JPMorgan Funds
Société d'investissement à capital variable
Registered Office: European Bank & Business Centre, 6 route de Trèves,
L-2633 Senningerberg, Grand Duchy of Luxembourg
R.C.S. Luxembourg B 8478

18 February 2009

Dear Investor,

Changes to JPMorgan Funds (the "Fund")

I am writing on behalf of the Board of Directors of the Fund (the "Board"), to inform you of some changes that will be made to the Prospectus of the Fund (the "Prospectus"). Please review carefully the information contained in this letter.

1. Clarification of the Investment Objective, Investment Policy, Investor Profile and Risk Profile of JPMorgan Funds – Global Natural Resources Fund

The Investment Objective, Investment Policy and Investor Profile of the Sub-Fund will be amended to clarify that many of the companies in which the Sub-Fund invests are at the early stages of exploration of natural resources. In addition, a risk warning has been added to the Risk Profile which will read as follows:

"Because the portfolio may invest in smaller companies, which can be less liquid and tend to carry greater financial risk, volatility may be higher than in a broadly based investment. However, there may also be greater potential for higher returns."

It is important to note that these changes do not impact the way the Sub-Fund is or will be managed.

2. Clarification of the Hedged Share Classes Definition

In order to clarify the way in which the currency hedging strategy is applied to hedged share classes, the definition of "Hedged Share Classes" in the "Principal Features and Glossary" section of the Prospectus is amended to read as follows:

"Where a Class of Shares is described as hedged (a "Hedged Share Class"), the intention will be to either hedge the value of the net assets in the Reference Currency of the Sub-Fund into the Reference Currency of the Hedged Share Class, or hedge the currency exposure of certain (but not necessarily all) assets of the relevant Sub-Fund into the Reference Currency of the Hedged Share Class.

It is generally intended to carry out such hedging through the utilisation of various techniques, including entering into Over The Counter ("OTC") currency forward contracts and foreign exchange swap agreements. In cases where the underlying currency is not liquid, or where the underlying currency is closely linked to another currency, proxy hedging may be used.

All costs and expenses incurred in affecting the hedging process will be borne on a pro rata basis by all Hedged Share Classes denominated in the same currency issued within the same Sub-Fund.

Investors should be aware that any currency hedging process may not give a precise hedge. Furthermore, there is no guarantee that the hedging will be totally successful. Investors in the Hedged Share Classes may have exposure to currencies other than the currency of the Hedged Share Class."

Please note that this change does not impact the way in which any Sub-Fund is managed.

3. Swing Pricing

The Board has decided to introduce a swing pricing mechanism, as a method to establish the Net Asset Value per Share of certain sub-funds within the Fund (the "Sub-Funds").

The investment manager of the Fund (the "Investment Manager") trades in the market when receiving significant net inflows or outflows in the Sub-Fund and in doing so may incur dealing and other costs. This cost of dealing by the Investment Manager causes a certain amount of dilution in the value of the Sub-Funds, which would normally be borne by existing Shareholders in each Sub-Fund.

Swing pricing seeks to protect Shareholders in the Sub-Funds from dilution. This is achieved by moving the Net Asset Value per Share up or down depending on the direction of net cashflows for particular Sub-Funds. Significant net inflows will cause an upward swing in the Net Asset Value per Share, and in the case of a significant net outflow, the Net Asset Value per Share will be swung downwards. Swing pricing is implemented when net cashflows exceed a pre-determined threshold set by the Management Company, beyond which the Management Company believe the amount of dilution caused by transaction costs could be material to the Sub-Funds.

Please note that the swing pricing mechanism will not be implemented for the following Sub-Funds:

JPMorgan Funds – Highbridge Europe STEEP Fund
JPMorgan Funds – Highbridge US STEEP Fund
JPMorgan Funds – Euro Liquid Reserve Fund

The following disclosure will be added to the Prospectus:

*"**Swing Pricing Adjustment***

A Sub-Fund may suffer dilution of the Net Asset Value per Share due to investors buying or selling Shares in a Sub-Fund at a price that does not reflect the dealing and other costs that arise when security trades are undertaken by the Investment Manager to accommodate cash inflows or outflows.

In order to counter this impact, a swing pricing mechanism may be adopted to protect the interests of Shareholders of the Fund. If on any Valuation Day, the aggregate net transactions in Shares of a Sub-Fund exceed a pre-determined threshold, as determined and reviewed for each Sub-Fund on a periodic basis by the Management Company, the Net Asset Value per Share may be adjusted upwards or downwards to reflect net inflows and net outflows respectively. The net inflows and net outflows will be determined by the Management Company based on the latest available information at the time of calculation of the Net Asset Value per Share. The swing pricing mechanism may be applied across all Sub-Funds with the exception of JPMorgan Funds – Highbridge Europe STEEP Fund, JPMorgan Funds – Highbridge US STEEP Fund and the money market Sub-Funds. The extent of the price adjustment will be set by the Management Company to reflect dealing and other costs. Such adjustment may vary from Sub-Fund to Sub-Fund and will not exceed 2% of the original Net Asset Value per Share."

4. Change of Paying Agent

With effect from 27 September 2008, the Paying Agent in Austria will be changed from Bank Austria Creditanstalt AG, 1010 Vienna, Am Hof 2 to **UniCredit Bank Austria AG, Schottengasse 6-8, A-1010 Vienna**.

5. Change to Appendix II – Investment Restrictions and Powers

Paragraph 5 a), under Appendix II, "General Investment Rules" is amended and the amended section of the Prospectus reads as follows:

"The Fund may acquire units of the UCITS and/or other UCIs as defined under paragraph (1) a) (iv), provided that no more than 10% in total of a Sub-Fund's assets be invested in the units of UCITS and/or other UCIs. In respect of those Sub-Funds containing Share Classes with the suffix "(dist)" that qualify as "distributing" for the purposes of United Kingdom tax legislation relating to offshore funds (as detailed in "Dividend Policy"), these will also not invest more than 5% of their assets in non-UK UCITS and other non-UK UCIs that do not themselves qualify as "distributing" for the purposes of United Kingdom tax legislation."

6. Change of Performance Fee Benchmark

The performance fee table for JPMorgan Funds – Emerging Markets Local Currency Debt Fund will be updated to reflect that the benchmark for this Sub-Fund is calculated gross of withholding tax. Also, for clarity, the complete name of the benchmark is JPMorgan **Government** Bond Index – Emerging Markets Global Index (Total Return **Gross**). Please note that there will be no change in the way the Sub-Fund is managed.

7. Use of financial techniques and instruments

The section of the Prospectus regarding the use of financial techniques and instruments has been amended. This change has been made to mirror the provisions of the new CSSF (the "Commission de Surveillance du Secteur Financier", the Luxembourg supervisory authority) circular 08/356 which, amongst other things, allows the reinvestment of the cash received as collateral under certain conditions.

Should you have any questions about the changes made or any other aspect of the Fund, please contact your usual local representative or the Registered Office of the Fund.

Please be advised that the latest version of the Prospectus is available free of charge upon request from the Registered Office of the Fund and from the Fund's local representative, as applicable. Additionally, the latest version of the Prospectus is available on the website, www.jpmorganassetmanagement.com.

Yours faithfully,

Andrea L. Hazen
Director