ADDENDUM

Date : July 24, 2009 to the Scheme Information Documents/Key Information Memoranda of the schemes of JM Financial Mutual Fund

The following changes will be effected to the Scheme Information Documents/Key Information Memoranda, wherever applicable for all the schemes of JM Financial Mutual Fund ("the Fund"). The provisions of the addendum shall be applicable on a prospective basis, effective from August 1, 2009.

1. INTRODUCTION OF NO ENTRY LOAD AND TREATMENT OF EXIT LOAD

In accordance with the requirements specified by the SEBI circular no. SEBI/MI/CIR No.1/68223/09 dated June 30, 2009, no load (i.e., be charged for purchase / additional purchase / switch-in accepted by the Fund with effect from August 1, 2009. Similarly, no entry load will be charged with respect to applications for registrations under Systematic Investment Plan / Systematic Transfer Plan accepted by the Fund with effect from August 1, 2009.

The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder (AMFI registered Distributor) directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

2. Change in the Exit Load of certain schemes of JM Financial Mutual Fund

With effect from August 1, 2009, the exit load of the following schemes will be changed as under

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Particulars</th>
<th>Exit Load</th>
</tr>
</thead>
<tbody>
<tr>
<td>JM Floater Fund – Long Term – Regular Plan</td>
<td>&lt;= 5 lacs</td>
<td>0.50%</td>
</tr>
<tr>
<td>JM Floater Fund – Long Term – Regular Plan</td>
<td>&gt; 5 lacs</td>
<td>0.50%</td>
</tr>
<tr>
<td>JM MIP Fund</td>
<td>&lt;= 5 lacs</td>
<td>0.50%</td>
</tr>
<tr>
<td>JM MIP Fund</td>
<td>&gt; 5 lacs</td>
<td>0.50%</td>
</tr>
</tbody>
</table>

3. Exit Load/Contingent Deferred Sales Charge ("CDS")

With effect from August 1, 2009, exit load CDS (if any) up to 1% of the redemption value charged to the Unitholder by the Fund on redemption of units shall be retained by each of the Schemes in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses. Any amount in excess of 1% of the redemption value charged to the Unitholder as exit load/ CDS shall be credited to the respective Scheme immediately.

This addendum shall form an integral part of the scheme information documents/ key information memoranda.

All other terms & conditions of the Scheme(s) will remain unchanged.

Bhanu Katoh
Chief Executive Officer
JM Financial Asset Management Private Limited

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Investment Objectives:

JM Equity Fund (an open-ended growth scheme), To provide optimum capital growth and appreciation. JM Basic Fund (an open-ended equity oriented growth 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 the context of the Indian economy, including but not limited to, energy, petrochemicals, oil & gas, power generation & distribution and electrical equipment suppliers, metals and building materials. 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 have the potential to grow very fast in the medium to long term. JM Mid Cap Fund (an open-ended equity oriented growth scheme), To provide capital appreciation from investment in small and mid-cap stocks. The fund would continue to remain open-ended with a sector focus. JM Multi Strategy Fund/ JM Small & Mid Cap Fund/ JM Telecom Sector Fund (an open-ended equity oriented sector fund), The primary investment objective of the scheme is to invest predominantly in equity related instruments in the Telecom Sector in India. 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 fund), 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.

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 Documents. Please refer the Scheme Information Document 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 carefully before investing.