice President and Assistant General Counsel, JPMorgan Chase since 2005; Ms. Ditullio has served as an attorney with various titles for JPMorgan Chase (formerly Bank One Corporation) since 1990.
John T. Fitzgerald (1975), Assistant Secretary (2008)	Vice President and Assistant General Counsel, JPMorgan Chase since 2005; Associate, Willkie Farr & Gallagher LLP (law firm) from 2002 to 2005.
Brian L. Duncan (1965), Assistant Treasurer (2008)*	Vice President, JPMorgan Funds Management, Inc. since June 2007; prior to joining JPMorgan Chase, Mr. Duncan worked for Penn Treaty American Corporation as Vice President and Controller from 2004 through 2007 and Assistant Vice President of Financial Reporting from 2003-2004.
Joy C. Dowd (1972), Assistant Treasurer (2009)	Vice President, JPMorgan Funds Management, Inc. since December 2008; prior to joining JPMorgan Chase, Ms. Dowd worked in MetLife's investments audit group from 2005 through 2008, and Vice President of Credit Suisse, in the audit area from 1999 through 2005.
Jeffrey D. House (1972), Assistant Treasurer (2006)*	Vice President, JPMorgan Funds Management, Inc. since July 2006; formerly, Senior Manager of Financial Services of BISYS Fund Services, Inc. from December 1995 until July 2006.
Laura S. Melman (1966), Assistant Treasurer (2006)	Vice President, JPMorgan Funds Management, Inc. since August, 2006, responsible for Taxation; Vice President of Structured Products at The Bank of New York Co., Inc. from 2001 until 2006.
Francesco Tango (1971), Assistant Treasurer (2007)	Vice President, JPMorgan Funds Management, Inc. since January 2003; Associate, JPMorgan Funds Management, Inc. since 1999.

The contact address for each of the officers, unless otherwise noted, is 245 Park Avenue, New York, NY 10167.

* The contact address for the officer is 1111 Polaris Parkway, Columbus, OH 43240.

SCHEDULE OF SHAREHOLDER EXPENSES

(Unaudited)

Hypothetical \$1,000 Investment

As a shareholder of the Portfolio, you incur ongoing costs, including investment advisory fees, administration fees, distribution fees and other Portfolio expenses. Because the Portfolio is a funding vehicle for Policies and Eligible Plans, you may also incur sales charges and other fees relating to the Policies or Eligible Plans. The examples below are intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio, but not the costs of the Policies or Eligible Plans, and to compare these ongoing costs with the ongoing costs of investing in other mutual funds. The examples assume that you had a \$1,000 investment in the Class at the beginning of the reporting period, July 1, 2009, and continued to hold your shares at the end of the reporting period, December 31, 2009.

Actual Expenses

For each Class of the Portfolio in the table below, the first line provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line of each Class under the heading entitled "Expenses Paid During" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of each Class in the table below provides information about hypothetical account values and hypothetical expenses based on the Class' actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Class' actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Class of the Portfolio and other portfolios. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as sales charges (loads) or redemption fees or the costs associated with the Policies and Eligible Plans through which the Portfolio is held. Therefore, the second line for each Class in the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different portfolios. In addition, if these transaction costs were included, your costs would have been higher. The examples also assume all dividends and distributions have been reinvested.

	Beginning Account Value, July 1, 2009	Ending Account Value, December 31, 2009	Expenses Paid During July 1, 2009 to December 31, 2009*	Annualized Expense Ratio
Class 1				
Actual	\$1,000.00	\$1,273.30	\$5.16	0.90%
Hypothetical	1,000.00	1,020.67	4.58	0.90
Class 2				
Actual	1,000.00	1,271.20	6.58	1.15
Hypothetical	1,000.00	1,019.41	5.85	1.15

* Expenses are equal to the Portfolio's annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

BOARD APPROVAL OF INVESTMENT ADVISORY AGREEMENT

(Unaudited)

The Board of Trustees held meetings in person in June and August 2009, at which the Trustees considered the continuation of the investment advisory agreement for the Portfolio whose annual report is contained herein (the "Advisory Agreement"). At the June meeting, the Board's investment subcommittees (money market and alternative products, equity, and fixed income) met to review and consider performance and expense information for the J.P. Morgan Funds, including the Portfolio. Each investment subcommittee reported to the full Board, which then considered the investment subcommittee's preliminary findings. At the August meeting, the Trustees continued their review and consideration. The Trustees, including a majority of the Trustees who are not "interested persons" (as defined in the 1940 Act) of any party to the Advisory Agreement or any of their affiliates, approved the continuation of the Advisory Agreement on August 19, 2009.

The Trustees, as part of their review of the investment advisory arrangements for the Portfolio, receive from the Advisor and review on a regular basis over the course of the year, information regarding the performance of the Portfolio. This information includes the Portfolio's performance against the Portfolio's peers and benchmarks and analyses by the Advisor of the Portfolio's performance. The Advisor also periodically provides comparative information regarding the Portfolio's expense ratios and those of the peer groups. In addition, in preparation for the June and August meetings, the Trustees requested and evaluated extensive materials from the Advisor, including, with respect to certain Funds, performance and expense information compiled by Lipper Inc. ("Lipper"), an independent provider of investment company data. Prior to voting, the Trustees reviewed the proposed approval of the Advisory Agreement with representatives of the Advisor and with counsels to the Trust and independent Trustees and received a memorandum from independent counsel to the Trustees discussing the legal standards for their consideration of the proposed approval. The Trustees also discussed the proposed approval in private sessions with counsels to the Trust and independent Trustees at which no representatives of the Advisor were present. Set forth below is a summary of the material factors evaluated by the Trustees in determining to approve the Advisory Agreement.

In their deliberations, each Trustee attributed different weights to the various factors, and no factor alone was considered determinative. The Trustees determined that the overall arrangement between the Portfolio and the Advisor, as provided in the Advisory Agreement was fair and reasonable and that the continuance of the investment advisory contract was in the best interests of the Portfolio and its shareholders.

The matters discussed below were considered and discussed by the Trustees in reaching their conclusions:

Nature, Extent and Quality of Services Provided by the Advisor

The Trustees received and considered information regarding the nature, extent and quality of the services provided to the Portfolio under the Advisory Agreement. The Trustees took into account information furnished throughout the year at Trustee Meetings, as well as the materials furnished specifically in connection with this annual review process. The Trustees considered the background and experience of the Advisor's senior management and expertise of, and the amount of attention given to the Portfolio by, investment personnel of the Advisor. In addition, the Trustees reviewed the qualifications, backgrounds and responsibilities of the portfolio management team primarily responsible for the day-to-day management of the Portfolio and the infrastructure supporting the team. The quality of the administrative services provided by JPMorgan Funds Management, Inc. ("JPMFM"), an affiliate of the Advisor, was also considered. The Board of Trustees also considered its knowledge of the nature and quality of the services provided by the Advisor to the Portfolio gained from their experience as Trustees of the Portfolio. In addition, they considered the overall reputation and capabilities of the Advisor and its affiliates, the commitment of the Advisor to provide high quality service to the Portfolio, their overall confidence in the Advisor's integrity and the Advisor's responsiveness to concerns raised by them, including the Advisor's willingness to consider and implement organizational and operational changes designed to improve investment results and the services provided to the Portfolio.

Based on these considerations and other factors, the Trustees concluded that they were satisfied with the nature, extent and quality of the investment advisory services provided to the Portfolio by the Advisor.

Costs of Services Provided and Profitability to the Advisor

At the request of the Trustees, the Advisor provided information regarding the profitability to the Advisor and its affiliates in providing services to the Portfolio. The Trustees reviewed and discussed this data. The Trustees recognized that this data is not audited and represents the Advisor's determination of its and its affiliates' revenues from the contractual services provided to the Portfolio, less expenses of providing such services. Expenses include direct and indirect costs and are calculated using an allocation methodology developed by the Advisor. The Trustees also recognized that it is difficult to make comparisons of profitability from fund investment advisory contracts because comparative information is not generally publicly available and is affected by numerous factors, including the structure of the particular advisor, the types of funds it manages, its business mix, numerous assumptions regarding allocations and the fact that publicly-traded fund managers' operating profits and net income are net of distribution and marketing

BOARD APPROVAL OF INVESTMENT ADVISORY AGREEMENT

(Unaudited) (continued)

expenses. Based on their review, the Trustees concluded that the profitability to the Advisor of the Advisory Agreement was not unreasonable in light of the services and benefits provided to the Portfolio.

Fall-Out Benefits

The Trustees reviewed information regarding potential “fall-out” or ancillary benefits received by the Advisor and its affiliates as a result of their relationship with the Portfolio. The Board considered that the Advisor does not currently use third-party soft dollar arrangements with respect to securities transactions it executes for certain of the J.P. Morgan Funds.

The Trustees also considered that JPMFM earns fees from the Portfolio for providing administrative services. These fees were shown separately in the profitability analysis presented to the Trustees. The Trustees also considered the payments of Rule 12b-1 fees to JPMorgan Distribution Services, Inc. (“JPMDS”), an affiliate of the Advisor, which also acts as the Portfolio’s distributor and that these fees are in turn generally paid to financial intermediaries that sell the J.P. Morgan Funds, including financial intermediaries that are affiliates of the Advisor. The Trustees also considered the fees paid to JPMorgan Chase Bank, NA for custody and fund accounting, securities lending, and other related services.

Economies of Scale

The Trustees noted that the proposed investment advisory fee schedule for the Portfolio does not contain breakpoints. The Trustees considered whether it would be appropriate to add advisory fee breakpoints and the Trustees concluded that the current fee structure was reasonable in light of the fee waivers and expense limitations that the Advisor has in place that serve to limit the overall net expense ratio at competitive levels. The Trustees also recognized that the fee schedule for the administrative services provided by JPMFM does include a fee breakpoint, which is tied to the overall level of money market assets or non-money market fund assets excluding funds-of-funds, as applicable, advised by the Advisor, and that the Portfolio would benefit from that breakpoint. The Trustees concluded that shareholders benefited from the lower expense ratios which resulted from these factors.

Independent Written Evaluation of the Portfolio’s Chief Compliance Officer

The Trustees noted that, upon their direction, the Chief Compliance Officer for the Portfolio had prepared an independent written evaluation in order to assist the Trustees in determining the reasonableness of the proposed management fees. The Trustees considered the written evaluation in determining whether to continue the Advisory Agreement.

Fees Relative to Advisor’s Other Clients

The Trustees received and considered information about the nature, extent and quality of services and fee rates offered and actually charged to other clients of the Advisor for comparable services. The Trustees also considered the complexity of investment management for the Portfolio relative to the Advisor’s other clients and the differences in the nature, extent and quality of the services provided to the different clients. The Trustees noted that the fee rates charged to the Portfolio in comparison to those charged to the Advisor’s other clients were reasonable.

Investment Performance

The Trustees received and considered relative performance and expense information for the Portfolio in a report prepared by Lipper. The Trustees considered the total return performance information, which included the ranking of the Portfolio within a performance universe made up of funds with the same Lipper investment classification and objective (the “Universe Group”) by total return for applicable one-, three-, and five-year periods. The Trustees reviewed a description of Lipper’s methodology for selecting mutual funds in the Portfolio’s Universe Group. As part of this review, the Trustees also reviewed the Portfolio’s performance against its benchmark and considered the performance information provided for the Portfolio at regular Board meetings by the Advisor. The Lipper performance data noted by the Trustees as part of their review and the determinations made by the Trustees with respect to the Portfolio’s performance are summarized below:

The Trustees noted that the Portfolio’s performance was in the third, fourth, and fourth quintiles for the one-, three-, and five-year periods ended December 31, 2008, respectively. The Trustees discussed the performance and investment strategy of the Portfolio with the Advisor and, based upon this discussion and other factors, concluded that they were satisfied with the Advisor’s analysis of the Portfolio’s performance.

Advisory Fees and Expense Ratios

The Trustees considered the contractual advisory fee rate paid by the Portfolio to the Advisor by comparing that rate to the information prepared by Lipper concerning management fee rates paid by other funds in the same Lipper category as the Portfolio. The Trustees recognized that Lipper reported the Portfolio’s management fee rate as the combined contractual advisory fee and administration fee rate. The Trustees also considered the fee waiver and/or expense reimbursement arrangements currently in place for the Portfolio and considered the net advisory fee rate after taking waivers and reimbursements into account. The Trustees recognized that it is difficult to make comparisons of advisory fees because there are variations in the services that are included in the fees paid by other funds.

The attention that was given to the Lipper reports and the Trustees' determination as a result of the review of the Portfolio's advisory fees and expense ratios are summarized below:

The Trustees noted that the Portfolio's net advisory fee and actual total expenses were both in the second quintile of their

respective Universe Group. The Trustees also considered information provided by JPMFM and JPMDS related to the structure and distribution strategy of the Portfolio and, in light of this information, concluded that the Advisory fees were reasonable.

TAX LETTER

(Unaudited)

Certain tax information for the Portfolio is required to be provided to shareholders based upon the Portfolio's income and distributions for the taxable year ended December 31, 2009. The information and distributions reported in this letter may differ from the information and taxable distributions reported to the shareholders for the calendar year ending December 31, 2009. The information necessary to complete your income tax returns for the calendar year ending December 31, 2009 will be received under separate cover.

Dividends Received Deductions (DRD)

100.00% of ordinary income distributions were eligible for the 70% dividends received deduction for corporate rate shareholders for the fiscal year ended December 31, 2009.

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J.P. Morgan Funds are distributed by JPMorgan Distribution Services, Inc., which is an affiliate of JPMorgan Chase & Co. Affiliates of JPMorgan Chase & Co. receive fees for providing various services to the funds.

Contact JPMorgan Distribution Services, Inc. at 1-800-480-4111 for a portfolio prospectus. You can also visit us at www.jpmorganfunds.com. Investors should carefully consider the investment objectives and risk as well as charges and expenses of the mutual fund before investing. The prospectus contains this and other information about the mutual fund. Read the prospectus carefully before investing.

The Portfolio files a complete schedule of its portfolio holdings for the first and third quarters of its fiscal year with the SEC on Form N-Q. The Portfolio's Forms N-Q are available on the SEC's website at <http://www.sec.gov> and may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Shareholders may request the Form N-Q without charge by calling 1-800-480-4111 or by visiting the variable insurance portfolio section of the JPMorgan Funds' website at www.jpmorganfunds.com.

A description of the Portfolio's policies and procedures with respect to the disclosure of the Portfolio's holdings is available in the Statement of Additional Information.

A copy of proxy policies and procedures is available without charge upon request by calling 1-800-480-4111 and a description of such policies and procedures is on the SEC's website at www.sec.gov. The Trustees have delegated the authority to vote proxies for securities owned by the Portfolio to the Advisor. A copy of the Portfolio's voting record for the most recent 12-month period ended June 30 is available on the SEC's website at www.sec.gov or at the Portfolio's website at www.jpmorganfunds.com no later than August 31 of each year. The Portfolio's proxy voting record will include, among other things, a brief description of the matter voted on for each portfolio security, and will state how each vote was cast, for example, for or against the proposal.

