

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

Address\_1  
Address\_2  
Address\_3  
Address\_4  
Address\_5  
Address\_6

Luxembourg, 2 August 2013

Dear Shareholder,

I am writing to let you know about the merger of a sub-fund in which you own shares. This merger was identified as part of a comprehensive, strategic review of the overall J.P. Morgan Asset Management fund range, with the aim of simplifying and improving the offering, ensuring that shareholders have access to a broadly diversified and innovative product range.

This notice provides important information you will want to know, including the reason for and details of the merger (which will be carried out in accordance with applicable Luxembourg law(s)), the date of the merger, how it will affect you and the choices you have. Also attached is the relevant Key Investor Information Document ("KIID") that describes the sub-fund you will be invested in after the merger.

Your shares will be exchanged automatically for shares in another sub-fund as described in this notice. You will be sent a merger statement within 10 days of the merger taking place confirming the number and price of the new shares you have received. If you do not want your shares to be exchanged, you may switch to a different sub-fund or redeem your investment free of charge.

We recommend that you read this document carefully and that you seek tax and investment advice as appropriate before making a final decision.

**Any questions? J.P. Morgan Asset Management are happy to respond.** Please contact us, your usual local representative or the Management Company (JPMorgan Asset Management (Europe) S.à r.l.) at the address above.

Yours faithfully,



Berndt May  
For the Board of Directors

# 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 prospectuses and KIIDs.

## KEY FACTS

<b>Your sub-fund</b>	• JPMorgan Funds — Asia Pacific ex-Japan Equity Fund
<b>Receiving sub-fund (sub-fund your sub-fund is merging into)<sup>1</sup></b>	• JPMorgan Funds — Asia Pacific ex-Japan Behavioural Finance Equity Fund
<b>Merger date</b>	• 13 September 2013
<b>Name of the receiving sub-fund after the merger<sup>1</sup></b>	• JPMorgan Funds — Asia Pacific Strategic Equity Fund
<b>Background and reasons for merger</b>	• The merger was identified with the purpose of consolidating overlapping investment strategies.

## IMPACT

<b>Key differences in investment policy between your sub-fund and the receiving sub-fund</b>	<ul style="list-style-type: none"> <li>• Your sub-fund is aggressively managed, meaning it may take larger position sizes, may have high turnover of holdings and at times may have significant exposure to certain areas of the market.</li> </ul>
<b>Potential benefits</b>	<ul style="list-style-type: none"> <li>• The merger will give you the opportunity to invest in a sub-fund that has historically experienced superior performance<sup>2</sup> and has the prospect of stronger growth in assets in the future.</li> <li>• 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.</li> </ul>
<b>Potential drawbacks</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
<b>Other considerations</b>	<ul style="list-style-type: none"> <li>• As the merger date approaches, your sub-fund will gradually adjust its portfolio so that it closely matches that of the receiving sub-fund. This may cause your sub-fund to deviate from its investment policy on a temporary basis prior to the merger.</li> <li>• Charges of the receiving sub-fund will be the same or lower than your sub-fund.</li> <li>• Your sub-fund will not bear any additional legal, advisory or administrative costs associated with the merger.</li> <li>• In order to accommodate the merger, the interim dividend for the "(dist)" and "(inc)" Share Classes of your sub-fund which is normally declared and paid in September will take place earlier. It is expected that the dividend will be paid on 03 September 2013 to all shareholders invested in these Share Classes on 19 August 2013. The price of these Share Classes will be quoted ex-dividend as from 20 August 2013.</li> </ul>

## TIMELINE

<b>2:30 p.m. CET 10 September 2013</b>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
<b>13 September 2013, after close of business</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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 is available to you upon request.</li> <li>• 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..</li> </ul>
<b>16 September 2013</b>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>

<sup>1</sup> The receiving sub-fund will be renamed the JPMorgan Funds – Asia Pacific Strategic Equity Fund on 13 September 2013.

<sup>2</sup> Past performance is not a guide to future performance.

## 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 Funds – Asia Pacific ex-Japan Equity Fund	JPMorgan Funds – Asia Pacific Strategic Equity Fund
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### GENERAL INFORMATION

<b>Benchmark</b>	MSCI All Country Asia Pacific ex Japan Index (Total Return Net)	MSCI All Country Asia Pacific ex Japan Index (Total Return Net)
<b>End of Financial Year</b>	30 June	30 June
<b>Investment company</b>	JPMorgan Funds	JPMorgan Funds
<b>Date of Annual General Meeting of shareholders</b>	Third Wednesday of November at 3.00 p.m. (or, if such day is not a business day in Luxembourg, on the next following business day).	Third Wednesday of November at 3.00 p.m. (or, if such day is not a business day in Luxembourg, on the next following business day).
<b>Base currency</b>	US Dollar (USD)	US Dollar (USD)

### OBJECTIVES AND INVESTMENT POLICIES

#### Language that is Different Between Sub-funds

No comparable language in your sub-fund	The Sub-Fund uses an active investment process that is based on systematic investment in equity securities with specific style characteristics, such as value and momentum, that are associated with long-term outperformance caused by the impact of psychological factors on stock markets.
The Sub-Fund may invest in assets denominated in any currency and currency exposure may be hedged.	The Sub-Fund may invest in assets denominated in any currency although currency exposure will not generally be hedged.

#### Language that is the Same in Both Sub-funds

The Sub-Fund aims to provide long-term capital growth by investing primarily in companies in the Asia Pacific Basin (excluding Japan).

At least 67% of the Sub-Fund's assets (excluding cash and cash equivalents) will be invested in equity securities of companies that are domiciled in, or carrying out the main part of their economic activity in, an Asia Pacific Basin country (excluding Japan).

Certain countries in the Asia Pacific Basin may be considered emerging market countries.

The Sub-Fund may use financial derivative instruments for the purposes of hedging and efficient portfolio management.

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

### RISK AND REWARD CATEGORY

**Category 7 for all share classes of your sub-fund**

**Category 7 for all share classes of the receiving sub-fund**

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 Sub-Fund may be concentrated in industry sectors and/or countries and as a result, may be more volatile than more broadly diversified funds.	No comparable language in the receiving sub-fund
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.	Movements in currency exchange rates can adversely affect the return of your investment.

### 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.

Emerging markets may be subject to less developed custody and settlement practices, high volatility and lower liquidity than non emerging markets.

The Sub-Fund may invest in securities of smaller companies which may be less liquid, more volatile and tend to carry greater financial risk than securities of larger companies.

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

## CHARGES

### Charges that are Different Between Sub-funds

<b>Ongoing Charge</b>	C: 1.00%; I: 0.96% Max.; X: 0.20% Max.	C: 0.95%; I: 0.91% Max.; X: 0.15% Max.
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### Charges that are the Same in Both Sub-funds

<b>Maximum Entry Charge</b>	A: 5.00%; B: Nil; C: Nil; D: 5.00%; I: Nil; X: Nil
<b>Maximum Exit Charge</b>	A: 0.50%; B: Nil; C: Nil; D: 0.50%; I: Nil; X: Nil
<b>Maximum Switching Charge</b>	1.00%
<b>Ongoing Charge</b>	A: 1.90%; B: 1.15%; D: 2.65%;
<b>Performance Fee</b>	None

## 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 10 September 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.