

**CHANGES TO THE PRICING POLICY FOR
JUPITER UNIT TRUST MANAGERS RETAIL FUNDS,
JUPITER MERLIN PORTFOLIOS AND JUPITER UK ALPHA FUND**

**THIS IS A REGULATORY DOCUMENT. YOU DO NOT NEED TO TAKE ANY ACTION,
HOWEVER WE RECOMMEND THAT YOU READ THIS LETTER.**

5 October 2017

To: All unitholders in the Jupiter Unit Trust Managers Retail Funds, Jupiter Merlin Portfolios and Jupiter UK Alpha Fund

Dear Unitholder

60 DAYS' NOTICE OF CHANGES TO THE JUPITER UNIT TRUST MANAGERS RETAIL FUNDS, JUPITER MERLIN PORTFOLIOS AND JUPITER UK ALPHA FUND (together the "Funds")

We are writing to you as a unitholder in one or more of the Funds, to give you notice of a change that we as Manager of the Funds ("Manager") are making to the pricing policy of the Funds.

This letter serves as a formal notice that we will make the pricing policy change set out below on **Monday, 22 January 2018** (the "Effective Date").

We are required under the rules of the Financial Conduct Authority (the "FCA") to give you 60 days' notice of this change. **You do not need to take any action, however we recommend that you read this letter.**

If you have any questions about the changes set out below or require any further information, please contact our Customer Services team on 0800 561 4000 between 9.00 am and 5.30 pm (Monday to Friday). Additionally you may wish to consult your professional adviser if you are uncertain about the contents of this document.

1. Change to the pricing of the Funds (dual to single pricing)

The pricing of units in the Funds is currently carried out on a dual pricing basis. This means that two unit prices are calculated each day:

- the "offer" price (sometimes known as the "purchase" price), which is applied when units are purchased by investors; and
- the "bid" price (sometimes known as the "redemption" price), which is applied when units are redeemed by investors.

From the Effective Date, the pricing of units in the Funds will be carried out on a single pricing basis so that a single price is applied to any transaction in units whether the investor is purchasing or redeeming units.

The single price is based on the mid-market valuation of the underlying investments plus other assets less liabilities, which is the net asset value of the Fund (the "NAV"). The NAV is calculated in accordance with the FCA Rules, the Trust Deeds of the Funds and the Scheme Particulars of the Funds.

The price of a unit is the NAV of the Fund in question divided by the number of units of the relevant class in issue adjusted by any dilution adjustment (see paragraph 3 below). This has the effect that, subject to any initial charge, both the purchase and redemption price of a unit will be the same at a particular valuation point. Initial charges will not be levied by the Manager from the Effective Date.

Please note that the above single pricing policy is already in place for Jupiter Strategic Reserve Fund, however initial charges will not be levied from the Effective Date.

2. Reasons for the change

The switch to single pricing will provide a greater level of simplicity to investors purchasing and/or redeeming units at a particular valuation point as the price of a unit will be the same for both sets of investors. Further, single swing pricing is designed to protect the interests of existing investors in the Funds by seeking to minimise the effect of dilution (a reduction) in the value of the Fund property as a result of the costs incurred in dealing in the underlying investments. For further detail, please see the paragraph below.

3. Introduction of a Dilution Adjustment

A dilution adjustment is designed to protect the interests of existing investors in the Funds.

The actual cost of purchasing or redeeming the Funds' investments may be higher or lower than the mid-market value used in calculating the unit price – for example, due to dealing charges, or through dealing in assets at prices other than the mid-market price.

The Funds may suffer dilution (a reduction) in the value of the Fund property as a result of the costs incurred in dealing in the underlying investments and of any spread between the purchase and redemption prices of those investments. It is not, however, possible to predict accurately whether dilution will occur at any point in time. Under certain circumstances (for example, large volumes of deals) dilution may have a material adverse effect on the existing/continuing unitholders' interest in the Funds. To prevent this effect, called "dilution", the Manager may make a dilution adjustment to the price of units (this is known as "swing pricing"). In practical terms, if net purchases or net redemptions of units in a Fund exceed a set threshold, the Manager will normally apply a dilution adjustment. On an exceptional basis and where the Manager believes it is in the interest of the investors, the Manager may decide not to apply a dilution adjustment to a Fund even where the threshold is exceeded. The latest rate of the dilution adjustment for the period ending 30 September 2017 (using historical data, and presented as a percentage of each Fund's NAV) is set out for each Fund in the attached Schedule.

4. Costs

We will be meeting all the costs associated with effecting this change of the pricing policy.

5. Additional changes - Introduction of compulsory conversion power and new retail accumulation units for certain Funds

In addition to the changes set out above, we are updating the Scheme Particulars to include the power of compulsory conversion. This allows us to carry out a compulsory conversion of some or all of the units of one class within a Fund, into another class of the same Fund (a "conversion") where we reasonably believe it is in the best interests of unitholders.

For administrative purposes, we will also be creating new retail accumulation unit classes for the Funds set out below:

- Asian Fund
- Corporate Bond Fund
- Distribution & Growth Fund
- Ecology Fund
- European Fund
- Financial Opportunities Fund
- Fund of Investment Trusts
- Growth & Income Fund
- Income Trust
- UK Special Situations Fund

If you are a unitholder of retail income units in one of the above Funds and you currently reinvest any income, this is to inform you that we will be automatically converting your existing income units to accumulation units.

Accumulation units are units where any available income is added to and retained as part of the capital assets of the Fund and is reflected in the price of the units, rather than purchasing additional units in the Fund.

If you currently opt for your income to be reinvested, we will automatically convert, at no cost to you, your existing retail income units to retail accumulation units over the weekend of 10-11 February 2018. If however, you wish to change your mind and have income paid out to you instead of being accumulated, please call our Customer Services team on 0800 561 4000 and we will send you a form that can be used to provide us with bank details. The deadline for receipt of a completed form is 5.30 pm on Monday, 5 February 2018.

Please note that the conversion from retail income units to retail accumulation units does not represent a capital disposal for UK capital gains tax purposes.

6. Approvals

The FCA has confirmed by letter to Eversheds Sutherland (International) LLP, solicitors to Jupiter Unit Trust Managers Limited, that the changes will not affect the authorisation of the Funds under the Financial Services and Markets Act 2000.

If you have any questions regarding the above, please call our Customer Services team on 0800 561 4000, or seek advice from your professional adviser.

Yours sincerely,



Director
For and on behalf of **Jupiter Unit Trust Managers Limited**

Schedule

Fund	Dilution adjustment applicable to purchases as at 30/09/17	Dilution adjustment applicable to redemptions as at 30/09/17
Jupiter Absolute Return Fund	0.20%	-0.20%
Jupiter Asian Fund	0.45%	-0.45%
Jupiter Asian Income Fund	0.33%	-0.33%
Jupiter China Fund	0.36%	-0.36%
Jupiter Corporate Bond Fund	0.17%	-0.17%
Jupiter Distribution Fund	0.20%	-0.20%
Jupiter Distribution & Growth Fund	0.33%	-0.33%
Jupiter Ecology Fund	0.23%	-0.23%
Jupiter Emerging European Opportunities Fund	0.22%	-0.22%
Jupiter Enhanced Distribution Fund	0.27%	-0.27%
Jupiter European Fund	0.14%	-0.14%
Jupiter European Income Fund	0.20%	-0.20%
Jupiter European Special Situations Fund	0.20%	-0.20%
Jupiter Financial Opportunities Fund	0.19%	-0.19%
Jupiter Fund of Investment Trusts	0.87%	-0.87%
Jupiter Global Emerging Markets Fund	0.40%	-0.40%
Jupiter Global Equity Income Fund	0.22%	-0.22%
Jupiter Global Managed Fund	0.18%	-0.18%
Jupiter Growth & Income Fund	0.33%	-0.33%
Jupiter Income Trust	0.29%	-0.29%
Jupiter India Fund	0.24%	-0.24%
Jupiter International Financials Fund	0.26%	-0.26%
Jupiter Japan Income Fund	0.20%	-0.20%
Jupiter Monthly Income Fund	0.92%	-0.92%
Jupiter North American Income Fund	0.14%	-0.14%
Jupiter Responsible Income Fund	0.40%	-0.40%
Jupiter Strategic Bond Fund	0.30%	-0.30%

Fund	Dilution adjustment applicable to purchases as at 30/09/17	Dilution adjustment applicable to redemptions as at 30/09/17
Jupiter Strategic Reserve Fund	0.14%	-0.14%
Jupiter UK Growth Fund	0.45%	-0.45%
Jupiter UK Smaller Companies Fund	1.14%	-1.14%
Jupiter UK Special Situations Fund	0.31%	-0.31%
Jupiter US Small & Midcap Companies Fund	0.28%	-0.28%
Jupiter Merlin Balanced Portfolio	0.16%	-0.16%
Jupiter Merlin Conservative Portfolio	0.13%	-0.13%
Jupiter Merlin Growth Portfolio	0.07%	-0.07%
Jupiter Merlin Income Portfolio	0.28%	-0.28%
Jupiter Merlin Worldwide Portfolio	0.01%	-0.01%
Jupiter UK Alpha Fund	0.37%	-0.37%

