



**FRANKLIN TEMPLETON
INVESTMENTS**

Franklin Templeton Mutual Fund

Indiabulls Finance Centre, Tower 2, 12th and 13th Floor, Senapati Bapat Marg,
Elphinstone (West), Mumbai 400013

Addendum to the Scheme Information Document of schemes of Franklin Templeton Mutual Fund

Introduction of Systematic Investment Plan facility

With a view to enhance and standardise services to the investors, Systematic Investment Plan (SIP) facility is being introduced in all options under Super Institutional Plan and Direct- Super Institutional Plan of Franklin India Treasury Management Account (FITMA) and all plans and options of Franklin India Cash Management Account (FICMA), open-end liquid funds of Franklin Templeton Mutual Fund with effect from February 22, 2017 (effective date).

Features of Systematic Investment Plan

Mutual Fund Investors can benefit by investing specified rupee amounts periodically for a continuous period. This concept is called Rupee Cost Averaging. This savings program allows investors to save a fixed amount of rupees every month by purchasing additional units of the Fund. Therefore, the average unit cost will normally be less than the average sale price per unit irrespective of the market being rising, falling or fluctuating. By investing a fixed amount of Rupees at regular intervals, investors can take advantage of the benefits of Rupee Cost Averaging, at the same time, saving a fixed amount each month.

The unitholder may avail Systematic Investment Plan (SIP) by completing the application form and submitting the same at any of the ISC / Collection Centres. Unitholders may change the amount and / or tenure (but not below the specified minimum) by giving written notice to the AMC/Registrar. An SIP may be terminated on appropriate written notice by the unitholder of the fund, and it may terminate automatically if transmission is initiated for that folio (on notification of death) or incapacity of the unit holder.

The Investment Manager may change rules relating to the facility from time to time.

Highlights:

- Franklin Templeton Mutual Fund will accept a minimum of 12 cheques ('cheques' include Direct Debit/ NACH instructions or any other mode of payment accepted by the AMC from time to time) each of Rs.500/- or more or a minimum of 6 cheques each of Rs.1,000/- or more from any SIP investor for FICMA and minimum of 12 cheques ('cheques' include Direct Debit/ NACH instructions or any other mode of payment accepted by the AMC from time to time) each of Rs.1,000/- or more or a minimum of 6 cheques each of Rs.2,000/- or more from any SIP investor for FITMA .
- All the SIP cheques (except the first one) must be uniformly dated i.e. either the 1st, 7th, 10th, 20th or 25th of a month. Investors can invest at Monthly or Quarterly intervals by providing post-dated cheques. All cheques should be for the same amount.
- Only one instalment per month/quarter is allowed under one SIP registration. e.g., if for a monthly SIP, the first instalment is in the month July, say 2nd July, then the second instalment should be in August.
- To effect the Direct debit/ NACH, investors must provide a cancelled cheque or copy thereof for the same account from which the Direct Debit/ NACH is to be done.

- Load: For all SIP purchase transactions during ongoing sale, the entry and exit load as applicable for normal purchases shall be applicable [Normal purchases are purchases at the minimum subscription amount specified for each respective scheme, other than purchases through SIP, STP(in), DTP(in) or Exchange/Switch(in)].
- In case the specified date of SIP instalment is a non-business day for the scheme, the SIP will be processed on the following business day for that scheme.
- If during the currency of a SIP, the unitholder changes the plan or option in which he/she had invested, the same would be treated as termination of existing SIP and re-registration of a new SIP and all the terms and conditions of the SIP such as minimum term/amount etc. shall apply in both plans/options.
- The AMC / Trustee reserves the right to discontinue the SIP in case of cheque return or rejection of /Direct Debit/ NACH by the bank for any reason, and debit the return / rejection charges to the investors' account.
- The AMC / Trustee shall not be responsible for any delay/non-processing of /Direct Debit/ NACH transaction where it is attributable to any incorrect/incomplete information provided by the investor.
- The AMC / Trustee shall not be responsible and liable for any damages/compensation for any loss, damage etc., incurred by the investor. The investor assumes the entire risk of using the /Direct Debit/ NACH facility and takes full responsibility for the same.
- Investor will not hold AMC / Trustee and its service providers responsible if the transaction is delayed or not effected by the investor Bank or if debited in advance or after the specific SIP date due to various reasons.
- The AMC / Trustee reserve the right to modify or discontinue the SIP facility at any time in future on a prospective basis.

It is clarified that the load applicable for a SIP shall be the load prevailing on the date of registration.

Here is an illustration using hypothetical figures to show how a Systematic Investment Plan can benefit an investor. Let us assume that Mr. ABC would like to invest Rs.2,000/- as a monthly investment for a period of six months, i.e. a total of Rs.12,000/-.

Quarter	Amount Invested (Rs.)	Net Asset Value (NAV) (Rs.)	No. of Units purchased
1	2000	10	200.000
2	2000	10.5	190.476
3	2000	11	181.818
4	2000	10.8	185.185
5	2000	11.5	173.913
6	2000	12	166.667
TOTAL	12000	65.8	1098.059

Average price (per unit) per month = Rs.10.9667 (i.e. Rs. 65.8/6).

Average cost per unit = Rs.10.9284 (i.e. Rs. 12000/1098.059 units).

As can be seen from the example above, the average cost per unit is lower than the average market price per unit, irrespective of a rise, fall or fluctuations in the market. A greater number of units were purchased when the per-unit cost was low; fewer units were purchased when the per-unit cost was high. Thus, Mr. ABC gains without having to monitor prices (NAV) on a day-to-day basis.

However, an investor should note that the market value of the Scheme's units is subject to fluctuations. **Before undertaking any plan for Systematic Investment, the investor should keep in mind that such a**

program does not assure a profit or protect against a loss.

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

This addendum forms an integral part of the Scheme Information Document of the Scheme(s), read with the addenda issued from time to time.

This addendum is dated February 21, 2017.

For Franklin Templeton Asset Management (India) Pvt. Ltd.
(Investment Manager of Franklin Templeton Mutual Fund)

Sd/-
Sanjay Sapre
President

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.