FRANKLIN TEMPLETON

Franklin Templeton Mutual Fund
One International Centre, Tower 2, 12th and 13th Floor,
Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013

Addendum to the Scheme Information Document of Franklin India Multi-Asset Solution Fund of Funds

Franklin Templeton Mutual Fund proposes to change certain scheme features of Franklin India Multi-Asset Solution Fund of Funds (the Scheme) effective July 4, 2025.

Given below are the changes in feature of the Scheme :

	Current Features	Proposed Features
Name of the fund	Franklin India Multi-Asset Solution Fund of Funds (FIMAS)	Franklin India Income Plus Arbitrage Active Fund of Funds (FIPAF)
Type of Scheme#	An open-ended fund of fund scheme investing in funds which in turn invest in equity, debt and gold.	An open-ended fund of funds scheme investing in units of Debt-oriented and Arbitrage schemes.
Category of scheme	Category: Hybrid FoF Sub Category: Multi Asset Allocation FoF	Category: Hybrid FoF Sub Category: Income Plus Arbitrage FoF
Investment Objective#	The fund seeks to achieve capital appreciation and diversification through a mix of strategic and tactical allocation to various asset classes such as equity, debt and gold by investing in funds investing in these asset classes. However, there is no assurance or guarantee that the objective of the scheme will be achieved.	The objective of the Scheme is to generate income for investors through investment in a portfolio of debt-oriented and arbitrage schemes. However, there is no assurance or guarantee that the objective of the scheme will be achieved.

Investment Strategy#

Current Features

The scheme endeavors to provide long term capital appreciation and income from a mix of investments in domestic equity, debt and gold oriented schemes of mutual fund(s).

The investment strategy of the fund is to provide an asset allocation solution to investors. The asset allocation will be dynamically managed across Equity, Debt, Gold and Money Market. Allocation to the asset classes will be made based on a combination of output from the proprietary model which is a mix of quantitative and qualitative analysis and uses a combination of economic, valuation and momentum /sentiment factors.

The proprietary model uses strategic and tactical allocation. While strategic allocation determines long term allocation to different asset classes, tactical allocation uses a combination of economic, valuation and momentum/sentiment factors to determine the allocation towards a particular asset class/security.

The portfolio will be realigned at least once a month, generally in the first week of the following month.

Implied category exclusions: Close ended schemes, hybrid schemes, solution-oriented schemes and Fixed Maturity Plans.

How will the model work?

The investment strategy of the fund is to provide an asset allocation solution to the investors.

Step 1- Determination of Strategic allocation:

Strategic allocation determines long term allocation to different asset classes viz. Equity, Debt, Gold and Money Market instruments.

Step 2 - Determination of Tactical allocation:

Tactical allocation is based on a combination of economic, valuation and momentum/sentiment indicators

Economic Indicators	Valuation Indicators	Momentum/Sentiment Indicators
India OECD Composite Leading Indicators	Difference between Earnings Yield & Bond Yield	Dollar Vs Developed Currencies Index
India Index of Industrial Production	P/E Ratio	Dollar Vs Asian Currencies Index

The tactical allocations to the asset classes/securities are guided by the specific states of different indicators under each of the factors. Depending on the state of these indicators, the weights assigned to the indicators are optimized.

The fund manager reserves the right to alter the above-mentioned indicators or use any other criteria to use suitable indicators in case any of the above factors are either not available or modified or becomes irrelevant.

Step 3 - Determination of Implementation allocation:

Implementation allocation towards a specific asset class and security thereunder is determined based on a combination of strategic and tactical allocation

For detailed derivative strategies, please refer to SAI.

Proposed Features

To achieve the investment objective of earning steady returns, the scheme will invest in fixed income and arbitrage funds by actively managing the portfolio, with a provision to invest in cash and cash equivalents to meet redemptions.

The scheme is a Fund of Funds (FoF), where the allocation to the underlying funds will be actively managed based on the fund manager's view on the macro economy, interest rates, yield , credit spreads, systematic liquidity, yield curve, and arbitrage opportunities in the cash and derivatives segment of the equity market (for allocation to Arbitrage schemes), and other parameters to optimize risk-adjusted returns, subject to regulations and prevailing laws.

The goal is to generate optimal returns by investing primarily in debt-oriented mutual funds and arbitrage funds in alignment with the investment objective. There is no assurance that the investment objective of the scheme will be achieved.

Asset Allocation#

Current Features

Under normal market circumstances, the investment range would be as follows:

Instruments	Indicative Allocations (% of total assets)	
	Maximum	Minimum
Units of domestic Mutual Fund Schemes as under	100	95
A. Equity Schemes*	75	10
B. Debt Schemes**	75	10
C. Allocation to gold (Gold Exchange Traded Funds)	50	3
Cash and Money Market Instruments	5	0

*Equity schemes of Franklin Templeton Mutual Fund including Franklin India Bluechip Fund, Franklin India Flexicap Fund, Franklin India Focused Equity Fund, Franklin India Equity Advantage Fund, Franklin India Prima Fund, Franklin India Smaller Companies Fund, Franklin Build India Fund, Templeton India Value Fund, Templeton India Equity Income Fund, Franklin Asian Equity Fund and / or any other prospective equity scheme(s) of Franklin Templeton Mutual Fund

In case the allocation of FIMAS reaches 20% of the corpus of any of afore-mentioned underlying equity schemes, then further investments would not be made in the said scheme. In case the Fund Manager decides to change the investment allocations between the underlying schemes, the redemptions from the underlying scheme(s) on account of such re-allocation of investments will be limited to 5% of the net assets of the underlying scheme(s) on a single day.

** Units of domestic debt schemes of any SEBI registered Mutual fund(s) including Franklin India Overnight Fund, Franklin India Liquid Fund, Franklin India Savings Fund, Franklin India Floating Rate Fund, Franklin India Corporate Debt Fund, Franklin India Banking & PSU Debt Fund, Franklin India Government Securities Fund, Kotak Bond Short Term Plan, SBI Short Term Debt Fund, Aditya Birla Sun Life Medium Term Plan, HDFC Ultra Short Term Fund, HDFC Low Duration Fund or any other existing / prospective debt schemes of domestic Mutual Fund(s) registered with SEBI. This is an indicative list of debt funds and the actual investments in debt funds in the portfolio could differ from this list.

It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially (subject to and within the maximum limits prescribed above) depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unit holders. The asset allocation pattern described above may alter from time to time on a short-term basis on defensive considerations (As per Para 1.14.1.2.b of SEBI Master circular on Mutual Funds dated May 19, 2023), keeping in view market conditions, market opportunities, applicable regulations and political and economic factors (i.e., for reasons other than downgrade in rating) and would, in such cases, shall be rebalanced within 30 calendar days from date of deviation. However, if the asset allocation pattern is to be altered for other reasons, as this is a fundamental attribute, the procedure outlined in the paragraph on fundamental attributes below, shall be followed.

Please refer indicative table for instrument/ percentage.

Indicative Table (Actual instrument/ percentages may vary subject to applicable SEBI circulars)

Sl. No	Type of Instrument	Percentage of exposure	Circular references*
1	Securities Lending	The scheme does not intend engaging in stock lending. However, the underlying mutual fund schemes may engage in stock lending.	Para 12.11 of SEBI Master Circular on Mutual Funds dated June 27, 2024
2	Securitized Debt	The Scheme does not intend to invest in securitized debt. However, the underlying mutual fund schemes may have investments in securitized debt.	Para 12.15 of SEBI Master Circular on Mutual Funds dated June 27, 2024
3	Derivatives for hedging and rebalancing purposes	The scheme shall not invest in derivatives. However, the underlying mutual fund schemes may have investment in derivatives.	Para 12.25 of SEBI Master Circular dated June 27, 2024.
4	Credit default Swaps		Para 12.28 of SEBI Master Circular on Mutual Funds dated June 27, 2024
5	Covered call options		Para 12.25.8 of SEBI Master Circular on Mutual Funds dated June 27, 2024
6	Repos/reverse repo in corporate debt securities	The scheme shall not participate in repo in corporate debt securities. However, the underlying mutual fund schemes may engage in repo in corporate debt securities.	Para 12.18 of SEBI Master Circular on Mutual Funds dated June 27, 2024
7	Overseas Securities	The Scheme does not intend to invest in overseas mutual funds / unit trusts. However, the underlying mutual fund schemes may have investments in overseas mutual funds / unit trusts / foreign securities.	Para 12.19 of SEBI Master Circular on Mutual Funds dated June 27, 2024
8	ReITS and InVITS	The scheme shall not invest in units issued by REITs and InvITs. However, the underlying mutual fund schemes may have investments in such instruments.	Para 12.21 of SEBI Master Circular on Mutual Funds dated June 27, 2024
9	Securities borrowing & Short selling	The scheme does not intend engaging in short selling. However, the underlying mutual fund schemes may engage in short selling.	Para 12.11 of SEBI Master Circular on Mutual Funds dated June 27, 2024
10	Debt instruments with special features viz. subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event	The scheme shall not invest in such securities.	Referred in Para 12.2 of SEBI Master Circular on Mutual Funds dated June 27, 2024

Proposed Features

Under normal market circumstances, the investment range would be as follows:

Instruments	Indicative Allocations (% of total assets)	
	Maximum	Minimum
Debt-oriented Schemes*	65	0
Units of Arbitrage Fund^	100	35
Money Market Instruments with maturity not exceeding 91 days (including Tri Party Repo$, Government Securities) and Cash and Cash equivalent@	5	0

*Franklin India Overnight Fund, Franklin India Liquid Fund, Franklin India Government Securities Fund, Franklin India Floating Rate Fund, Franklin India Money Market Fund, Franklin India Ultra Short Duration Fund, Franklin India Corporate Debt Fund, Franklin India Banking & PSU Debt Fund, Franklin India Medium to Long Duration Fund, Franklin India Long Duration Fund, Franklin India Low Duration Fund and / or any other existing / prospective debt schemes of domestic Mutual Fund(s) registered with SEBI. .

^Franklin India Arbitrage Fund and/or any other existing/ prospective Arbitrage Funds of domestic Mutual Fund(s) registered with SEBI.

This is an indicative list of mutual funds and the actual investments in the portfolio could differ from this list.

$or similar instruments as may be permitted by RBI/SEBI.

Please refer indicative table for instrument/ percentage.

Indicative Table (Actual instrument/ percentages may vary subject to applicable SEBI circulars)

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10	Debt instruments with special features viz. subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption (For eg. Additional Tier I bonds and Tier 2 bonds issued under Basel III framework)	The scheme shall not invest in such securities. The scheme shall not invest in such securities. Upto 5% of net assets	Referred in Para 12.2 of SEBI Master Circular on Mutual Funds dated June 27, 2024
11	Debt instruments with Credit enhancement/ structured obligations	The scheme shall not invest in such securities.	Para 4.5.3 (for Overnight & Liquid fund)/ Para 12.3 of SEBI Master Circular on Mutual Funds dated June 27, 2024
12	Tri-party repos	Upto 5% of net assets	Not applicable

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<tr><th>Sl. No</th><th>Type of Instrument</th><th>Percentage of exposure</th><th>Circular references*</th></tr>
<tr><td></td><td>for loss absorption (For eg. Additional Tier I bonds and Tier 2 bonds issued under Basel III framework)</td><td></td><td></td></tr>
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<tr><td>12</td><td>Tri-party repos</td><td>Upto 5% of net assets</td><td>Not applicable</td></tr>
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Portfolio Rebalancing
In the event of deviations the portfolio will be rebalanced as per Para 2.9 of SEBI Master Circular on Mutual Funds dated June 27, 2024. In the event of deviation from mandated asset allocation mentioned in the Scheme Information Document (SID) due to passive breaches (occurrence of instances not arising out of omission and commission of AMCs), rebalancing period shall be 30 Business Days. Where the portfolio is not rebalanced within 30 Business Days justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee. The Investment committee shall then decide on the course of action. The Investment Committee, if so desires, can extend the timelines up to sixty (60) business days from the date of completion of mandated rebalancing period. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.
All the reporting and disclosure requirements as mentioned in Para 2.9 of SEBI Master Circular on Mutual Funds dated June 27, 2024 shall be complied with. This includes disclosure to investors in case the AUM of deviated portfolio is more than 10% of the AUM of main portfolio of scheme.
NOTE: The investment under Direct Plans shall have the same portfolio as that of the plan/option under which it is introduced, and hence the same investment objectives and investment pattern as that of the existing respective Scheme/Scheme Portfolio.
TEMPORARY INVESTMENTS: When the Fund Managers believes market or economic conditions are unfavourable for investors, the scheme may invest up to 100% of the Fund's assets in a temporary defensive manner by holding all or a substantial portion of its assets in cash, cash equivalents or other high quality short-term investments. Temporary defensive investments generally may include commercial paper, bank obligations, repurchase agreements and other approved money market instruments, including Mibor/call linked instruments, fixed deposits of banks etc. The manager also may invest in these types of securities or hold cash while looking for suitable investment opportunities or to maintain liquidity. In these circumstances, the Fund may be unable to achieve its investment goal.
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@Money Market Instruments include (maturity not exceeding 91 days):

Commercial papers
Commercial bills
Treasury bills
Government securities
Tri-party Repos on Government securities or treasury bills (TREPS)
Certificate of deposit
Permitted securities under a repo / reverse repo agreement
Any other instruments as may be permitted by RBI / SEBI from time to time, subject to necessary regulatory approvals

~ with residual maturity of less than 91 days for exposure limits shall consist of the following securities:
a. Government Securities,
b. T-Bills and
c. repo on Government Securities
It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially (subject to and within the maximum limits prescribed above) depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unit holders.
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<td>Exit Load</td>
<td>For each purchase of units – 1% if redeemed/switched out within 3 years of allotment
Subject to the Regulations, the Trustee / AMC reserves the right to modify / change the load structure on a prospective basis.</td>
<td>Nil</td>
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<td>Fund Manager (s)</td>
<td>Rajasa Kakulavarapu & Venkatesh Sanjeevi</td>
<td>Rohan Maru, Pallab Roy & Rahul Goswami</td>
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<td>Benchmark</td>
<td>40% Nifty 500 TRI + 40% Nifty Short Duration Debt Index + 20% domestic gold price</td>
<td>65% NIFTY Short Duration Debt Index + 35% NIFTY 50 Arbitrage Index</td>
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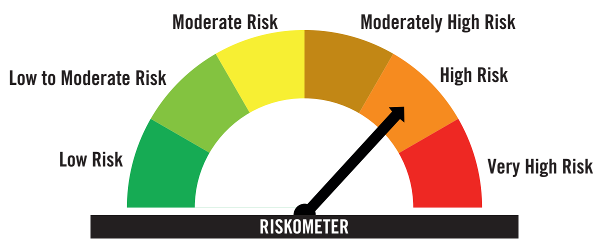
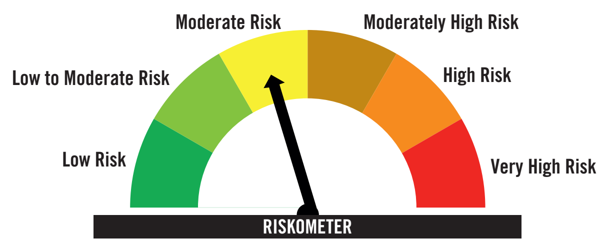
<td>Product label</td>
<td>This product is suitable for investors who are seeking

Capital appreciation and Income generation over medium to long term
A fund of funds investing in diversified asset classes through a mix of strategic and tactical allocation



The risk of the scheme is High risk</td>
<td>The product is suitable for investors who are seeking

Income opportunities over short to medium term
Investment in a portfolio of debt-oriented and arbitrage schemes



The risk of the scheme is Moderate risk</td>
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#**Considered as Fundamental Attribute Change**

Aforesaid change in scheme features constitute change in fundamental attributes of the Scheme in accordance with Regulation 18 (15A) of SEBI (Mutual Funds) Regulation, 1996. In terms of prevailing regulatory requirements, investors in the Scheme are given an option to exit at the prevailing Net Asset Value (NAV) without any exit load, in case they do not wish to continue in this Scheme in view of the change in the fundamental attributes. The period of this no load exit offer is from June 4, 2025 to July 3, 2025 (both days inclusive). The redemption request for this purpose may be submitted at any of Official Points of Acceptance of Transactions (OPAT) of Franklin Templeton Mutual Fund, and the NAV applicable will be based on the day and time the application is received at any of the designated OPAT. Unitholders who do not exercise the exit option on or before 3.00 pm on July 3, 2025 would be deemed to have consented to the proposed change.

However, the exit option without load will not be available to investments in the Scheme made on or after June 4, 2025. Unitholders who have pledged their units will need to procure a release of their pledge prior to submitting their redemption request.

The changes in scheme features have been approved by the Board of Directors of the Franklin Templeton Asset Management (India) Pvt. Ltd. (investment manager for schemes of Franklin Templeton Mutual Fund) and Franklin Templeton Trustee Services Pvt. Ltd. (the Trustee to the schemes of Franklin Templeton Mutual Fund).

All the other terms and conditions of the Scheme Information Document of the Scheme, read with the addenda issued from time to time, will remain unchanged.

This addendum forms an integral part of the Scheme Information Document and Key Information Memorandum issued for the Scheme, read with the Addenda.

This addendum is dated May 28, 2025.

For **Franklin Templeton Asset Management (India) Pvt. Ltd.**

(Investment Manager of Franklin Templeton Mutual Fund)

Sd/-

Authorised Signatory

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.