

**JPMorgan Funds**  
**Société d'Investissement à Capital Variable**  
**Registered Office: European Bank and Business Centre, 6 route de Trèves,**  
**L-2633 Senningerberg, Grand Duchy of Luxembourg**  
**R.C.S. Luxembourg B 8478**

Luxembourg, 7 November 2011

Dear Investor,

**Changes to JPMorgan Funds (the “Fund”)**

I am writing on behalf of the Board of Directors (the “Board”) to inform you of changes being made to certain sub-funds (each a “Sub-Fund”) and to the Fund’s prospectus (the “Prospectus”). Please carefully review the information contained in this letter.

**1. Changes to Dividend Policy**

The Board has decided to revise the description of the Fund’s dividend policy in order to clarify the factors that determine the dividend rate for each Share Class. As such the relevant sections of the Prospectus will be amended as follows:

**“Share Classes suffixed “(dist)” and suffixed “(inc)”**

It is intended that all those Share Classes with the suffix “(dist)” will meet the conditions to qualify as “reporting” for the purposes of the United Kingdom tax legislation relating to offshore funds, and will, if appropriate, pay dividends which at least meet the greater of the reportable income under that legislation or the taxable earnings from investments in accordance with the German Investment Tax Act. See sections “7. United Kingdom” and “2. Germany” in “Appendix I – Information for Investors in Certain Countries” for further details.

It is intended that all those Share Classes with the suffix “(inc)” will, if appropriate, pay dividends equal to or in excess of the taxable earnings from investments in accordance with the German Investment Tax Act. See section “2. Germany” in “Appendix I – Information for Investors in Certain Countries” for further details.

Unless otherwise stated in “Appendix III - Sub-Fund Details”, payment of dividends on these Share Classes will normally be made in September of each year.

Share Classes with the suffix “(dist)” or “(inc)” in issue at the dividend record date will be eligible for any dividends, which will normally be reinvested. Shareholders in these Share Classes may elect in writing to receive a dividend payment, in which case payment will normally be made in the currency of the relevant Share Class.

**Dividends to be reinvested will be reinvested on behalf of Shareholders in additional Shares of the same Share Class. Such Shares will be issued on the payment date at the Net Asset Value per Share of the relevant Share Class. Fractional entitlements to registered Shares will be recognised to three decimal places.**

#### **Share Classes suffixed "(div)"**

**Unless otherwise stated in "Appendix III - Sub-Fund Details", Share Classes with the suffix "(div)" will normally pay quarterly dividends which are calculated by the Management Company based on the estimated annual yield of the relevant Sub-Fund's portfolio which is attributable to that Share Class. The Management Company will review the dividend rate for each Share Class at least semi-annually, but may adjust the dividend rate more frequently to reflect changes in the portfolio's expected yield.**

**Investors should be aware that "(div)" Share Classes give priority to dividends, rather than to capital growth. The expected yield for each Share Class will be calculated gross of both the Annual Management and Advisory Fee and the Operating and Administrative Expenses, and such Share Classes will typically distribute more than the income received.**

**Share Classes with the suffix "(div)" in issue at the dividend record date will be eligible for any dividends, which will normally be paid in the currency of the relevant Share Class.**

#### **Share Classes suffixed "(mth)"**

**Share Classes with the suffix "(mth)" will only be available to investors subscribing, and remaining subscribed, through specific Asian distribution networks.**

**Share Classes with the suffix "(mth)" will normally pay dividends on a monthly basis. The monthly dividend rate per Share will be calculated by the Management Company based on the estimated annual yield of the relevant Sub-Fund's portfolio which is attributable to that Share Class. The Management Company will review the dividend rate for each Share Class at least semi-annually, but may adjust the dividend rate more frequently to reflect changes in the portfolio's expected yield.**

**Investors should be aware that "(mth)" Share Classes give priority to dividends, rather than to capital growth. The expected yield for each Share Class will be calculated gross of both the Annual Management and Advisory Fee and the Operating and Administrative Expenses, and such Share Classes will typically distribute more than the income received.**

**Dividend payments for these Share Classes will normally be made to Shareholders each month in the currency of the relevant Share Class. The Management Company reserves the right to fix a minimum amount per Share Class, below which the actual payment of the dividend would not be economically efficient for the Fund. These payments will be deferred to the following month or reinvested in further Shares of the same Share Class and not paid directly to the Shareholders.**

**The Net Asset Value of "(mth)" Share Classes may fluctuate more than other Share Classes due to more frequent distribution of income."**

Consequently, the following Share Classes will be renamed in accordance with the revised Prospectus language above:

<b>From</b>	<b>To</b>
<b>JPM Emerging Markets Local Currency Debt D (inc) - EUR</b>	<b>JPM Emerging Markets Local Currency Debt D (div) - EUR</b>
<b>JPM Global Corporate Bond D (inc) - EUR (hedged)</b>	<b>JPM Global Corporate Bond D (div) - EUR (hedged)</b>
<b>JPM Global Credit Bond D (inc) - EUR (hedged)</b>	<b>JPM Global Credit Bond D (div) - EUR (hedged)</b>
<b>JPM Global Strategic Bond D (inc) - EUR (hedged)</b>	<b>JPM Global Strategic Bond D (div) - EUR (hedged)</b>
<b>JPM Emerging Markets Local Currency Debt T (inc) - EUR</b>	<b>JPM Emerging Markets Local Currency Debt T (div) - EUR</b>
<b>JPM Global Corporate Bond T (inc) - EUR (hedged)</b>	<b>JPM Global Corporate Bond T (div) - EUR (hedged)</b>
<b>JPM Global Credit Bond T (inc) - EUR (hedged)</b>	<b>JPM Global Credit Bond T (div) - EUR (hedged)</b>
<b>JPM Global Strategic Bond T (inc) - EUR (hedged)</b>	<b>JPM Global Strategic Bond T (div) - EUR (hedged)</b>

The proposed amendments to the “(dist)”, “(inc)”, “(div)” and “(mth)” Share Classes above will not alter the way in which the dividend rate is calculated for each Share Class and the tax status of these Share Classes (where applicable) will remain unchanged.

## **2. JPMorgan Funds – Brazil Equity Fund**

The Board has decided to remove the performance fee of the JPMorgan Funds – Brazil Equity Fund. Therefore with effect from 18 August 2011 the performance fee of this Sub-Fund was no longer accrued. This amendment has been reflected in the Fund’s Prospectus.

There will be no changes to other fees relating to this Sub-Fund and this amendment will not affect the way this Sub-Fund is being managed.

## **3. JP Morgan Funds – US Technology Fund**

With effect from 1 October 2011 the benchmark for this Sub-Fund was changed to the BofA Merrill Lynch 100 Technology Price Index.

There has been no change in the way in which the Sub-Fund is managed.

## **4. General Prospectus amendments**

The Board would like to draw investors’ attention to a number of Prospectus changes resulting from the entry into force of the Law of 17 December 2010 (the “2010 Law”) which adopts the provisions of the revised EU Directive 2009/65/EC on collective investment undertakings (“UCITS IV Directive”). Where appropriate, any references to Directive 85/611 of 20 December 1985 (as amended) or to the Luxembourg law of 20 December 2002 relating to collective investment undertakings have been replaced with references to the UCITS IV Directive and to the 2010 Law respectively.

**Should you have any questions about the changes made 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 "B May". The signature is written in a cursive style with a vertical line extending downwards from the end of the name.

**Berndt May  
Director**