

# A Message from Your Fund's Board

Dear Shareholder,

This is to notify you that the JPMorgan Liquidity Funds - USD Treasury VNAV Fund, in which you own shares (the "Merging Sub-Fund") will be merged into the JPMorgan Liquidity Funds - USD Treasury CNAV Fund (the "Receiving Sub-Fund") (the "Merger"). Simultaneously, the JPMorgan Liquidity Funds - USD Government LVNAV Fund will also be merging into the Receiving Sub-Fund, ("Merger 2") and shareholders of this LVNAV fund are being informed of Merger 2 separately.

***This Merger and Merger 2 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 15.00 New York 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 the larger Receiving Sub-Fund which has stronger growth potential.

The Merger will provide enhanced scale and investors may therefore benefit from increased liquidity and reduced investor concentration as described further below under "Potential benefits".

### THE MERGER

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

**Deadline for receipt of switch/redemption orders** 27<sup>th</sup> October 2022 at 15.00 New York time.

**Your Sub-Fund (the Merging Sub-Fund)** JPMorgan Liquidity Funds - USD Treasury VNAV Fund

**Receiving Sub-Fund (sub-fund into which your Sub-Fund will be merging)** JPMorgan Liquidity Funds – USD Treasury CNAV 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

**Phone** +352 34 10 1

**Fax** +352 3410 8855

### 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 shares of the Receiving Sub-Fund.
- 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.

Registration number (RCS Luxembourg) B 25148

**You may want to review these options with your tax adviser and your financial adviser.** All options could have tax consequences.

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

**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 15.00 New York 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 each Sub-Fund. 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 Variable Net Asset Value Money Market Fund ("VNAV") while the Receiving Sub-Fund is a Constant Net Asset Value Fund ("CNAV"). The permitted investments of VNAVs include any government or non-government eligible assets. The Receiving Sub-Fund, as a CNAV, is required to hold 99.5% in government issued or guaranteed assets, reverse repurchase agreements secured with government issued or guaranteed assets, and cash. (Eligible Assets are more fully described in the Prospectus for the JPMorgan Liquidity Funds).

The Merging Sub-Fund differs from the Receiving Sub-Fund with respect to the daily and weekly regulatory required liquidity thresholds and currently has lower thresholds for liquidity (7.5% for Daily Liquid Assets and 15% for Weekly Liquid Assets), but once the merger is complete, the portfolio will need to reach the respective 10% and 30% thresholds as currently applicable to the Receiving Sub-Fund.

The net asset value per share of your Sub-Fund, which is a VNAV money market fund, is calculated in accordance with the Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds as may be amended or replaced from time to time (the "MMF Regulation") and rounded to the nearest basis point or its equivalent. A VNAV money market fund offers subscriptions or redemptions at a price equal to the fund's net asset value per share. The value is calculated by subtracting the liabilities of the fund from the market value of its assets and is stated on a per share basis. A VNAV can be calculated for both

distributing and accumulating share classes and when calculated for distributing share classes it is not deemed stable and in principle fluctuates daily.

A CNAV money market fund calculates subscription and redemption prices at constant net asset value, meaning that it aims to preserve a stable value (such as \$1) per share at which investors either subscribe or redeem. The net asset value of the assets held by a CNAV money market fund can be subject to fluctuation resulting in a situation in which the market value of a share may not always equal the stable value per share (i.e. \$1). To address this, a CNAV money market fund employs amortised costs to value its assets and is considered to have more stable value.

On the Effective Date, the Merging Sub-Fund will be merged into the Receiving Sub-Fund, which is a CNAV money market fund, and its net asset value per share will be calculated in accordance with the MMF Regulation for public debt CNAV money market funds, and rounded to the nearest percentage point or its equivalent. A CNAV can be calculated for both distributing and accumulating share classes and is deemed stable when calculated for distributing.

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**Potential  
benefits**

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.

As a CNAV, the Receiving Sub-Fund benefits from ratings from all nationally recognized statistical rating organisations (NRSRO). An NRSRO is a credit agency approved by the U.S. Securities and Exchange Commission, (such as Moody's, Fitch and S&P), to provide information that certain financial firms will need to rely on for regulatory purposes.

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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.

Although the investment objectives and policies are consistent between the Merging and Receiving Sub-Funds, the permitted assets for investment, under the regulatory rules, are more restrictive in the Receiving Sub-Fund as described above under the key differences. Accordingly, the Receiving Sub-Fund has no flexibility to amend its investment policy to pursue non-government issuers.

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**Other  
considerations**

The Merging 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).

There are specific rules that apply to the Receiving Sub-Fund that do not apply to your Sub-Fund including liquidity fees on redemptions to ensure that remaining Shareholders in the Receiving Sub-Fund are not unfairly disadvantaged; and the application of redemption gates that limit redemptions on any one valuation day to a maximum of 10% of shares in the Receiving Sub-Fund for up to 15 days.

Your Sub-Fund and the Receiving Sub-Fund follow a similar investment process, so there will be efficiencies of scale.

The cut-off time for the Receiving Sub-Fund is later than for the Merging Sub-Fund.

Instead of 3.00 p.m. latest (New York time), the cut-off time in the Receiving Sub-Fund for both accumulating and distributing share classes is 5.00 p.m. (New York time).

The SRRI will remain unchanged

## 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 – USD Treasury VNAV Fund	The Receiving Sub-Fund JPMorgan Liquidity Funds – USD Treasury CNAV Fund
<b>Investments and Risks</b>		
<b>Investment Objectives</b>	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.	
<b>Investment Policy</b>	<p>The Sub-Fund will invest its assets in short-term US Treasury Debt Securities (including Treasury notes and Treasury bills) and Reverse Repurchase Agreements. Such Reverse Repurchase Agreements will be fully collateralised by US Treasury Debt Securities.</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 US Treasury Debt Security will not exceed 397 days at the time of purchase.</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>	
<b>Risk and reward category</b>	<p>All classes: category 1</p> <p><i>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.</i></p>	
<b>Risk factors</b>	<p>The Sub-Fund's objective may not be achieved in adverse market conditions and Shareholders may get back less than they originally invested.</p> <p>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.</p> <p>The value of US Treasury Debt Securities may change significantly depending on economic and interest rate conditions as well as the credit worthiness of the issuer. Issuers of US Treasury Debt Securities may fail to meet payment obligations or the credit rating of US Treasury Debt Securities may be downgraded.</p> <p>The credit worthiness of unrated US Treasury Debt Securities is not measured by reference to an independent credit rating agency.</p> <p>The counterparty of Reverse Repurchase Agreements may fail to meet its obligations which could result in losses to the Sub-Fund.</p>	<p>The Sub-Fund's objective may not be achieved in adverse market conditions and Shareholders may get back less than they originally invested.</p> <p>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.</p> <p>The value of US Treasury Debt Securities may change significantly depending on economic and interest rate conditions as well as the credit worthiness of the issuer. Issuers of US Treasury Debt Securities may fail to meet payment obligations or the credit rating of US Treasury Debt Securities may be downgraded.</p> <p>The credit worthiness of unrated Debt Securities is not measured by reference to an independent credit rating agency.</p> <p>The counterparty of Reverse Repurchase Agreements may fail to meet its obligations which could result in losses to the Sub-Fund.</p>

<b>Benchmark</b>	The Sub-Funds are actively managed without reference or performance comparison to a benchmark.
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<b>Reference currency</b>	US Dollars.
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### Charges

<b>Subscription and Charges</b>	<b>No subscription charges are applied by the Management Company but minimum subscription amounts apply.</b>
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<b>Redemption and Charges</b>	<b>There is no redemption charge applicable to the Merging or Receiving Sub-Fund.</b>
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Expenses	Share Classes for each of the Merging and the Receiving Sub-Funds	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 – USD Treasury VNAV Fund and the equivalent share class in the JPMorgan Liquidity Funds – USD Treasury CNAV 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 USD Treasury VNAV A (acc.)	JPM USD Treasury CNAV A (acc.)
	JPM USD Treasury VNAV C (acc.)	JPM USD Treasury CNAV C (acc.)
	JPM USD Treasury VNAV Capital (acc.)	JPM USD Treasury CNAV Capital (acc.)
	JPM USD Treasury VNAV D (acc.)	JPM USD Treasury CNAV D (acc.)
	JPM USD Treasury VNAV E (acc.)	JPM USD Treasury CNAV E (acc.)
	JPM USD Treasury VNAV Institutional (acc.)	JPM USD Treasury CNAV Institutional (acc.)
	JPM USD Treasury VNAV X (dist.)	JPM USD Treasury CNAV X (dist.)

### 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, 15.00 New York 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.*