

# A Message from Your Fund's Board

Dear Shareholder,

This is to notify you that the JPMorgan Liquidity Funds – EUR Liquidity VNAV Fund, in which you own shares (the “Merging Sub-Fund”), will be merged into the JPMorgan Liquidity Funds – EUR Standard Money Market VNAV Fund (the “Receiving Sub-Fund”).

***This merger will not have any negative effect on the value, costs, or performance of your investment.***

**You have three options that are explained below.**

Please take a moment to review the important information below. If you still have questions, please contact us at the registered office or your local representative.



Jacques Elvinger *For and on behalf of the Board*

## Sub-Fund merger – option to take action ends 27<sup>th</sup> October 2022 at 14.00 Luxembourg time

### Reason for merger

The Board is optimising the JPMorgan Liquidity Funds range in order to drive efficiencies through consolidating or restructuring certain sub-funds with limited prospects for growth in future.

The Board believes that the Merging Sub-Fund has limited prospects for growth in the future and it would be in the shareholders' interests to merge it into a more flexible fund with stronger growth potential as described further below under “Potential benefits”.

### THE MERGER

**Merger date** 28 October 2022

**Deadline for receipt of switch/redemption orders** 27 October 2022 at 14.00 Luxembourg time.

**Your Sub-Fund (the Merging Sub-Fund)** JPMorgan Liquidity Funds – EUR Liquidity VNAV Fund

**Receiving Sub-Fund (sub-fund into which your Sub-Fund will be merging)** JPMorgan Liquidity Funds – EUR Standard Money Market VNAV Fund

### THE FUND

**Name** JPMorgan Liquidity Funds

**Legal form** SICAV

**Fund type** UCITS Money Market Fund

**Registered office**

6 route de Trèves

L-2633 Senningerberg, Luxembourg

### YOUR OPTIONS

**1 Take no action. Your shares will automatically be exchanged for shares of the Receiving Sub-Fund.** Any shares of your Sub-Fund that you still own after the deadline will be exchanged for accumulating shares of the Receiving Sub-Fund. **Please note that distributing shares will not be available in the Receiving Sub-Fund** and if you hold a distributing share class in the Merging Sub-Fund any accrued dividends of that distributing share class for the year 2022 will be paid to you at the effective date of the merger.

**2 Switch your investment to another sub-fund.** We must receive your dealing instructions by the deadline shown in the right-hand column. Be sure to read the Key Investor Information Document (KIID) for any sub-fund you are considering switching into, and for further information, the prospectus.

**3 Redeem your investment.** We must receive your dealing instructions by the deadline shown in the right-hand column.

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Registration number (RCS  
Luxembourg) B 25148

Management Company JPMorgan  
Asset Management (Europe) S.à r.l.

**You may want to review these options with your tax adviser and your financial adviser.** All options could have tax consequences. In addition, please note that the rate of the subscription tax (*taxe d'abonnement*) applicable to the Receiving Sub-Fund or the relevant share classes thereof may differ from the rate currently applicable to the Merging Sub-Fund or the relevant share classes thereof.

**Regardless of which option you choose, you will not be charged any redemption or switch fees.**

*A merger statement will be mailed to you within 10 days of the merger date. Additional information, including the company auditor's merger report, KIID, prospectus and most recent financial reports of both sub-funds are available at [www.jpmorganassetmanagement.lu](http://www.jpmorganassetmanagement.lu) or from the registered office. An electronic copy of this notice is available on the website: [www.jpmorganassetmanagement.lu](http://www.jpmorganassetmanagement.lu).*

## Merger timeline and impact

This section outlines key information relating to the merger. Further information is contained in the detailed sub-fund comparison that follows as well as in the relevant prospectus and KIIDs. **We advise you to read carefully the KIID of the Receiving Sub-Fund which is enclosed with this letter.**

### Key Dates

**27th October 2022 at 14.00 Luxembourg time**

Deadline for receiving all dealing instructions.

**28th October 2022**

Merger occurs; shares exchanged.

**31st October 2022**

New shares available for dealing.

When the merger transaction occurs, all assets, liabilities and any income in your Sub-Fund will be transferred to the Receiving Sub-Fund, and your Sub-Fund will cease to exist.

All shares remaining in your Sub-Fund at the merger date 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 exchange ratio used to determine the number of shares to be allocated in the Receiving Sub-Fund is calculated by dividing the respective net asset value per share of each share class in your Sub-Fund by the net asset value per share of the share class of the Receiving Sub-Fund, both exceptionally rounded to 6 decimal places for the purposes of the merger. The exchange ratio is rounded to 6 decimal places. The calculation of the exchange ratio will be validated and documented in the merger report prepared by the company auditors that 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.**

## Impact

### Key differences in investment policy between your Sub-Fund and the Receiving Sub-Fund

Your Sub-Fund is a Short-Term Variable Net Asset Value ("VNAV") Money Market Fund whereas the Receiving Sub-Fund, also a VNAV, is a Standard Money Market Fund with longer weighted average maturity ("WAM") and weighted average life ("WAL").

Your Sub-Fund has a WAM of up to 60 days, whereas the Receiving Sub-Fund will have a WAM of no more than 6 months. The initial or remaining maturity of each debt security will increase from a maximum of 397 days in your Sub-Fund to no more than 2 years with a 397 day reset at the time of purchase in the Receiving Sub-Fund. The WAL will increase from 120 days in your Sub-Fund to 12 months in the Receiving Sub-Fund.

The Receiving Sub-Fund may invest in units or shares of other Money Market Funds while your Sub-Fund may not.

The Receiving Sub-Fund may use financial derivative instruments for the purpose of hedging the interest rate or exchange rate risks inherent in its other investments whereas the use of derivatives is not permitted in your Sub-Fund. As the Receiving Sub-Fund uses derivatives, its global exposure will be measured using the commitment approach by taking into account either the market value of an equivalent position in the underlying asset or the derivative's notional value, as appropriate.

The Receiving Sub-Fund uses a benchmark, ICE BofA 3-Month German Treasury Bill Index as a point of reference against which the performance of the Receiving Sub-Fund may be measured whereas your Sub-Fund does not refer to an index.

Debt securities in the Receiving Sub-Fund have a long-term rating of at least "BBB" and a short-term rating of at least "A-2", by a rating agency such as Standard & Poor's, while your Sub-Fund's debt securities are rated at least "A" and at least "A-1" as long-term rating and short-term rating, respectively.

The Receiving Sub-Fund aims to maintain an "AA" rating or equivalent and the Merging Sub-Fund aims to maintain a "AAA" rating or equivalent, in each case, such rating assigned by at least one rating agency.

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**Potential benefits**

The merger will provide more investment flexibility such as the ability to use derivatives for hedging and longer WAM and WAL compared to your Sub-Fund. This enhanced investment flexibility should provide better prospects for generating incremental yield, while still remaining under the EU money market fund regulatory framework.

Your Sub-Fund's assets have declined over recent years, signaling less demand for this type of Short-Term VNAV vehicle. The merger will result in enhanced scale and investors may therefore benefit from increased liquidity and reduced investor concentration. Reduced investor concentration provides more flexibility for investors to continue subscribing who may have been restricted from topping up their holdings in the Merging Sub-Fund due to regulatory rules in relation to liquidity management.

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**Potential drawbacks**

One-time expenses associated with transaction costs will be borne by your Sub-Fund

On the merger date, you will not be able to subscribe for, switch or redeem shares in your Sub-Fund.

The increased WAM and WAL of the Receiving Sub-Fund may increase duration and credit risk.

There will be no distributing share class and consequently no same day redemption or subscription settling share classes available in the Receiving Sub-Fund. All share classes will settle on the valuation day after subscription / redemption requests.

As indicated above under section "Key differences in investment policy between your Sub-Fund and the Receiving Sub-Fund", the rating of the portfolio of the Receiving Sub-Fund is lower than the one of the Merging Sub-Fund.

While your Sub-Fund is fully invested in assets denominated in EUR, the minimum portion of assets denominated in EUR in the Receiving Sub-Fund's portfolio equals 67% of the Receiving Sub-Fund's assets.

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**Other considerations**

Your Sub-Fund will not bear any additional legal, advisory or administrative costs associated with the merger. These will be borne by the Management Company.

As the portfolio of your Sub-Fund closely resembles that of the Receiving Sub-Fund, no significant rebalancing of the assets will be required in preparation for 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 [jpmorganassetmanagement.lu](http://jpmorganassetmanagement.lu).

Although the structural features in your Sub-Fund and the Receiving Fund vary in terms of the WAM and the WAL, the conservative nature of the investment strategy and the rigorous approach to credit risk is unlikely to have any negative impact on your investment and the liquidity requirements remain unchanged.

The SRRI rating remains the same.

## Sub-fund comparison

This table compares the relevant information for your Sub-Fund with that of the Receiving Sub-Fund. Unless stated otherwise, terms in this table have the same meaning as in the relevant prospectus.

- **Information that appears in a box** is information that is particular to the sub-fund named at the top of that column.
- **Information that crosses both columns** is information that is the same for both sub-funds.

### Your Sub-Fund

#### JPMorgan Liquidity Funds – EUR Liquidity VNAV Fund

### The Receiving Sub-Fund

#### JPMorgan Liquidity Funds – EUR Standard Money Market VNAV Fund

Investments and Risks	
<b>Investment Objectives</b>	<p>The Sub-Fund seeks to achieve a return in the Reference Currency in line with prevailing money market rates whilst aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity.</p>
<b>Investment Policy</b>	<p>The Sub-Fund will invest its assets in short-term EUR-denominated Debt Securities and deposits with credit institutions and Reverse Repurchase Agreements.</p> <p>The Sub-Fund may have exposure to investments with zero or negative yields in adverse market conditions.</p> <p>The weighted average maturity of the Sub-Fund's investments will not exceed 60 days and the initial or remaining maturity of each Debt Security will not exceed 397 days at the time of purchase.</p> <p>In addition to receiving a favourable assessment of their credit quality pursuant to the Management Company's Internal Credit Procedures, Debt Securities with a long-term rating will be rated at least "A" and Debt Securities with a short-term rating will be rated at least "A-1" by Standard &amp; Poor's or otherwise similarly rated by another independent rating agency.</p> <p>The Sub-Fund may also invest in unrated Debt Securities of comparable credit quality to those specified above.</p> <p>The Investment Manager seeks to evaluate whether environmental, social and governance factors could have a material positive or negative impact on the cash flows or risk profiles of many issuers in which the Sub-Fund may invest. These determinations may not be conclusive and securities of issuers which may be negatively impacted by such factors may be purchased and retained by the Sub-Fund while the Sub-Fund may divest or not invest in securities of issuers which may be positively impacted by such factors.</p> <p>The Sub-Fund aims to maintain a "AAA" rating, or equivalent, assigned by at least one rating agency.</p>
	<p>The Sub-Fund seeks to achieve a return in the Reference Currency in excess of Euro money markets whilst aiming to preserve capital consistent with prevailing money market rates, and maintain a high degree of liquidity.</p> <p>The Sub-Fund will invest its assets in Debt Securities and deposits with credit institutions.</p> <p>The Sub-Fund may have exposure to investments with zero or negative yields in adverse market conditions.</p> <p>The weighted average maturity of the Sub-Fund's investments will not exceed 6 months and the initial or remaining maturity of each Debt Security will not exceed 2 years with a 397 day reset at the time of purchase.</p> <p>In addition to receiving a favourable assessment of their credit quality pursuant to the Management Company's Internal Credit Procedures, Debt Securities with a long-term rating will be rated at least "BBB" and Debt Securities with a short-term rating will be rated at least "A-2" by Standard &amp; Poor's or otherwise similarly rated by another independent rating agency.</p> <p>The Sub-Fund may also invest in unrated Debt Securities of comparable credit quality to those specified above.</p> <p>The Sub-Fund may invest in units or shares of other Money Market Funds. The Sub-Fund may also use Reverse Repurchase Agreements.</p> <p>At least 67% of the assets of the Sub-Fund will be denominated in EUR, however the Sub-Fund may invest in assets denominated in any currency and non-EUR exposure will be hedged into EUR.</p> <p>The Sub-Fund may use financial derivative instruments for the purpose of hedging the interest rate or exchange rate risks inherent in other investments of the Sub-Fund.</p> <p>The Investment Manager seeks to evaluate whether environmental, social and governance factors could have a material positive or negative impact on the cash flows or risk profiles of many issuers in which the Sub-Fund may invest. These determinations may not be conclusive and securities of issuers which may be negatively impacted by such factors may be purchased and retained by the Sub-Fund while the Sub-Fund may divest or not invest in securities of issuers which may be positively impacted by such factors.</p> <p>The Sub-Fund aims to maintain a "AA" rating, or equivalent, assigned by at least one rating agency.</p>

**Risk and reward category**

All classes: category 1

*Note: risk is 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**

The Sub-Fund's objective may not be achieved in adverse market conditions and Shareholders may get back less than they originally invested.

In adverse market conditions, the Sub-Fund may invest in zero or negative yielding securities which will have an impact on the return of the 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. Issuers Debt Securities may fail to meet payment obligations or the credit rating of Debt Securities may be downgraded.

The credit worthiness of unrated Debt Securities is not measured by reference to an independent credit rating agency.

The counterparty of Reverse Repurchase Agreements may fail to meet its obligations which could result in losses to the Sub-Fund.

The Sub-Fund's objective may not be achieved in adverse market conditions and Shareholders may get back less than they originally invested.

In adverse market conditions, the Sub-Fund may invest in zero or negative yielding securities which will have an impact on the return of the 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. Issuers of Debt Securities may fail to meet payment obligations or the credit rating of Debt Securities may be downgraded.

The credit worthiness of unrated Debt Securities is not measured by reference to an independent credit rating agency.

The counterparty of Reverse Repurchase Agreements may fail to meet its obligations which could result in losses to the Sub-Fund.

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

**Benchmark**

The Sub-Fund is actively managed without reference or performance comparison to a benchmark

ICE BofA 3-Month German Treasury Bill Index

The benchmark is a point of reference against which the performance of the Sub-Fund may be measured. The Sub-Fund is actively managed.

**Reference currency**

Euro

**Charges**

**Subscription and Charges**

No subscription charges are applied by the Management Company but minimum subscription amounts apply.

**Redemption and Charges**

There is no redemption charge applicable to the Merging or Receiving Sub-Fund.

**Expenses**

Share Classes	Expenses		
Share Class	Annual Total Expenses	Annual Management and Advisory Fees	Operating and Administrative Expenses
C	0.21%	0.16%	0.05%
E	0.11%	0.06%	0.05%
B	0.45%	0.40%	0.05%
D	0.65%	0.45%	0.20%
A	0.55%	0.40%	0.15%
R	0.21%	0.16%	0.05%
W	0.16%	0.11%	0.05%
Institutional	0.21%	0.16%	0.05%
G	0.11%	0.06%	0.05%
Capital	0.16%	0.11%	0.05%
Agency	0.25%	0.20%	0.05%
Premier	0.45%	0.40%	0.05%
Morgan	0.59%	0.50%	0.09%
Reserves	0.79%	0.70%	0.09%

These percentages are calculated on the basis of the average net assets of the relevant Share Class.

The table below shows the current active share classes in the JPMorgan Liquidity Funds – EUR Liquidity VNAV Fund and the equivalent share class in the JPMorgan Liquidity Funds – EUR Standard Money Market VNAV Fund into which they will be merged:

Sub-Fund	Merging Sub-Fund (active share classes)	Receiving Sub-Fund post-merger share classes
Share Classes	JPM EUR Liquidity VNAV A (acc.)	JPM EUR Standard Money Market VNAV A (acc.)
	JPM EUR Liquidity VNAV B (acc.)	JPM EUR Standard Money Market VNAV B (acc.)
	JPM EUR Liquidity VNAV C (acc.)	JPM EUR Standard Money Market VNAV C (acc.)
	JPM EUR Liquidity VNAV D (acc.)	JPM EUR Standard Money Market VNAV D (acc.)
	JPM EUR Liquidity VNAV E (acc.)	JPM EUR Standard Money Market VNAV E (acc.)
	JPM EUR Liquidity VNAV R (acc.)	JPM EUR Standard Money Market VNAV R(acc.)
	JPM EUR Liquidity VNAV W (acc.)	JPM EUR Standard Money Market VNAV W (acc.)
	JPM EUR Liquidity VNAV X (acc.)	JPM EUR Standard Money Market VNAV X (acc.)
	JPM EUR Liquidity VNAV X (flex dist.)	JPM EUR Standard Money Market VNAV X (acc.)

## Structure

<b>End of financial year</b>	30 November
<b>Investment company</b>	JPMorgan Liquidity Funds
<b>Date of annual general meeting of shareholders</b>	Last Friday of the month in April, or, if any such day is not a bank business day in Luxembourg, on the next following bank business day.

## NEXT STEPS

**To exchange your shares for shares of the Receiving Sub-Fund:** no action is necessary. All shares that you hold in your Sub-Fund at the merger date will automatically be exchanged.

**To switch or redeem some or all of your shares:** send dealing instructions as you normally do, or directly to the registered office (contact details on page 1).

Note that all other switch and redemption conditions and restrictions in the prospectus still apply, even during the period when switch and redemption fees, if applicable, are waived.

**For more information:** you can request free copies of the common draft terms of merger, auditor's merger report, the prospectus, the latest financial reports and KIIDs by emailing a request to [requests@jpmorganliquidityfundssicav.com](mailto:requests@jpmorganliquidityfundssicav.com) or by writing to the registered office (contact details on page 1).

## Key Dates

**27<sup>th</sup> October 2022, 14.00 Luxembourg time**

Deadline for receiving all dealing instructions.

**28<sup>th</sup> October 2022**

Merger occurs; shares exchanged.

**31<sup>st</sup> October 2022**

New shares available for dealing instructions.

**German Shareholders:** *The merger is intended to be tax neutral in accordance with article 23 of the German Investment Tax Act.*