

**NOTICE-CUM-ADDENDUM****A. ADDENDUM TO THE STATEMENT OF ADDITIONAL INFORMATION, SCHEME INFORMATION DOCUMENT(S) AND KEY INFORMATION MEMORANDUM(S) (AS APPLICABLE) OF ALL THE SCHEME(S) OF JM FINANCIAL MUTUAL FUND WITH RESPECT TO DEDUCTION OF TRANSACTION CHARGES FOR INVESTMENTS THROUGH DISTRIBUTORS/AGENTS:**

Vide its Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, SEBI has permitted Asset Management Companies (AMCs) to deduct transaction charges per subscription of Rs. 10,000/- and above and the same be paid to the distributors of the Mutual Fund products.

In accordance with the said circular, JM Financial Asset Management Pvt. Ltd. (the "AMC") shall deduct the Transaction Charges on purchase / subscription received from first time mutual fund investors and investor other than first time mutual fund investors through the distributor/ agent (who have opted to receive the transaction charges) as under:

Description	First Time Mutual Fund Investor (across Mutual Funds)	Investor other than First Time Mutual Fund Investor
Lump sum subscription of Rs. 10,000 and above	Transaction charges will be Rs. 150/-	Transaction charges will be Rs. 100/-
In case of investments through Systematic Investment Plan (SIP), if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- or more.	Transaction charges will be Rs. 150/- or Rs. 100/- as may be applicable as mentioned above. The Transaction Charges shall be deducted in 4 equal installments, from the 2nd to the 5th installment.	

Investors may note that distributors have an option to opt in or opt out of charging the transaction charge.

**Transaction charges shall not be deducted for:**

- purchases /subscriptions for an amount less than Rs. 10,000/-;
- transaction other than purchases/ subscriptions relating to new inflows, such as Switch, Systematic Transfer Plan (STP), etc.
- purchases/ subscriptions made directly with the Fund (i.e. not through any distributor/agent).
- Transactions, wherein the concerned distributor has not opted-in for transaction charges.
- Transactions done through Stock Exchange platform.

It is also clarified that minimum investment criteria shall be monitored at the gross investment amount level (i.e. amount before deducting transaction charges).

**B. THIS ADDENDUM SETS OUT THE CHANGE TO BE MADE IN THE SCHEME INFORMATION DOCUMENT ("SID") AND KEY INFORMATION MEMORANDA ("KIM") OF JM FLOATER FUND- SHORT TERM PLAN WITH EFFECT FROM DECEMBER 5, 2011**

JM Floater Fund – Short Term Plan (the "Scheme"), an open ended liquid scheme, was launched in June 2003.

To enable JM Financial Asset Management Private Limited (the "AMC") to efficiently manage the portfolio of the Scheme, in light of the SEBI Regulation, it is proposed to amend the asset allocation pattern of the Scheme in accordance with the Securities Exchange Board of India (Mutual Funds) Regulations, 1996. The Board of Directors of the AMC and the Board of Directors of JM Financial Trustee Company Private Limited have approved the proposed amendment in respect of the Scheme on October 25, 2011.

The proposed asset allocation of the Scheme will be as follows:

**Asset Allocation under normal circumstances:**

Instruments	Indicative allocations (% of total assets)	Risk Profile
Money market and short term debt instrument maturing within less than 91 days	100%	Low-Medium

As per SEBI regulations, the change in asset allocation pattern would be construed as change in the fundamental attributes of the Scheme; hence an exit option is being provided to the unit holders of JM Floater Fund – Short Term Plan as per Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996.

All other features of the Scheme remain unchanged.

The above change will be effective from December 5, 2011

Accordingly the unitholders in JM Floater Fund – Short Term Plan, who do not consent to the above proposal, are being provided with an exit option to redeem their units at the prevailing NAV without imposition of any exit load. The option to exit without payment of exit load will be valid from November 3, 2011, up to and including December 2, 2011 (up to 3.00 p.m.).

The option to exit is available to all unitholders in the scheme, except for those unitholders who have:

- pledged their units, unless they procure a release of their pledges prior to December 2, 2011 and/ or
- whose units are marked under lien/ injunction in accordance with the instructions of any Court of law/ Income Tax Authority/ other Regulatory Authority

Redemption/ switch out requests may be made by filling out the normal transaction slip and submitting the same to any of the Investor Service Centres of the Registrar and Transfer Agent, Karvy Computershare Private Limited ("Karvy"), or at any of the Investor Service Centres ("ISCs") of the AMC on or before 3.00 p.m. on December 2, 2011. If the unit holder wish to opt for the exit option set forth above, then the unit holder may redeem/switch out the units of the Plan(s) held by them at the applicable Net Asset Value without any exit load upto 3.00 p.m. on December 2, 2011.

In respect of valid redemptions/switch out requests received upto 3.00 p.m. on all business days during the period of no

exit load period by the Mutual Fund, the closing NAV of the day immediately preceding the next business day's NAV shall be applicable. In respect of valid redemptions/switch out requests received after 3.00 p.m. on all business days during the no exit load period by the Mutual Fund, the closing NAV of the next business day shall be applicable.

**Bhanu Katoch**

Chief Executive Officer

Place : Mumbai

Date : October 31, 2011

JM Financial Asset Management Private Limited  
(Investment Managers to JM Financial Mutual Fund)**For further details, please contact :**Corporate Office : JM Financial Asset Management Private Limited,  
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**Investment Objective: JM Equity Fund** (an open-ended growth scheme), To provide optimum capital growth and appreciation. **JM Basic Fund** (an open-ended sector scheme), The primary objective of the Scheme will be to provide capital appreciation to its Unitholders through judicious deployment of the corpus of the Scheme in sectors categorized under "basic industry" in the normal parlance and in context of the Indian economy, including but not limited to, energy, petrochemicals, oil & gas, power generation & distribution and electrical equipment suppliers, metals and building material. The fund would continue to remain open-ended with a sector focus. **JM Balanced Fund** (an open-ended balanced scheme), To provide steady current income as well as long term growth of Capital. **JM Core 11 Fund** (An Open Ended Equity Oriented Scheme), To provide long-term growth by investing predominantly in a concentrated portfolio of equity / equity related instruments. **JM MIP Fund** (an open-ended monthly income fund with no assured return. Monthly Income is not assured and is subject to the availability of the distributable surplus), To generate regular income, primarily through investments in fixed income securities so as to make monthly, quarterly and annual dividend distribution, declare bonus in the growth option. The Fund would also aim to achieve capital appreciation through investing a portion of its assets in equity and equity related securities. **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 Arbitrage Advantage Fund:** (An open-ended equity oriented Interval Scheme) The primary investment objective of the scheme is to generate income through arbitrage opportunities emerging out of mis-pricing between the cash market and the derivatives market and through deployment of surplus cash in fixed income instruments. **JM Money Manager Fund** (an open-ended debt scheme), To generate stable long term returns with low risk strategy and capital appreciation/ accretion through investments in debt instruments and related securities besides preservation of capital. **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 Floater Fund - STP** (an open-ended liquid 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 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. **JM Income Fund** (an open-ended income scheme), To generate stable long term returns with low risk strategy and capital appreciation / accretion through investment in debt instruments and related securities besides preservation of capital. **JM G-Sec Fund** (an open-ended dedicated gilts scheme), To provide ultimate level of safety to its unitholders through investments in sovereign securities issued by the Central and State Government. **JM Tax Gain Fund** (an open ended equity linked savings scheme), The investment objective is to generate long-term capital growth from a diversified and actively managed portfolio of equity and equity related securities and to enable investors a deduction from total income, as permitted under the Income Tax Act, 1961 from time to time. **JM Multi Strategy Fund:** (an open-ended equity oriented scheme), The investment objective of the Scheme is to provide capital appreciation by investing in equity and equity related securities using a combination of strategies. **JM Fixed Maturity Fund:** (a close-ended income funds offering fixed maturity plans), The investment objective of the Schemes and the plans launched there under is to generate regular returns through investments in fixed income securities maturing on or before the date of the maturity of the respective Plans. **JM Interval Fund** : (A debt oriented interval fund), The investment objective of the Scheme and the plans launched thereunder is to seek to generate predictable returns over a predetermined period by investing in a portfolio of fixed income securities normally maturing in line with the time profile of the respective Plans.

**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. All investments in mutual funds and securities are subject to market risks and the NAV of the Scheme may go up or down depending upon the factors and forces affecting the securities market.** 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 lakh 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. **Please read the Scheme Information Document & Statement of Additional Information carefully before investing.**