

IMPORTANT: This letter requires your immediate attention. If you have any questions about the content of this letter, you should seek independent professional advice.

2 March 2016

Dear Investor,

Liquidation of JPMorgan Funds – Asia Local Currency Debt Fund (the “Sub-Fund”)

We are writing to inform you that the Board of Directors (the “Board”) of JPMorgan Funds (the “Fund”) has decided to liquidate the Sub-Fund.

The Board has taken this decision because the size of the Sub-Fund is relatively small and the Board does not see strong prospects for future growth. The Board therefore believes it is not in the best interest of shareholders to continue with the Sub-Fund to operate in an economically efficient manner, according to article 21 of the consolidated articles of incorporation of the Fund dated 16 February 2011. As at 31 January 2016, the size of the Sub-Fund was approximately USD22.0 million and the total expense ratio was approximately 1.0%. The total expense ratio represents the annual management and advisory fee plus operating and administrative expenses as a percentage of the Sub-Fund’s average net asset value.

The liquidation date is 8 April 2016. From the date of this letter, the Sub-Fund is no longer allowed to be marketed to the public in Hong Kong and further subscriptions and switching into the Sub-Fund, including through the Regular Investment Plan and eScheduler will not be accepted.

Given this decision, we would like to offer you the opportunity to switch your current holding in the Sub-Fund, free of charge¹, into any other funds which are managed by JPMorgan Funds (Asia) Limited or for which it acts as Hong Kong representative and which are authorised by the Securities and Futures Commission (the “SFC”) from 2 March 2016 to 8 April 2016. Details of such funds (including the relevant offering documents) can be found at our website www.jpmorganam.com.hk². SFC authorisation is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of a fund or its performance. It does not mean the fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

We do hope you will take advantage of this opportunity to switch your investment. If, however, you would prefer to redeem your holding in the Sub-Fund, you may do so up to and including 8 April 2016, on or before 6:00 p.m. (Hong Kong time). No redemption charge is applied. Your investment remaining in the Sub-Fund after such date will be liquidated automatically and proceeds would

¹ Please note that although we will not impose any charges in respect of your switching instructions, your bank, distributor or financial adviser may charge you switching and/or transaction fees. You are advised to contact your bank, distributor or financial adviser should you have any questions.

² The website has not been reviewed by the SFC.

normally be paid within one month after the liquidation date using the methods described under the “Redemptions” section in the latest Hong Kong Offering Document.

Costs of the liquidation, estimated to be approximately USD11,500, will be borne by the Management Company (JPMorgan Asset Management (Europe) S.à r.l.). There are no unamortised preliminary expenses in relation to the Sub-Fund.

As there may be potential tax consequences to any redemption, switching or realisation, we recommend that you obtain independent tax advice before making your decision to redeem, switch or realise your holding in the Sub-Fund.

The Management Company accepts responsibility for the accuracy of the content of this letter.

Copies of the Hong Kong Offering Document, Product Key Fact Statement and other documents of the Sub-Fund are available for inspection free of charge during normal working hours at our office.

If you have any questions regarding the contents of this letter, please do not hesitate to contact:

- your bank or financial adviser;
- our Intermediary Hotline on (852) 2978 7788;
- our Intermediary Clients’ Hotline on (852) 2265 1000; or
- if you normally deal directly with us, our J.P. Morgan Funds InvestorLine on (852) 2265 1188.

Yours faithfully,
For and on behalf of
JPMorgan Funds (Asia) Limited
As Hong Kong Representative of the Fund



Eddy Wong
Head of Funds Business, Hong Kong & China Retail