

JM FINANCIAL MUTUAL FUND

ADDENDUM

THIS ADDENDUM DATED SEPTEMBER 21, 2009 SETS OUT THE CHANGE 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 ARBITRAGE ADVANTAGE FUND AND JM NIFTY PLUS FUND WITH EFFECT FROM SEPTEMBER 22,2009

Pursuant to the resignation of Mr. Biren Mehta, Fund Manager for JM Nifty Plus Fund and JM Arbitrage Advantage Fund, from the services of JM Financial Asset Management Private Limited, the schemes managed by him will now be managed by the following key personnel of the AMC;

Mr. Apoorva Vora shall be the Fund Manager for JM Nifty Plus Fund while JM Arbitrage Advantage Fund will be jointly managed by Mr. Apoorva Vora and Mr. Mikesang Gangar.

Except the change in responsibilities, the other statutory details pertaining to Mr. Vora and Mr. Gangar as well as other terms and conditions mentioned in the Statement of Additional Information / Scheme Information Document / Key Information Memoranda of the Schemes remain unchanged.

Bhanu Katoch

Chief Executive Officer

Place : Mumbai

JM Financial Asset Management Private Limited

Date : September 21, 2009

(Investment Managers to JM Financial Mutual Fund)

For further details, please contact :

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Investment Objectives: **JM Nifty Plus Fund** (an open-ended equity scheme): The Investment objective of the scheme will be to generate investment returns by predominantly investing in S & P CNX Nifty Stocks and Nifty and its 50 constituents in the same weightages as its composition and through deployment of surplus cash in debt and money market instruments and derivative 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 mispricing between the cash market and the derivatives market and through deployment of surplus cash in fixed income instruments.

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.**