

## **STOCK EXCHANGE ANNOUNCEMENT**

### **JPMORGAN AMERICAN INVESTMENT TRUST PLC**

#### **CHANGE TO INVESTMENT MANAGEMENT FEE ARRANGEMENTS**

Legal Entity Identifier: 549300QNAI4XRPEB4G65

Information disclosed in accordance with the Market Abuse Regulations

The Board of JPMorgan American Investment Trust plc announces that, following a review, the Company's investment management fee arrangements with JPMorgan Funds Limited ('JPMF') will change.

With effect from 1st October 2017, the annual investment management fee, currently 50bps of total assets less current liabilities, with no tiering, will be charged at an annual rate as detailed below:

- 35bps on the first £500 million of net assets;
- 30bps on net assets in excess of £500 million and up to £1 billion; and
- 25bps on any net assets above £1 billion.

All other elements of the Company's fee arrangements remain as they are today:

- the performance fee participation rate remains at 10 per cent. and is calculated on the difference between the cum-income debt at par NAV total return and the total return of the S&P 500 Index, both in sterling terms; and
- any performance fee earned continues to be spread over 3 years; and
- the total performance fee payable in any one year is capped at 25bps of net assets (with any excess carried forward until paid or offset by any future underperformance); and
- the performance fee deficit of £3,339,696 at 31st December 2016 remains in place; and
- management fees are charged 80 per cent., and performance fees 100 per cent., to the capital account.

The Chairman, Kevin Carter said:

“At the publication of the Company's Annual Results in respect of the year ended 31st December 2016, and at the Company's Annual General Meeting on 11th May 2017, my predecessor, Sarah Bates, highlighted that the Board was resolved to produce an investment offering and fee structure for the Company which was attractive and sustainable for shareholders. Over the past years we have taken the initiative, establishing a more robust gearing approach and latterly working with our manager, Garrett Fish, and JPMF to look at improvements to the investment process, which are now being incorporated into the management of the portfolio.

The Board and JPMF have subsequently worked together constructively to structure an investment management fee arrangement that takes into account a range of factors, principally our obligations to the Company's shareholders to ensure they receive good value investment management, but also the short and longer term implications of the Company's positioning in the market place. The Board and JPMF have worked proactively and cooperatively in this regard.

We both believe strongly that this new fee structure allows the Company to retain its competitive position against both Exchange Traded Funds ('ETFs') and other quant and smart beta products, while continuing to pursue a core active management strategy with an improved investment process."

For further information, please contact:

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For and on behalf of

JPMorgan Funds Limited – Company Secretary

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via Regulatory Information Service this inside information is now considered to be in the public domain.