

ADDENDUM**1. Cancellation of Systematic Investment Plan ("SIP") facility**

As per the prevailing practice, the SIP facility gets cancelled in the event of failure of 5 or more installments for SIP, due to reasons attributable to the investors, like "Insufficient Funds" etc.

It is now clarified that any rejection by the Local Clearing House/ RBI citing 'Account Closed' or 'non existent account' or other similar reasons, will lead to cancellation of the SIP for subsequent periods, after the first such rejection, at the discretion of the AMC.

2. Third-Party payments from Parents/Grand-Parents/related persons on behalf of a minor:

Pursuant to AMFI circular dated April 29, 2011, it is clarified that the AMC may accept subscriptions with Third-Party payments from Parents/ Grand-Parents/ related persons, on behalf of a minor, in consideration of natural love and affection or as gift, for a value not exceeding Rs.50,000/- (for each regular purchase or per SIP installment). However, this restriction will not be applicable for payment made by a guardian, whose name is registered in the records of Mutual Fund, in that folio.

3. Third party payment from employers on behalf of employees:

It is further clarified that the AMC may accept third party payments made by employer on behalf of employees under SIPs or lumpsum/ one time subscription, through payroll deduction.

4. Transmission in case of investment by HUF, due to death of Karta:

Pursuant to AMFI circular dated June 9, 2011, it is clarified that:

In case of no surviving co-parceners and the transmission amt is Rs One Lakh or more OR where there is an objection from any surviving members of the HUF, transmission will be effected only on the basis of any of the following mandatory documents:

- Notarized copy of Settlement Deed, or
- Notarized copy of Deed of Partition, or
- Notarized copy of Decree of the relevant competent Court

5. Clarification regarding Third-Party payments:

Pursuant to AMFI circular dated June 17, 2011, it is clarified that the AMC will accept payments through net banking or debit cards for subscription of units of the Schemes of JM Financial Mutual Fund (as and when these facilities are activated). However, in case the payment is not made from a registered bank account or from an account not belonging to the first named unit holder, the AMC/ R&TA shall reject the transaction with due intimation to the investor.

Bhanu Katoch

Chief Executive Officer

Place : Mumbai
Date : July 1, 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,
502, 5th Floor, 'A' Wing, Laxmi Towers, Bandra Kurla Complex, Mumbai - 400051.

Tel. No.: (022) 3987 7777 • Fax Nos.: (022) 2652 8388.

E-Mail: investor@jmfincial.in • Website: www.jmfincialmf.com

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 Emerging Leaders Fund** (an open-ended equity oriented growth scheme), The primary investment objective of the scheme is to seek long term capital appreciation from investment in a portfolio of stocks across all market capitalization range. The portfolio may include those companies operating in emerging sectors of the economy or companies which exhibit potential to become leaders of tomorrow. However, there can be no assurances that the investment objective will be achieved. **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 Nifty Plus Fund** (an open-ended equity oriented scheme), JM Nifty Plus Fund will be a Scheme which will endeavor to outperform the benchmark by predominantly investing in the constituents of S & P CNX Nifty in the same weightages as in its composition and through deployment of surplus cash in debt and money market instruments and derivative 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 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 Scheme and the plans launched thereunder is to seek to generate regular returns through investments in fixed income securities normally maturing in line with the time profile 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. 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 sponsor is not responsible or liable for any loss resulting from the operation of the fund beyond the initial contribution made by it 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.**