

ADDENDUM

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

Investors are hereby informed that JM Financial Trustee Company Pvt. Ltd. (the “Trustee of JM Financial Mutual Fund”) have approved the following changes to be carried out in the below mentioned equity schemes of the Mutual Fund:

a) Re – allocation of Responsibilities among the Equity Fund Managers of the Mutual Fund:

Currently, the equity schemes of the Mutual Fund are managed by Mr. Chaitanya Choksi, Mr. Sanjay Chhabaria and Mr. Asit Bhandarkar.

Pursuant to the re-allocation of responsibilities, the following equity schemes will be managed by:

Sr. No.	Name of the Scheme	Fund Manager
1.	JM Arbitrage Advantage Fund	Mr. Asit Bhandarkar, Mr. Sanjay Chhabaria and Mr. Chaitanya Choksi
2	JM Core 11 - Fund	Mr. Asit Bhandarkar and Mr. Chaitanya Choksi
3	JM Tax Gain Fund	Mr. Sanjay Chhabaria and Mr. Chaitanya Choksi
4	JM Equity Fund	

b) Introduction of Annual Bonus Option in JM Balanced Fund and JM Arbitrage Advantage Fund:

Currently, JM Balanced Fund and JM Arbitrage Advantage Fund have the following options available for subscription:

Name of the Schemes	Existing Options	Proposed Options
JM Balanced Fund	<ul style="list-style-type: none"> • Dividend Option • (Direct) - Dividend Option • Growth Option • (Direct) - Growth Option • Bonus Option • (Direct) – Bonus Option 	<ul style="list-style-type: none"> • Dividend Option • (Direct) - Dividend Option • Growth Option • (Direct) - Growth Option • Bonus Option • (Direct) – Bonus Option • Annual Bonus Option • (Direct) – Annual Bonus Option
JM Arbitrage Advantage Fund	<ul style="list-style-type: none"> • Dividend Option • (Direct) - Dividend Option • Growth Option • (Direct) - Growth Option • Bonus Option • (Direct) – Bonus Option 	<ul style="list-style-type: none"> • Dividend Option • (Direct) - Dividend Option • Growth Option • (Direct) - Growth Option • Bonus Option • (Direct) – Bonus Option • Annual Bonus Option • (Direct) – Annual Bonus Option

The Annual Bonus Option will be available for subscription in JM Balanced Fund and JM Arbitrage Advantage Fund with effect from August 1, 2014 under the Normal and Direct Plans.

Bonus units will be issued by capitalizing net distributable surplus and the amount standing to the credit of the distributable reserves of the Annual Bonus Option of the Scheme, as on the said record date.

However, the Schemes do not assure any targeted annual return/income nor any capitalization ratio.

The actual declaration of Bonus and ratio of Bonus Units and frequency thereof will, inter-alia, depend on availability of amount to the credit of reserves and /or availability of distributable surplus, calculated in accordance with SEBI (Mutual Funds) Regulations, 1996 and will be at the sole discretion of Trustees and the decision of Trustees shall be final in this regard.

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

Units will be allotted for valid applications received before cut – off time (subject to provisions on realization of funds) under Annual 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 effective date, in respective Schemes. Thereafter, separate NAVs will be calculated and published for Annual Bonus Option in that Plan and Annual Bonus Option shall be available for subscription/redemption at NAV based prices on all business days.

If no subscription is received in Annual Bonus Option in any of the Plan(s) under the Schemes on the effective date, then in such case, for subscriptions received after the effective date in Annual Bonus Option, the NAV of corresponding Growth option under respective Plan(s) of the Schemes will be applicable, based on time of receipt of application and availability of funds for utilization by the Schemes (as applicable).

Allotment of Bonus units, if any, will not impact the total value of units held but would only increase number of units held by investor. Pursuant to allotment of Bonus Units, the NAV of units under the respective Bonus option would fall in proportion to bonus units allotted.

In terms of SEBI circular dated March 18, 2008, units issued as bonus units will not be subject to exit load.

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

All other provisions of the SID/KIM of the above mentioned Schemes of the Mutual Fund remain unchanged.

This addendum shall form an integral part of the SID/KIM of all the said Schemes of the Mutual Fund, as amended from time to time.

Bhanu Katoch

Chief Executive Officer

Place : Mumbai

JM Financial Asset Management Limited

Date : July 25, 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@jmfml.com • Website : www.jmfinancialmf.com

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

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