

ADDENDUM

THIS ADDENDUM SETS OUT THE CHANGES TO BE MADE IN THE COMBINED SCHEME INFORMATION DOCUMENT (“SID”) AND COMBINED KEY INFORMATION MEMORANDUM (“KIM”) OF THE FOLLOWING SCHEMES OF JM FINANCIAL MUTUAL FUND (THE “MUTUAL FUND”)

Investors are hereby informed that the Trustees of the Mutual Fund have approved the introduction of an additional option i.e. Bonus Option under the following Schemes of the Mutual Fund:

Sr. No.	Name of the Scheme(s)	Options currently available under each Plan i.e. Normal and Direct
1	JM Arbitrage Advantage Fund	a) Dividend b) Growth
2	JM Balanced Fund	a) Dividend b) Growth
3	JM MIP Fund	a) Dividend – Monthly Dividend b) Dividend – Quarterly Dividend c) Dividend – Annual Dividend d) Growth

Besides the above options, Bonus Option will also be available for subscription in the above mentioned Schemes with effect from June 30, 2014 under the Normal and Direct Plans.

Applicability of Net Asset Value (NAV) and allotment of units under the Bonus Option:

Units will be allotted for valid applications received before cut – off time (subject to provisions on realization of funds) under Bonus Option of the respective Plan i.e. Normal Plan/Direct Plan at the NAV of the corresponding Plan under the Growth Option on the dates of investment(s) in respective Schemes. Thereafter, separate NAVs will be calculated and published for Bonus Option in that Plan. Eg: If transaction is received under the Bonus Option in the Normal/Direct Plan on June 30, 2014, then the transaction will be processed at the applicable NAV of the Growth Option in the Normal/Direct Plan on the date of investment in the respective Plan i.e. at the NAV applicable for transactions received on June 30, 2014 (subject to adherence to cut-off timings).

Based on the introduction of the Bonus Option, the Combined SID of the Equity schemes, along with the aforesaid points, shall also include the following:

a) Definition of Bonus Unit:

'Bonus Unit' means a fully paid up unit issued by capitalising a part of the amount available as distributable surplus.

b) Bonus Policy:

- i) Under Bonus Option, the bonus units may be declared at the discretion of the Trustees, from time to time, based on the availability of distributable surplus, on the record date.
- ii) Bonus units will be issued by capitalizing net distributable surplus and the amount standing to the credit of the distributable reserves of the Bonus Option of the Scheme, as on the said record date.
- iii) In terms of SEBI Circular dated March 18, 2008, Bonus units shall not be subject to entry and exit load.

Investors are advised to consult their tax advisor to understand the tax implications for subscribing/ redeeming in the units of Bonus Option of the aforesaid Schemes.

This addendum forms an integral part of the SID and KIM of the aforesaid Schemes. All other terms and conditions of the SID and KIM remain unchanged.

Bhanu Katoch

Chief Executive Officer

Place : Mumbai

JM Financial Asset Management Limited

Date : June 24, 2014

(Investment Manager to JM Financial Mutual Fund)

For further details, please contact :

Corporate Office : JM Financial Asset Management Limited

(Formerly known as JM Financial Asset Management Private Limited)

502, 5th Floor, 'A' Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (E), Mumbai - 400051.

Corporate Identity Number: U65991MH1994PLC078879. • Tel. No.: (022) 6198 7777

• Fax No.: (022) 2652 8388. • E-mail: investor@jmfl.com • Website : www.jmfinancialmf.com

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.