

Notice of Sub-fund Merger

Summary

This section outlines key information relating to the merger as it concerns you as a shareholder. Further information is contained in the Detailed Sub-fund Comparison that follows as well as in the relevant prospectus and KIIDs.

KEY FACTS

Your sub-fund	• JPMorgan Investment Funds – Global Total Return Fund
Receiving sub-fund (sub-fund your sub-fund is merging into)	• JPMorgan Investment Funds – Global Capital Appreciation Fund
Merger date	• 25 October 2013
Background and reasons for merger	• Your sub-fund has experienced weak performance and we do not believe its equity focused approach to total return investing will attract significant market interest. As a result, we believe there are limited prospects of future asset growth in the strategy.

IMPACT

Key differences in investment policy between your sub-fund and the receiving sub-fund	<ul style="list-style-type: none"> • Both sub-funds seek to achieve a return in excess of cash, however their investment policies differ in how they seek to achieve their returns. • Your sub-fund invests primarily in a concentrated portfolio of equity securities globally, whereas the receiving sub-fund is a multi-asset strategy investing in a range of asset classes globally. • The net market exposure of both sub-funds will vary depending on market conditions; however, your sub-fund may hold net short positions which will not typically exceed 20% of your sub-fund's assets. • The receiving sub-fund may vary exposure to different asset classes significantly and as a result may have concentrated exposure to certain markets, sectors or currencies from time to time.
--	--

Potential benefits

- The merger will give you the opportunity to invest in a sub-fund that has historically experienced superior performance¹ and has the prospect of stronger growth in assets in the future.
- The ongoing charge for all the share classes of the receiving sub-fund will be lower than your sub-fund. Charges of the receiving sub-fund can be found in the Detailed Sub-Fund Comparison.
- In addition, the merger aims to provide a simplified product range for shareholders that allows for more efficient use of fund management, operational and administrative resources by eliminating overlapping investment strategies.

Potential drawbacks

- Certain one-time expenses associated with the merger will be borne by your sub-fund. These include costs associated with trading and transferring your sub-fund's assets.
- On the merger date, and during the two business days before that, you will not be able to subscribe for, switch or redeem shares in your sub-fund.

Other considerations

- As the merger date approaches, your sub-fund may adjust its portfolio so that it resembles that of the receiving sub-fund. This may cause your sub-fund to deviate from its investment policy prior to the merger.
- Your sub-fund will not bear any additional legal, advisory or administrative costs associated with the merger.
- Performance information for your sub-fund and the receiving sub-fund can be found in the relevant KIID or factsheet which is available from the document library at www.jpmorganassetmanagement.com.

TIMELINE

2:30 p.m. CET, 22 October 2013	<ul style="list-style-type: none"> • You may switch out or redeem shares in your sub-fund free of charge before this cut-off time. After this cut-off time, you will not be able to subscribe for, switch or redeem shares in your sub-fund.
25 October 2013, after close of business	<ul style="list-style-type: none"> • The merger transaction occurs. All the assets, liabilities and any accrued income in your sub-fund will be transferred to the receiving sub-fund, and your sub-fund will cease to exist. • Your shares are exchanged free of charge for shares in the equivalent share class of the receiving sub-fund, based on the net asset value per share in effect that day for both sub-funds. The calculation of the exchange ratio will be audited and documented in the Company auditor's merger report, which will be available to you upon request. • The value of the shares you own in your sub-fund and the new shares you receive in the receiving sub-fund will be the same but you may receive a different number of shares.

¹ Past performance is not a guide to future performance.

28 October 2013

• As an investor in the receiving sub-fund, you can switch and redeem your new shares and subscribe for additional shares in the receiving sub-fund.

Detailed Sub-fund Comparison

This table compares the relevant KIID language for your sub-fund with that of the receiving sub-fund. The table indicates where KIID language is the same between the sub-funds and where it is different. Unless stated otherwise, terms in this table have the same meaning as in the relevant prospectus.

	JPMorgan Investment Funds – Global Total Return Fund	JPMorgan Investment Funds – Global Capital Appreciation Fund
GENERAL INFORMATION		
Benchmark	BBA 1 Month EUR LIBOR	BBA 1 Month EUR LIBOR
End of Financial Year	31 December	31 December
Investment company	JPMorgan Investment Funds	JPMorgan Investment Funds
Date of Annual General Meeting of shareholders	Last Friday of April at 12.00 noon (or, if such day is not a business day in Luxembourg, on the next following business day).	Last Friday of April at 12.00 noon (or, if such day is not a business day in Luxembourg, on the next following business day).
Base currency	Euro (EUR)	Euro (EUR)

OBJECTIVES AND INVESTMENT POLICIES

Language that is Different Between Sub-funds

The Sub-Fund aims to achieve a return in excess of its cash benchmark over an economic cycle by investing primarily in a concentrated portfolio of companies globally, using financial derivative instruments where appropriate.

The Sub-Fund will primarily invest, either directly or through the use of financial derivative instruments, in a concentrated portfolio of equity securities. Issuers of these securities may be located in any country, including emerging markets.

The Sub-Fund may hold, directly or through the use of financial derivative instruments, gross positions of up to 190% of its net assets. The net market exposure of long and short positions will vary depending on market conditions but will not typically exceed net short 20% and net long 100%.

The Sub-Fund is opportunistic and may at times invest up to 100% of its assets in cash and cash equivalents until suitable investment opportunities can be identified.

EUR is the reference currency of the Sub-Fund but assets may be denominated in other currencies. However a substantial part of the assets of the Sub-Fund will be denominated in or hedged into EUR.

The Sub-Fund aims to achieve capital appreciation in excess of its cash benchmark by investing primarily in securities, globally, using financial derivative instruments where appropriate.

The Sub-Fund will primarily invest in equity securities, commodity index instruments, convertible securities, debt securities, deposits with credit institutions and money market instruments. Issuers of these securities may be located in any country, including emerging markets.

The Sub-Fund may invest in below investment grade and unrated debt securities.

The Sub-Fund has a flexible approach to asset allocation and may use both long and short positions (achieved through the use of financial derivative instruments) to vary exposure to different asset classes and markets in response to market conditions and opportunities. Allocations may vary significantly and exposure to certain markets, sectors or currencies may be concentrated from time to time.

The Sub-Fund may invest in assets denominated in any currency and currency exposure may be hedged.

Language that is the Same in Both Sub-funds

The Sub-Fund may invest in financial derivative instruments to achieve its investment objective. Such instruments may also be used for the purposes of hedging.

The Sub-Fund may not be appropriate for investors who plan to withdraw their money within five years.

RISK AND REWARD CATEGORY

Category 5	Category 6
Measured on a 7-point scale, where Category 1 indicates lower risk (but is not risk-free) and lower potential reward and Category 7 indicates higher risk and higher potential reward.	

RISK FACTORS

Language that is Different Between Sub-funds

Because the Sub-Fund is aggressively managed, volatility may be high as the Sub-Fund may take larger position sizes, may have high turnover of holdings and at times may have a significant exposure to certain areas of the market.	No comparable language in the receiving sub-fund
The value of debt securities may change significantly depending on economic and interest rate conditions as well as the credit worthiness of the issuer.	The value of debt securities may change significantly depending on economic and interest rate conditions as well as the credit worthiness of the issuer. These risks are typically increased for emerging market and below investment grade debt securities.
Emerging markets may be subject to less developed custody and settlement practices, higher volatility and lower liquidity than non emerging markets.	Emerging markets may be subject to less developed custody and settlement practices, higher volatility and lower liquidity than non emerging markets and investment grade securities.
No comparable language in your sub-fund	The value of securities in which the Sub-Fund invests may be influenced by movements in commodity prices which can be very volatile.
No comparable language in your sub-fund	Convertible bonds are subject to the credit, interest rate and market risks stated above associated with both debt and equity securities and to risks specific to convertible securities. Convertible bonds may also be subject to lower liquidity than the underlying equity securities.
No comparable language in your sub-fund	The Sub-Fund may be concentrated in, and have net long or net short exposure to, industry sectors, markets and/or currencies. As a result, the Sub-Fund may be more volatile than more broadly diversified funds.

Language that is the Same in Both Sub-funds

The value of your investment may fall as well as rise and you may get back less than you originally invested.

The value of equity securities may go down as well as up in response to the performance of individual companies and general market conditions.

The value of financial derivative instruments can be volatile and may result in losses in excess of the amount invested by the Sub-Fund.

Short selling may be subject to changes in regulations and losses from short positions may be unlimited.

Movements in currency exchange rates can adversely affect the return of your investment. The currency hedging that may be used to minimise the effect of currency fluctuations may not always be successful.

Further information about risks can be found in the KIID and prospectus.

CHARGES

Charges that are Different Between Sub-funds

Ongoing Charge	A: 1.65%; B:1.00%; C: 0.80%; D:2.65%; I: 0.76% Max.; Y: 0.15% Max.; X: 0.15% Max.	A: 1.45%; B:0.95%; C:0.75%; D: 2.15%; I: 0.71% Max.; Y: 0.10% Max.; X: 0.10% Max.
-----------------------	--	--

Charges that are the Same in Both Sub-funds

Maximum Entry Charge	A: 5.00%; B: Nil; C: Nil; D: 5.00%; I: Nil; Y:Nil; X: Nil
Maximum Exit Charge	A: 0.50%; B: Nil; C: Nil; D: 0.50%; I: Nil; Y:Nil; X: Nil
Maximum Switching Charge	1.00%
Performance Fee	10%

Next Steps

To Exchange Your Shares as Part of the Merger

No action is necessary. All shares that you hold in your sub-fund as of the merger date will automatically be exchanged for shares in the receiving sub-fund.

To Switch or Redeem Some or All of Your Shares

Your switch or redemption request should be received prior to 2.30 p.m. CET on 22 October 2013 by your usual local representative or the Management Company. The redemption and switch charge that may be applicable will be waived. All other switch and redemption conditions in the prospectus still apply.

To Get More Information

The Company auditor's merger report, the prospectus and the latest annual and semi-annual reports are available free of charge upon request from the Registered Office of the Company.