

# A Message from Your Fund's Board

Dear Shareholder,

This is to notify you of changes that we propose to make to the JPMorgan Liquidity Funds - GBP Liquidity VNAV Fund, in which you own shares (the "Sub-Fund"). The changes involve restructuring the Sub-Fund from a Short-Term Money Market Fund with a variable net asset value ("VNAV") to a Standard Money Market Fund with a VNAV and renaming the Sub-Fund as JPMorgan Liquidity Funds - GBP Standard Money Market VNAV Fund (the "Sub-Fund Restructured") (the "Restructure").

***This Restructure 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 changes – option to take action ends 28<sup>th</sup> October 2022 at 13.00 London time

### Reason for the restructure

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 your Sub-Fund has limited prospects for growth in the future and it would be in the shareholders' interests to restructure it into a Standard Money Market Fund which is a more flexible fund structure with stronger growth potential as described further below under "Potential benefits".

### THE RESTRUCTURE

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

**Deadline for receipt of switch/redemption orders** 28<sup>th</sup> October 2022 at 13.00 London time.

**Your Sub-Fund (the Sub-Fund)**  
JPMorgan Liquidity Funds - GBP Liquidity VNAV Fund

**Your Sub-Fund will be restructured and renamed to:** JPMorgan Liquidity Funds – GBP 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

**Phone** +352 34 10 1

**Fax** +352 3410 8855

### YOUR OPTIONS

- 1 If you are comfortable with the changes, you do not need to take any action . Please note that distributing shares will not be available in the Sub-Fund Restructured** and if you hold a distributing share class in your Sub-Fund your shares will become equivalent accumulating shares and any accrued dividends of that distributing share class for the year 2022 will be paid to you at the effective date of the Restructure.
- 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

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

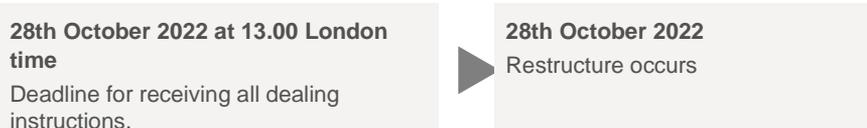
**You may want to review these options with your tax adviser and your financial adviser.** All options could have tax consequences. In addition, please note that the rate of the subscription tax (*taxe d'abonnement*) applicable to the Sub-Fund Restructured or the relevant share classes thereof may differ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

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

*Additional information, including the, KIID, prospectus and most recent financial reports 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).*

## Restructure timeline and impact

This section outlines key information relating to the Restructure. Further information is contained in the detailed comparison table that follows as well as in the Fund's prospectus and KIIDs.



### Reasons and key changes after the Restructure Date

Following a recent review, your Sub-Fund will transition to a Standard Money Market VNAV Fund with a VNAV which will be a more flexible fund structure with stronger growth potential. This will result in a number of changes to your Sub-Fund including the followings (as further detailed in the table below):

- The weighted average maturity ("WAM") of the investments of the Sub-Fund Restructured will increase from 60 days to no more than 6 months and the initial or remaining maturity of each debt security will increase from a maximum of 397 days to no more than 2 years with a 397 day reset at the time of purchase. The weighted average life ("WAL") will increase from 120 days to 12 months.

The increased WAM and WAL thresholds of the Sub-Fund Restructured may increase duration and credit risk. However, although the structural features in your Sub-Fund and the Sub-Fund Restructured vary in terms of the WAM and the WAL, the conservative nature of the investment strategy of the Sub-Fund Restructured and the rigorous approach to credit risk is unlikely to have any negative impact on your investment and the liquidity requirements remain unchanged. The SRRRI rating remains the same.

- Debt securities in the Sub-Fund Restructured will 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 Sub-Fund Restructured may invest in units or shares of other Money Market Funds while, currently, your Sub-Fund may not.
- The Sub-Fund Restructured may use financial derivative instruments within the limits laid down in the Prospectus 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.

This enhanced investment flexibility should provide better prospects for generating incremental yield, while still remaining under the EU money market fund regulatory framework

- The Sub-Fund Restructured will use ICE BofAML Sterling 3-Month Government Bill Index as [a point of reference against which the performance of the sub-fund may be measured]. The Sub-Fund Restructured will remain actively managed.
- There will be no distributing share class after the Restructure in the Sub-Fund Restructured and consequently no same day redemption or subscription settling share classes available in the Sub-Fund Restructured. All share classes will therefore settle on the valuation day after subscription / redemption requests as from the effective date of the Restructure.

## Table reflecting the changes

Unless stated otherwise, terms in this table have the same meaning as in the prospectus of the Fund.

*Risk/reward level* **SRR** unchanged

*Fee level* unchanged

**Changes** – shown in ***bold italics***

### BEFORE

Sub-Fund's name  
**JPMorgan Liquidity Funds –  
 GBP Liquidity VNAV Fund**

### AFTER

Sub-Fund's name  
**JPMorgan Liquidity Funds –  
 GBP Standard Money Market  
 VNAV Fund**

#### Investments and Risks

##### Investment Objectives

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.

The Sub-Fund seeks to achieve a return in the Reference Currency ~~in line with prevailing~~ **in excess of GBP** money market rates whilst aiming to preserve capital consistent with ~~such prevailing~~ **money market** rates and to maintain a high degree of liquidity.

##### Investment Policy

The Sub-Fund will invest its assets in short-term GBP-denominated Debt Securities, deposits with credit institutions and Reverse Repurchase Agreements.

The Sub-Fund will invest its assets in ~~short-term GBP-denominated~~ Debt Securities **and** deposits with credit institutions ~~and Reverse Repurchase Agreements~~.

The Sub-Fund may have exposure to investments with zero or negative yields in adverse market conditions.

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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.

The weighted average maturity of the Sub-Fund's investments will not exceed ~~60 days~~ **6 months** and the initial or remaining maturity of each Debt Security will not exceed ~~397 days~~ **2 years with a 397 day reset** at the time of purchase.

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 & Poor's or otherwise similarly rated by another independent rating agency.

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" **"BBB"** and Debt Securities with a short-term rating will be rated at least "A-1" **"A-2"** by Standard & Poor's or otherwise similarly rated by another independent rating agency.

The Sub-Fund may also invest in unrated Debt Securities of comparable credit quality to those specified above.

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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.

**The Sub-Fund may invest in units or shares of other MMFs. The Sub-Fund may also use Reverse Repurchase Agreements.**

The Sub-Fund aims to maintain a "AAA" rating, or equivalent, assigned by at least one rating agency.

**At least 67% of the assets of the Sub-Fund will be denominated in GBP, however the Sub-Fund may invest in assets denominated in any currency and non-GBP exposure will be hedged into GBP.**

**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.**

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|  | <p>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” “AA” rating, or equivalent, assigned by at least one rating agency.</p> |
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**Risk factors**

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| <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 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.</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> | <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 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.</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> <p><b><i>Movements in currency exchange 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.</i></b></p> |
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**Benchmark**

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| <p>The Sub-Fund is actively managed without reference or performance comparison to a benchmark.</p> | <p>ICE BofAML Sterling 3-Month Government Bill Index.</p> <p>The benchmark is a point of reference against which the performance of the Sub-Fund may be measured. The Sub-Fund is actively managed.</p> |
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**Reference currency**

Pounds Sterling (GBP)

**Investor Profile**

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| <p>This liquidity Sub-Fund uses high quality short-term Debt Securities, deposits with credit institutions and Reverse Repurchase Agreements to enhance returns. Investors in the Sub-Fund are therefore likely to be looking for an alternative to cash deposits for their medium-term or temporary cash investments, including seasonal operating cash for pension funds or the liquidity components of investment portfolios.</p> | <p>This Sub-Fund uses high quality <del>short-term</del> Debt Securities <b>and</b> deposits with credit institutions <del>and Reverse Repurchase Agreements</del> to enhance returns. Investors in the Sub-Fund are therefore likely to be looking for an alternative to cash deposits, <b>with potentially higher returns than a Short-Term MMF</b>, for their medium-term or temporary cash investments, including seasonal operating cash for pension funds or the liquidity components of investment portfolios.</p> |
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The Sub-Fund is offered to investors seeking a high degree of liquidity and is intended for short-term investment. Investors should understand the risks involved and must evaluate the Sub-Fund objective and risks in terms of whether they are consistent with their own investment goals and risk tolerances. The Sub-Fund is not intended as a complete investment plan.

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