

JM FINANCIAL MUTUAL FUND

NOTICE**JM FIXED MATURITY FUND - SERIES XVI - YEARLY
PLAN 1 (JM FMF - XVI - Y1)**

(Close - ended income funds offering fixed maturity plans)

An offer for units @ Rs.10/- each during the multiple New Fund Offer ("NFO") period.

Investment Objectives :

JM FMF - XVI - Y1 : A close ended income scheme comprising various plans seeking to generate regular returns through investments in fixed income securities normally maturing in line with the time profile of the respective plan.

NFO periods:

JM FMF - XVI - Y1 : **NFO commences on** : 29th September, 2009
NFO closes on : 27th October, 2009

Investment Sub-Plans / Options : (1) Regular (2) Institutional. Investors are requested to indicate their preference while investing in the Scheme. In case an investor fails to specify his preference of the sub-plan, he shall be deemed to have opted as under

- if the investment amount is less than Rs. 5 lacs, the default option would be the Regular Plan and
- if the investment amount is equal to and more than Rs. 5 lacs, the default option would be the Institutional Plan.

Each Plan under the Scheme offers investors two investment options :

1. Dividend option
2. Growth option

In case an investor fails to specify his preference as to investment option, he shall be deemed to have opted to select the Growth Option.

Investors are requested to indicate their preference while investing in the plan / sub-plan. Investors have the choice of dividend payout or reinvestment under dividend option. In case an investor fails to specify his preference, he shall be deemed to have opted to select the Dividend Reinvestment Option.

Asset Allocation Pattern :

The asset allocation of the yearly plan would be as under:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	
Short term debt securities (including fixed income derivatives and securitized debt*)	100	0	Low to Medium
Government securities/ Money market instruments	100	0	Low to Medium

* Allocation in securitized debt securities will not, normally exceed 80% of the net assets of the respective Plans.

Securitized debt will not include foreign securitized debt.

Investments under the plans shall primarily be in securities, excluding foreign securities, which have the maturity date falling in line with the maturity date of the respective plans. Any deviations from the asset allocation pattern would be only for defensive considerations and will be rebalanced within the time frame as specified in the Regulations.

The Trustee may, from time to time, pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme, invest the funds of the Scheme in shortterm deposits of scheduled commercial banks subject to compliance with SEBI Circular SEBI/IMD/CIR No.1/ 91171 /07 dated April 16,2007 as amended by SEBI Circular SEBI/IMD/ CIR No.7/129592/08 dated June 23, 2008.

Minimum Application Amount: Regular : Minimum Rs. 5,000/- per Option. **Institutional :** Minimum Rs. 5,00,000/- per Option and in multiple of any amount thereafter. There is no upper limit for investment.

Load structure during NFO and for ongoing redemptions :

JM FMF - XVI - Y1 : Entry Load - There will be no entry load for investing in the various plans under the Scheme.

Exit Load - Since the plan will be listed on the stock exchange, no exit load will be charged.

Listing: Units of the scheme are proposed to be listed on the National Stock Exchange of India (NSE).

Dematerialization: The unitholders are given an option to hold the Units by way of an account statement (physical form) or in dematerialized form (Demat). The Units of the Schemes will be traded compulsorily in dematerialized form.

Bhanu Katoch

Chief Executive Officer

Place : Mumbai

JM Financial Asset Management Private Limited

Date : September 28, 2009

(Investment Managers to JM Financial Mutual Fund)

For further details, please contact :

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 E-Mail: investor@jmfincial.in • Website : www.jmfincialmfm.com

Statutory Details : Trustee : JM Financial Trustee Company Private Limited. **Investment Manager :** JM Financial Asset Management Private Limited. **Sponsor :** JM Financial Limited.

Risk Factors: Mutual fund investments are subject to market risks and there is no assurance or guarantee that the objectives of the scheme will be achieved. As with any investment in securities, the Net Asset Value (NAV) of the units issued under the Scheme can go up or down depending on the factors and forces affecting the capital markets. Past performance of the Sponsor / AMC / Schemes of JM Financial Mutual Fund does not indicate the future performance of the schemes of JM Financial Mutual Fund. The sponsor is not responsible or liable for any loss resulting from the operation of the fund beyond the initial contribution made by it of an amount of Rupees One lac towards setting up of the Mutual Fund, which has been invested in JM Equity Fund. Each individual plan under the Scheme (at Portfolio level) should have a minimum number of 20 investors and no single investor should account for more than 25% of its corpus immediately after the close of the NFO i.e. at the time of allotment. JM Fixed Maturity Fund - Series XVI is only the name of the scheme and does not in any manner indicate either the quality of the scheme or its future prospects or returns. Investors in the Scheme are not being offered any guaranteed / indicative returns. Please see "Risk Factors", "Scheme Specific Risk Factors and Special Consideration" and "Right to limit redemptions" in the Scheme Information Document & Statement of Additional Information. Please refer the Scheme Information Document & Statement of Additional Information of the Scheme, which can be obtained free of cost from any of the JM Financial Mutual Fund Investor Service Centres or Distributors. **Investors should read the Scheme Information Document & Statement of Additional Information carefully before investing.**

It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the SID has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the SID. The investors are advised to refer to the SID for the full text of the "Disclaimer Clause of NSE".