

Luxembourg, 14 August 2009

Dear Investor,

Changes to JPMorgan Funds (the "Fund")

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

1. JPMorgan Funds – Euro Liquid Reserve Fund

The investment policy as set out in the "Appendix III – Sub-Fund Details" of the Prospectus for the Sub-Fund has been amended to clarify how the Sub-Fund is managed by the Investment Manager. Also, in order to register the Sub-Fund for public distribution in Hong Kong and Taiwan some additional investment restrictions have been included.

a. The first paragraph of the investment policy has been amended to read as follows:

"The Sub-Fund will invest all of its assets, excluding cash and cash equivalents, in EUR denominated short term fixed and floating rate debt securities".

b. The disclosure relating to credit quality of securities in the investment policy of the Sub-Fund has been amended to clarify that securities are assessed at the time of purchase.

c. The third paragraph of the investment policy has also been amended to read as follows:

"The Sub-Fund's portfolio will have a weighted average maturity that will not exceed 60 days. The Sub-Fund will only hold fixed rate securities which, at the time of their acquisition, have an initial or remaining maturity which does not exceed 12 months (for government and public securities the maturity will not exceed 397 days) taking into account their own terms and conditions and/or the effect of any connected financial instruments. The Sub-Fund may also hold any floating rate or variable rate security that has a reference interest rate which is adjusted at least every 12 months on the basis of market conditions (for government and public securities the adjustments must be at least every 397 days) and which at the time of acquisition has a remaining maturity not exceeding 750 days."

d. In order to register the Sub-Fund for public distribution in Hong Kong the following paragraphs have also been included in the investment policy under the heading "Specific investment restrictions":

"Specific investment restrictions

Further to the provisions 3a) iii) and 3a) iv) in the main part of the Prospectus under the heading "Appendix II - Investment Restrictions and Powers", the following additional investment restrictions will apply to allow for public distribution of the Sub-Fund in Hong Kong. The total value of the Sub-Fund's holding of instruments and deposits issued by a single issuer may not exceed 10

% of the Sub-Fund's assets. However, the Sub-Fund may invest up to 30% of its assets in one or more issues of government or other public securities and up to 25% of the Sub-Fund's assets in instruments and deposits issued by a single issuer where the issuer is a substantial financial institution having a minimum paid-up capital of an amount in EUR equivalent to HK\$ 150,000,000.

From time to time it may be necessary for the Sub-Fund to borrow on a temporary basis to fund redemption requests or defray operating expenses. The Sub-Fund may borrow on a temporary basis up to 10% of its total net asset value".

e. With effect from 1 August 2009 the initial charge and redemption charge for the Sub-Fund have been reduced to zero. The Fees and Expenses table in "Appendix III – Sub-Funds Details" will be updated accordingly.

The above changes to the investment policy are for clarification purposes only and will have no impact on the way in which the Sub-Fund is managed.

2. Changes to Section 2. Share Dealing

A number of clarification changes have been made to "Section 2. Share Dealing" of the Prospectus, including:

- Clarification of the procedure for subscription, redemption and switching of shares.
- Removal of the statement that "the prices will be published in the Financial Times and other major European newspapers as determined from time to time by the Directors, and are available on Reuters", although they will continue to be available from these sources for the time being. Prices will also continue to be available at the registered office of the Fund and on www.jpmorganassetmanagement.com.
- Removal of any reference to regular savings plans which are no longer available.
- Amendments to Anti-Money Laundering Procedures.

Please refer to the Prospectus for full details of the changes.

3. JPMorgan Funds – America Micro Cap Fund

With effect from 1 October 2009, the investment objective and investment policy of the sub-fund will be changed as more fully described below. To reflect these changes, the name of the sub-fund will change from JPMorgan Funds – America Micro Cap Fund to **JPMorgan Funds – US Small and Micro Cap Fund**.

These changes will be implemented in order to provide the investment manager more flexibility to invest in companies across both small and micro capitalisation company universes. It will also permit the sub-fund to continue to hold companies whose market capitalisation has increased materially since the time of purchase. As a result, the investor profile and risk profile of the sub-fund will also be amended to reflect the addition of small capitalisation companies to the portfolio.

The benchmark of the sub-fund will also change from Russell Micro Cap Index (Total Return Net) to Russell 2000 (Total Return Net) with effect from 1 October 2009, in order to represent the new composition of the sub-fund more accurately. This benchmark will be used for the calculation of the performance fee applicable to the sub-fund.

If, as a consequence of this change you wish to redeem your investment in the sub-fund, the redemption fee usually applicable will be waived for all relevant shareholders for every deal

placed or received during the waiver period of one month between 28 August 2009 and 30 September 2009.

4. JPMorgan Funds – Emerging Markets Alpha Plus Fund

During 2008, the benchmark provider, MSCI Barra, expanded their range of emerging market benchmarks. The new available benchmarks provide broader coverage of the emerging markets and improved representation of this evolving market segment.

In order to reflect the investment objective of the sub-fund more accurately, the benchmark for the above sub-fund will be changed from Morgan Stanley Capital International (MSCI) Emerging Markets Index (Total Return Net) to Morgan Stanley Capital International (MSCI) Emerging Markets Investable Market Index (Total Return Net) with effect from 30 September 2009. The new benchmark targets the widest investable market and therefore provides a more appropriate performance comparison for this sub-fund. This benchmark will therefore also be used for the calculation of the performance fee applicable to the sub-fund. This change does not constitute a change in the way the sub-fund is currently managed.

If, as a consequence of this change you wish to redeem your investment in the sub-fund, the redemption fee usually applicable will be waived for all relevant shareholders for every deal placed or received during the waiver period of one month between 28 August 2009 and 29 September 2009.

5. JPMorgan Funds – Global Convertibles Fund (EUR)

On 18 December 2008, the benchmark for the CHF hedged share class of the sub-fund was added to the Prospectus as **UBS Global Focus Convertible Bond Index Hedged into EUR (Total Return Gross) – hedged into CHF**. For clarity, the Prospectus will be updated to reflect the correct name of the benchmark as **UBS Global Focus Hedged Convertible Bond Index (CHF)**. This does not constitute a change of benchmark or a change in the way the sub-fund is currently managed.

The benchmark for the GBP hedged share classes will also be added to the Prospectus as **UBS Global Focus Hedged Convertible Bond Index (GBP)**.

6. JPMorgan Funds – Emerging Markets Infrastructure Equity Fund

With effect from 13 November 2008, the investment manager of the sub-fund has changed from J.P. Morgan Investment Management Inc. to JPMorgan Asset Management (UK) Ltd.

7. Financial Techniques and Instruments

The section of the Prospectus regarding the use of Financial Techniques and Instruments has been amended to reflect the revenue-sharing nature of the Fund's securities lending program. The net revenues of the Fund arising from securities lending transactions are specified in the semi-annual and annual reports published by the Fund.

8. Change of Name of JF Asset Management (Singapore) Limited

With effect from 3 March 2009, JF Asset Management (Singapore) Limited changed its name to JPMorgan Asset Management (Singapore) Limited and this will be reflected accordingly in the Prospectus.

As a result, the Investment Managers for JPMorgan Funds – JF ASEAN Equity Fund and the JPMorgan Funds – JF Singapore Fund are now JF Asset Management Ltd and JPMorgan Asset Management (Singapore) Limited.

9. Change of Address of JPMorgan Asset Management (Europe) S.à r.l., Netherlands

The address for the Netherlands branch of JPMorgan Asset Management (Europe) S.à r.l., has been amended to WTC Tower B, 11th Floor, Strawinskylaan 1135, 1077XX, Amsterdam, The Netherlands.

Please be advised that the latest version of the Prospectus will be available free of charge upon request from the Registered Office of the Management Company or from the Fund's local representatives, as applicable.

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

Yours faithfully,

A handwritten signature in black ink, appearing to read "Andrea Hazen", with a stylized flourish at the end.

Andrea Hazen
Director