



FRANKLIN TEMPLETON

Franklin Templeton Mutual Fund

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NOTICE

This notice is to address media articles quoting remarks made by Ms. Jenny Johnson, President and CEO, Franklin Templeton, during the Company's quarterly earnings call, along with the senior management team from our headquarters in San Mateo, California to sell-side analysts on April 30, 2020 for the quarter ended March 31, 2020

It is clarified that some media outlets in India have quoted Ms. Johnson out of context, which diluted the essence of her responses. The headlines and articles erroneously suggested that Ms. Johnson stated that SEBI's guidelines on unlisted securities was the main reason for the decision to wind up the schemes. This is neither factually correct, nor substantiated by the comments made during the conference call. We deeply regret any misunderstanding this may have caused.

In response to a question regarding the winding up of six schemes offered in India, Ms. Johnson provided general background concerning Franklin Templeton's experience in the Indian market as it existed before COVID-19. The reference to the regulations around unlisted securities was intended to be a part of these background statements to provide context to an audience unfamiliar with Indian markets.

As per our notice and all communications issued to date, and as stated by Ms. Johnson in her remarks, the primary reason which forced the decision to wind up these six schemes was the severe market dislocation caused by the COVID-19 pandemic and related lockdown which led to severe market illiquidity particularly for papers rated below AAA, combined with heightened redemptions during this period.

Franklin Templeton would like to highlight that every possible option to avoid this difficult decision was considered, but it was concluded that this was the only viable option to protect value for investors in these funds. Working closely with the Trustees, the firm is committed to ensuring an orderly and equitable exit for all investors at the earliest possible time.

Franklin Templeton has a long history of over 25 years in India, where a third of our global workforce is based, and the firm remains fully committed to our clients and our business in India.

We deeply regret any unintended slight this may have caused to the esteemed offices of SEBI whom we have always held in the highest regard and unconditionally apologize for the same.

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

Sd/-

Sanjay Sapre
President

Date: May 8, 2020

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