

JM FINANCIAL MUTUAL FUND**NOTICE - CUM - CORRIGENDUM****IN RESPECT OF NOTICE-CUM-ADDENDUM, DATED MARCH 1, 2011, PUBLISHED ON MARCH 2, 2011, WITH REGARD TO 'MERGER OF VARIOUS EQUITY SCHEMES'**

I. It is clarified that no fresh purchase or switch-in request will be accepted/ processed for merging schemes (i.e. JM Agri & Infra Fund, JM Contra Fund, JM Financial Services Sector Fund, JM HI FI Fund, JM Large Cap Fund, JM Mid Cap Fund, JM Small & Mid Cap Fund and JM Telecom Fund) on April 1, 2011, being the merger date.

Further note that redemption/ switch-out requests received, in the merging schemes as stated above, after 3 p.m. on the last day of no exit load period i.e. April 1, 2011, will be processed at applicable NAV of the respective surviving schemes (i.e. JM Basic Fund, JM Equity Fund and JM Multi Strategy Fund) on the first business day after the merger and will be subject to the provisions of exit load as applicable to the respective surviving schemes.

II. CORRIGENDUM

The para regarding applicable NAV for allotment of units of surviving schemes (i.e. JM Basic Fund, JM Equity Fund and JM Multi Strategy Fund) will now read as below:

For the unitholders who do not redeem/ switch out, the current value of their holding in merging scheme as on April 1, 2011 will be converted into units of surviving scheme at the applicable NAV as on April 1, 2011, after deduction of applicable withholding tax (in case of NRIs).

Error is regretted.

Other contents of the Notice cum Addendum dated March 1, 2011 published on March 2, 2011 remain unaltered.

Bhanu Katoch

Chief Executive Officer

Place : Mumbai

JM Financial Asset Management Private Limited

Date : March 3, 2011

(Investment Managers to JM Financial Mutual Fund)

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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 Small & Mid-Cap Fund** (an open ended equity oriented scheme) The investment objective of the Scheme is to provide capital appreciation by primarily investing in small cap and mid-cap stocks. Small cap stock is defined as any company which has a market capitalization less than 10% of the market capitalization of the last stock in S&P CNX NIFTY. Mid-cap stock is defined as any company which has a market capitalization less than the market capitalization of the last stock in S&P CNX NIFTY but greater than 10% of the market capitalization of the last stock in S&P CNX NIFTY. **JM HI FI Fund (JM Housing, Infrastructure & Financial Services Fund)** (an open ended equity oriented growth scheme), To generate medium to long term capital growth from a portfolio that is substantially constituted of equity & equity related securities of companies which could benefit from the structural changes brought about by the continuing liberalization in economic policies and investments by the Government in the housing, infrastructure and financial services sectors. **JM Mid Cap Fund** (an open-ended equity oriented scheme), The Investment objective of the scheme will be to generate long term capital growth at a controlled level of risk by predominantly investing in Mid Cap Companies. **JM Large Cap Fund** (an open-ended equity oriented scheme), The Investment objective of the scheme will be to generate returns by predominantly investing in Large Cap Companies which would be top 100 companies on the National Stock Exchange of India Ltd. in terms of market capitalisation. **JM Telecom Sector Fund** (an open-ended equity oriented sector scheme), The primary investment objective of the scheme is to invest predominantly in equity & equity related instruments in the Telecom Sectors in India. Accordingly the NAV of the Scheme is linked to the equity performance of such companies. However, there can be no assurance that the investment objectives of the scheme will be realised. The scheme does not guarantee / indicate any returns. **JM Financial Services Sector Fund** (an open-ended equity oriented sector scheme), The primary investment objective of the scheme is to invest predominantly in equity & equity related instruments in the Banking / Financial institution / NBFC and housing finance sectors in India. Accordingly the NAV of the Scheme is linked to the equity performance of such companies. However, there can be no assurance that the investment objectives of the scheme will be realised. The scheme does not guarantee / indicate any returns. **JM Balanced Fund** (an open-ended balanced scheme), To provide steady current income as well as long term growth of Capital. **JM Agri & Infra Fund** (A Open-Ended Equity Oriented Scheme), To provide long-term growth by investing predominantly in equity / equity related instruments of companies that focus on agriculture and infrastructure development of India. **JM Contra Fund** (an open ended equity oriented scheme) The investment objective of the Scheme is to provide capital appreciation by following contrarian style of investing that refers to buying into fundamentally sound stocks that have been overlooked by the market (for reasons of short term trend) and waiting for the market to give these stocks their real value in course of 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.

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 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.**