

ADDENDUM

THIS ADDENDUM DATED SEPTEMBER 28, 2009 SETS OUT THE CHANGES TO BE MADE IN THE STATEMENT OF ADDITIONAL INFORMATION ("SAI") OF ALL SCHEMES OF JM FINANCIAL MUTUAL FUND AND SCHEME INFORMATION DOCUMENT ("SID") AND KEY INFORMATION MEMORANDA ("KIM") OF JM MONEY MANAGER FUND, JM FLOATER FUND – SHORT TERM PLAN, JM HIGH LIQUIDITY FUND, JM FLOATER FUND – LONG TERM PLAN AND JM SHORT TERM FUND, SCHEMES OF JM FINANCIAL MUTUAL FUND, WITH EFFECT FROM SEPTEMBER 29, 2009

NOTICE is hereby given that in the interest of the investors, Trustees of JM Financial Mutual Fund have approved the following changes in terms of the enabling provisions of the SIDs of the schemes.

In case of switches from liquid schemes to liquid/debt schemes (T+1 schemes) or vice versa, both the legs of the transactions will be processed at the NAV of day of receipt of application (if received and time stamped up to 3.00 p.m.) on all business days and the assets will be moved on the very next day, irrespective of whether the same is a non-business day. However, in case the assets cannot be moved for any reason, on the very next day, the switched-out scheme will compensate the switched-in scheme at Mumbai Inter-Bank Offer Rate (MIBOR) for the interim period.

In addition to the above, the redemption under liquid schemes received on a day succeeded by a Non Business Day will continue to be processed at the NAV applicable for a day prior to the next Business Day.

Bhanu Katoch

Chief Executive Officer

Place : Mumbai

JM Financial Asset Management Private Limited

Date : September 28, 2009

(Investment Managers to JM Financial Mutual Fund)

For further details, please contact :

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Investment Objectives: **JM Money Manager Fund** (an open-ended income scheme), An open-ended liquid scheme which seeks to provide income by way of dividend (dividend option) and capital gains (growth option) through investing in debt and money market instruments. **JM Floater Fund - STP** (an open-ended income scheme), To provide regular income and capital appreciation through investment in floating rate debt instruments, fixed rate debt instruments swapped for floating rate returns and also fixed rate instruments and money market instruments. **JM High Liquidity Fund** (an open-ended liquid scheme), To provide income by way of dividend (dividend plans) and capital gains (growth plan) through investing in debt and money market instruments. **JM Floater Fund - LTP** (an open-ended income scheme) (formerly known as JM Liquid Plus Fund) To provide regular income and capital appreciation through investment in floating rate debt instruments, fixed rate debt instruments swapped for floating rate returns and also fixed rate instruments and money market instruments. **JM Short Term Fund** (an open-ended income scheme), To generate regular returns and high level of liquidity with low risk strategy and capital appreciation / accretion through investment in debt instruments and related securities besides preservation of capital.

Statutory Details : **Trustee :** JM Financial Trustee Company Private Limited. **Investment Manager :** JM Financial Asset Management Private Limited. **Sponsor :** JM Financial Limited.

Risk Factors: Mutual fund investments are subject to market risks and there is no assurance or guarantee that the objectives of the scheme will be achieved. As with any investment in securities, the Net Asset Value (NAV) of the units issued under the Scheme can go up or down depending on the factors and forces affecting the capital markets. Past performance of the Sponsor / AMC / Schemes of JM Financial Mutual Fund does not indicate the future performance of the schemes of JM Financial Mutual Fund. The sponsors are not responsible or liable for any loss resulting from the operation of the fund beyond the initial contribution made by them of an amount of Rupees One lac towards setting up of the Mutual Fund, which has been invested in JM Equity Fund. The names of the schemes do not in any manner indicate either the quality of the schemes or their future prospects or returns. Investors in the Schemes are not being offered any guaranteed / indicative returns. Please see "Risk Factors", "Scheme Specific Risk Factors and Special Consideration" and "Right to limit redemptions" in the Scheme Information Document & Statement of Additional Information. Please refer the Scheme Information Document & Statement of Additional Information of the Schemes, which can be obtained free of cost from any of the JM Financial Mutual Fund Investor Service Centres or Distributors. **Investors should read the Scheme Information Document & Statement of Additional Information carefully before investing.**