

# A Message From Your Fund's Board

Dear Shareholder,

This is to notify you that the "inc" share class in which you are invested will be merged into the "dist" share class within the same sub-fund, or where a "dist" share class has not been launched, your "inc" share class will be renamed "dist".

These changes will not alter your investment exposure or fees. The "dist" share class is similar to the "inc" share class as it also pays an annual net dividend, normally in September.

It is intended that the "dist" share classes will meet the conditions to qualify as "reporting" for the purposes of the United Kingdom ("UK") tax legislation relating to offshore funds. Accordingly, "dist" share classes will have "UK Reporting Fund Status" and will pay dividends calculated in accordance with UK tax rules.

**The transition to UK Reporting Fund Status may have a material impact on the tax treatment of your investment and requires consideration and action on your part. We recommend that you carefully review the information contained in this letter and consult your tax adviser before taking any action.**

**Please note that there are differences in how the share classes to be merged / renamed will be effected in respect of making a deemed disposal election in accordance with the UK tax rules. Please refer to the "Your Questions Answered" section below for further information.**

More detailed information about the changes is set out below, including the rationale for the changes and timing. Please take a moment to review this important information. If you still have questions, please contact the registered office or your local representative. **You have three options that are explained below.**



Jacques Elvinger *For and on behalf of the Board*

## Merger / Renaming of Share Classes

**Rationale for the Changes:** On 1 January 2018, the new German Investment Tax Act comes into effect which will remove the concept of German Taxable Income which currently serves as the basis for dividend distribution in the "inc" share classes. As a result, German investors will no longer require a separate distributing share class. The "inc" share classes were designed primarily for this purpose. The Fund offers "dist" share classes which are similar to "inc" share classes and the Board has decided to take this opportunity to rationalize the Fund's share class offering.

Accordingly, the "inc" share class will either:

- a) be merged into the "dist" share class within the same sub-fund and your share class identifier will change;
- or,** where a "dist" share class has not been launched,

### THE CHANGES

#### Merger and renaming dates

as detailed overleaf

**Share classes impacted** Multiple share classes, as detailed overleaf

#### THE FUND

**Name** JPMorgan Funds

**Legal form** SICAV

**Fund type** UCITS

**Registered office**

6 route de Trèves  
L-2633 Senningerberg, Luxembourg

**Phone** +352 3410-1

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- b) be renamed as a “dist” share class and your share class identifier will not change.

Registration number (RCS  
Luxembourg) B 8478  
Management Company JPMorgan  
Asset Management (Europe) S.à r.l.

Please refer to the timeline sections and lists of impacted “inc” share classes.

**A – Impact of mergers:** On the merger date, your shares in the “inc” share class will be exchanged automatically for shares in the “dist” share class within the same sub-fund. The merger will automatically be treated as a disposal in accordance with the UK tax rules. This merger will not alter your investment exposure and the value of your shares following the merger will be the same; however, you may receive a different number of shares in the “dist” share class.

- **On the merger date, and during the two business days prior to the merger date, you will not be able to subscribe for, switch or redeem shares in the “inc” share class. Subscriptions into launched “dist” share classes will not be subject to any restrictions.**
- **A merger statement will be sent to you within 10 days of the merger date.**

The term “merger” used in this letter is to be understood in accordance with article 21 of the Articles of Incorporation of JPMorgan Funds.

**B – Impact of renaming:** Your share class will be renamed “dist” but identifiers will be retained.

#### YOUR OPTIONS IF YOUR SHARE CLASS IS BEING RENAMED OR MERGED

- 1 If you are comfortable with the changes,** you do not need to take any action, however please note the impact of transition to UK Reporting Fund Status as outlined in this letter.
- 2 Switch your investment to another sub-fund.** We must receive your dealing instructions during the free switching out/redemption period indicated below. Be sure to read the Key Investor Information Document (KIID) for any sub-fund you are considering switching into, and for further information, the prospectus.
- 3 Redeem your investment.** We must receive your dealing instructions during the free switching out/redemption period indicated below.

**You may want to review these options with your tax adviser and your financial adviser.** All of these options could have tax consequences.

**Regardless of which option you choose, you will not be charged any redemption or switch fees** so long as we receive your dealing instructions before the deadline.

## Your Questions Answered

### Who will be impacted?

Those who qualify as a UK investor will be impacted by the change. You are a UK investor (“UK Investor”) for this purpose if you are an individual investor and you are required to complete a UK tax return.

UK corporate or overseas investors should consult their own tax advisers as to the implications of this change.

### How will this change in status impact me as a UK investor?

The transition to UK Reporting Fund Status will impact all UK Investors in two ways:

- It will introduce a new obligation on you to report your attributable share of the reportable income of the “dist” shares in your UK tax return on an annual basis. This may incur a tax payment on any income reported each year, depending on your overall tax position.
- If you wish to obtain a potential future tax benefit by virtue of a capital gains tax treatment when redeeming your investment in the “dist” shares, you will also need to decide whether to make a deemed disposal election as at 10 November 2017 in your tax return for the year ending 5 April 2018. Please Note that this bullet point is only relevant for share classes to be renamed. The merger will automatically be treated as a disposal for UK tax purposes so you need not make an election if your share class is merging.

### How do I calculate my share of the reportable income of the “dist” shares going forward?

For shares to successfully retain UK Reporting Fund Status they must calculate and “report” income (calculated in accordance with UK tax principles) each year to UK Investors so that they may include their share of the reportable income figure in their UK tax return for the relevant period. The reportable income attributable to the shares will be made available via the website: [www.jpmorganassetmanagement.com](http://www.jpmorganassetmanagement.com) within six months of the financial year end (30 June).

### What is the impact of making the deemed disposal election?

Please note that this question is only relevant for share classes to be renamed. The merger will automatically be treated as a disposal for UK tax purposes so you need not make an election if your share class is merging.

If you choose to make the deemed disposal election in your tax return, any capital gain arising from the period prior to 10 November 2017 will crystallise at this date and be subject to tax as income at your appropriate marginal income tax rate. Investors should be aware that past performance is not a guarantee of future performance and such crystallization may result in a tax payment on gains that are ultimately not realized.

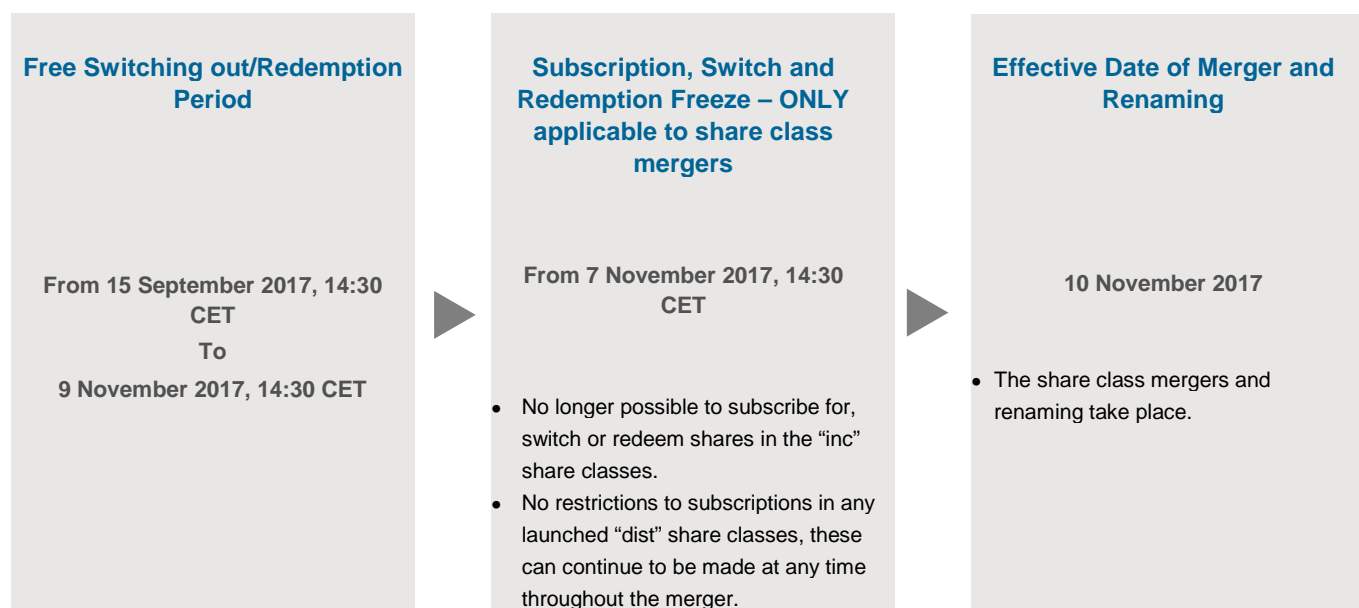
If you choose not to make the deemed disposal election you will not benefit from the lower capital gains tax rate upon disposal of any shares that have UK Reporting Fund Status and any such gains will be taxed as income at your marginal income tax rate. You will still be required to report your attributable share of the reportable income of the “dist” share in your UK tax return.

Please note that we cannot provide you with advice as to whether to make such an election. We strongly recommend that you seek your own professional tax advice in this respect.

### Can I elect for my shares not to be transitioned to UK Reporting Fund Status?

The transition to UK Reporting Fund Status will affect all UK Investors in the “dist” shares. If you do not want your shares to be transitioned to UK Reporting Fund Status and you do not want to declare your reportable income attributable to the “dist” shares on an annual basis, you will need to take option 2 or 3 under “Your options if your share class is being merged or renamed”.

## Timeline & List of Share Classes impacted by Mergers and Renaming



## Share Classes to be Merged

“inc” share class		Corresponding “dist” share class	
LU0958694324	JPM Aggregate Bond C (inc) - EUR (hedged)	LU0654526184	JPM Aggregate Bond C (dist) - EUR (hedged)
LU0905187984	JPM Emerging Markets Opportunities A (inc) - EUR	LU0776319500	JPM Emerging Markets Opportunities A (dist) - EUR
LU1278811036	JPM Emerging Markets Opportunities C (inc) - EUR	LU0847325916	JPM Emerging Markets Opportunities C (dist) - EUR
LU1216650934	JPM Emerging Markets Strategic Bond A (inc) - USD	LU1162085390	JPM Emerging Markets Strategic Bond A (dist) - USD
LU1216651668	JPM Emerging Markets Strategic Bond C (inc) - USD	LU1162085713	JPM Emerging Markets Strategic Bond C (dist) - USD
LU0289338195	JPM Euroland Equity A (inc) - EUR	LU0089640097	JPM Euroland Equity A (dist) - EUR
LU0289337205	JPM Europe Dynamic A (inc) - EUR	LU0119062650	JPM Europe Dynamic A (dist) - EUR
LU1303369497	JPM Europe Dynamic C (inc) - EUR	LU0822043773	JPM Europe Dynamic C (dist) - EUR
LU0248062357	JPM Global Convertibles (EUR) I (inc) - EUR	LU0973523722	JPM Global Convertibles (EUR) I (dist) - EUR
LU0815600217	JPM Global Corporate Bond A (inc) - EUR (hedged)	LU0790204860	JPM Global Corporate Bond A (dist) - EUR (hedged)
LU0851561018	JPM Global Corporate Bond I (inc) - EUR (hedged)	LU1568948183	JPM Global Corporate Bond I (dist) - EUR (hedged)
LU0822048814	JPM US Aggregate Bond C (inc) - USD	LU1120565483	JPM US Aggregate Bond C (dist) - USD
LU0973528796	JPM US Aggregate Bond I (inc) - USD	LU1504078004	JPM US Aggregate Bond I (dist) - USD

## Share Classes to be Renamed

“inc” share class		Corresponding “dist” share class
LU0554776046	JPM Africa Equity A (perf) (inc) - EUR	JPM Africa Equity A (perf) (dist) - EUR
LU0955580468	JPM Aggregate Bond A (inc) - EUR (hedged)	JPM Aggregate Bond A (dist) - EUR (hedged)
LU0875416900	JPM Diversified Risk C (inc) - EUR (hedged)	JPM Diversified Risk C (dist) - EUR (hedged)
LU0560335993	JPM Emerging Markets Corporate Bond A (inc) - EUR (hedged)	JPM Emerging Markets Corporate Bond A (dist) - EUR (hedged)
LU0908067001	JPM Emerging Markets Corporate Bond C (inc) - EUR (hedged)	JPM Emerging Markets Corporate Bond C (dist) - EUR (hedged)
LU1055431586	JPM Emerging Markets Corporate Bond X (inc) - EUR (hedged)	JPM Emerging Markets Corporate Bond X (dist) - EUR (hedged)
LU0072845869	JPM Emerging Markets Debt A (inc) - EUR (hedged)	JPM Emerging Markets Debt A (dist) - EUR (hedged)
LU0784324542	JPM Emerging Markets Debt A (inc) - USD	JPM Emerging Markets Debt A (dist) - USD
LU0951368009	JPM Emerging Markets Debt C (inc) - EUR (hedged)	JPM Emerging Markets Debt C (dist) - EUR (hedged)
LU0248063322	JPM Emerging Markets Debt I (inc) - EUR (hedged)	JPM Emerging Markets Debt I (dist) - EUR (hedged)
LU0862449773	JPM Emerging Markets Dividend A (inc) - EUR	JPM Emerging Markets Dividend A (dist) - EUR
LU0862450193	JPM Emerging Markets Dividend C (inc) - EUR	JPM Emerging Markets Dividend C (dist) - EUR
LU1009585974	JPM Emerging Markets Dividend X (inc) - EUR	JPM Emerging Markets Dividend X (dist) - EUR
LU0248044298	JPM Emerging Markets Equity I (inc) - EUR	JPM Emerging Markets Equity I (dist) - EUR
LU0235638946	JPM Emerging Markets Equity X (inc) - EUR	JPM Emerging Markets Equity X (dist) - EUR
LU0562246370	JPM Emerging Markets Investment Grade Bond A (inc) - EUR (hedged)	JPM Emerging Markets Investment Grade Bond A (dist) - EUR (hedged)
LU0562246701	JPM Emerging Markets Investment Grade Bond C (inc) - EUR (hedged)	JPM Emerging Markets Investment Grade Bond C (dist) - EUR (hedged)
LU0562247261	JPM Emerging Markets Investment Grade Bond I (inc) - EUR (hedged)	JPM Emerging Markets Investment Grade Bond I (dist) - EUR (hedged)
LU0332400315	JPM Emerging Markets Local Currency Debt A (inc) - EUR	JPM Emerging Markets Local Currency Debt A (dist) - EUR
LU0765280127	JPM Emerging Markets Local Currency Debt C (inc) - EUR	JPM Emerging Markets Local Currency Debt C (dist) - EUR
LU0332401479	JPM Emerging Markets Local Currency Debt I (inc) - EUR	JPM Emerging Markets Local Currency Debt I (dist) - EUR
LU1475049265	JPM Emerging Markets Local Currency Debt X (inc) - GBP	JPM Emerging Markets Local Currency Debt X (dist) - GBP
LU0318934295	JPM Emerging Markets Small Cap X (perf) (inc) - USD	JPM Emerging Markets Small Cap X (perf) (dist) - USD
LU1216650850	JPM Emerging Markets Strategic Bond A (inc) - EUR (hedged)	JPM Emerging Markets Strategic Bond A (dist) - EUR (hedged)
LU0953163366	JPM Emerging Markets Strategic Bond A (perf) (inc) - EUR (hedged)	JPM Emerging Markets Strategic Bond A (perf) (dist) - EUR (hedged)
LU0955580385	JPM Euro Aggregate Bond A (inc) - EUR	JPM Euro Aggregate Bond A (dist) - EUR
LU0958694167	JPM Euro Aggregate Bond C (inc) - EUR	JPM Euro Aggregate Bond C (dist) - EUR
LU0408877503	JPM Euro Government Short Duration Bond A (inc) - EUR	JPM Euro Government Short Duration Bond A (dist) - EUR
LU0893209766	JPM Europe Dividend Alpha I (inc) - EUR	JPM Europe Dividend Alpha I (dist) - EUR
LU0893210269	JPM Europe Dividend Alpha X (inc) - EUR	JPM Europe Dividend Alpha X (dist) - EUR
LU1176912175	JPM Europe Equity Absolute Alpha A (perf) (inc) - EUR	JPM Europe Equity Absolute Alpha A (perf) (dist) - EUR
LU0091079839	JPM Europe High Yield Bond A (inc) - EUR	JPM Europe High Yield Bond A (dist) - EUR
LU0846584216	JPM Europe High Yield Bond C (inc) - EUR	JPM Europe High Yield Bond C (dist) - EUR
LU1373242962	JPM Europe High Yield Bond I (inc) - EUR	JPM Europe High Yield Bond I (dist) - EUR
LU0248048364	JPM Europe Small Cap I (inc) - EUR	JPM Europe Small Cap I (dist) - EUR
LU0697243029	JPM Financials Bond A (inc) - EUR	JPM Financials Bond A (dist) - EUR
LU1039370512	JPM Global Absolute Return Bond A (inc) - EUR (hedged)	JPM Global Absolute Return Bond A (dist) - EUR (hedged)
LU1190949419	JPM Global Absolute Return Bond X (inc) - USD	JPM Global Absolute Return Bond X (dist) - USD
LU0053696067	JPM Global Aggregate Bond A (inc) - USD	JPM Global Aggregate Bond A (dist) - USD
LU1039371676	JPM Global Bond Opportunities A (inc) - EUR (hedged)	JPM Global Bond Opportunities A (dist) - EUR (hedged)
LU1628779172	JPM Global Corporate Bond Duration-Hedged A (inc) - EUR (hedged)	JPM Global Corporate Bond Duration-Hedged A (dist) - EUR (hedged)
LU0248033333	JPM Global Dynamic A (inc) - EUR	JPM Global Dynamic A (dist) - EUR
LU0861977311	JPM Global Dynamic C (inc) - EUR	JPM Global Dynamic C (dist) - EUR
LU0248051665	JPM Global Dynamic I (inc) - EUR	JPM Global Dynamic I (dist) - EUR
LU0897034418	JPM Global Healthcare A (inc) - EUR	JPM Global Healthcare A (dist) - EUR
LU0336377568	JPM Global Real Estate Securities (USD) A (inc) - EUR (hedged)	JPM Global Real Estate Securities (USD) A (dist) - EUR (hedged)
LU0336377303	JPM Global Real Estate Securities (USD) A (inc) - USD	JPM Global Real Estate Securities (USD) A (dist) - USD
LU1004473630	JPM Global Strategic Bond A (perf) (inc) - EUR (hedged)	JPM Global Strategic Bond A (perf) (dist) - EUR (hedged)
LU0325073103	JPM Highbridge Europe STEEP A (perf) (inc) - EUR	JPM Highbridge Europe STEEP A (perf) (dist) - EUR
LU0325074333	JPM Highbridge US STEEP A (perf) (inc) - EUR	JPM Highbridge US STEEP A (perf) (dist) - EUR
LU0683731151	JPM Income Opportunity Plus A (perf) (inc) - EUR (hedged)	JPM Income Opportunity Plus A (perf) (dist) - EUR (hedged)
LU0974360454	JPM Total Emerging Markets Income A (inc) - EUR	JPM Total Emerging Markets Income A (dist) - EUR
LU0117838564	JPM US Aggregate Bond A (inc) - USD	JPM US Aggregate Bond A (dist) - USD
LU0854844197	JPM US Equity Plus I (inc) - EUR	JPM US Equity Plus I (dist) - EUR