

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase shares in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.
- Please refer to the Singapore representative's website for the latest version of this Product Highlights Sheet.

## Franklin Templeton Investment Funds – Franklin Euro Short-Term Money Market Fund (the "Fund")

|                           |  |  |                                  |              |
|---------------------------|--|--|----------------------------------|--------------|
| <b>Product Type</b>       | <b>Investment Company</b>                          | <b>Launch Date</b>                                       | 23/10/2009                       |              |
| <b>Investment Manager</b> | Franklin Templeton Investment Management Limited   | <b>Custodian</b>   | J.P. Morgan Bank Luxembourg S.A. |              |
| <b>Management Company</b> | Franklin Templeton International Services S.à r.l. |  |                                  |              |
| <b>Trustee</b>            | Nil  | <b>Dealing Frequency</b>                                 | Daily (Dealing Days only)        |              |
| <b>Capital Guaranteed</b> | No   | <b>Expense Ratio for Financial Year Ended 30/06/2018</b> | <b>Share Class</b>               | <b>Range</b> |
| <b>Name of Guarantor</b>  | Not applicable                                     |  | I                                | 0.22%        |

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek current income and a high degree of capital protection;
- seek to invest in a portfolio of high quality euro denominated debt and debt related securities, money market securities and cash denominated in euro; and
- plan to hold their investment for the short term.

The principal may be at risk.

#### Further Information

Please refer to "Fund Information, Objectives and Investment Policies" of the Luxembourg Prospectus.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

- You are investing in an open-ended collective investment scheme (referred to as an "undertaking for collective investment in transferable securities" or UCITS) constituted in Luxembourg that aims to provide you with current income and a high degree of capital protection by investing in a portfolio of high quality euro denominated debt and debt related securities, money market securities and cash denominated in euro.

Refer to "Investment Objective, Focus and Approach of the Funds" section of the Singapore Prospectus, and the "Dividend Policy" section of the Luxembourg Prospectus.

#### Investment Strategy

- The Fund will invest in short-term debt securities of high quality and money market securities issued or guaranteed by governments, government-related entities, supranational entities, financial institutions and corporations.
- It invests only in securities that are denominated in euro.
- The Fund will hold securities which at the time of acquisition have an average initial or residual maturity not exceeding 397 days.
- The Fund's portfolio has a weighted average maturity that does not exceed 60 days and a weighted average life that does not exceed 120 days.
- The Fund may invest in derivatives for the purposes of hedging and/or efficient portfolio management.
- The Fund's exposure to repurchase and/or reverse repurchase agreements could amount to 25% to 50% of its net assets.

Refer to "Investment Objective, Focus and Approach of the Funds" section of the Singapore Prospectus.

<sup>1</sup>The Prospectus (comprising the Singapore and Luxembourg Prospectuses) is available for collection from the office of Templeton Asset Management Ltd at 7 Temasek Boulevard, #38-03 Suntec Tower One, Singapore 038987 and its appointed distributors during business hours, or accessible at [www.franklintempleton.com.sg](http://www.franklintempleton.com.sg).

**KEY PRODUCT FEATURES****Parties Involved****WHO ARE YOU INVESTING WITH?**

- The investment company is Franklin Templeton Investment Funds.
- The investment manager is Franklin Templeton Investment Management Limited.
- The management company is Franklin Templeton International Services S.à r.l.
- The custodian is J.P. Morgan Bank Luxembourg S.A.
- The Singapore representative is Templeton Asset Management Ltd.

Refer to “Management and Administration” section of the Singapore Prospectus.

**KEY RISKS****WHAT ARE THE KEY RISKS OF THIS INVESTMENT?**

**The value of the product and its dividends or coupons may rise or fall. These risk factors may cause you to lose some or all of your investment.**

Refer to “Risk Factors” section of the Singapore Prospectus and “Risk Considerations” section of the Luxembourg Prospectus.

**Market and Credit Risks****Your investments are subject to interest rate risk.**

- Movements in interest rates may negatively affect the value of your investments. Debt securities with shorter-term maturities, which very short-term bond funds invest in, tend to be less sensitive to interest rate changes than longer-term securities.

**You are exposed to credit risks of issuers.**

- If an issuer fails to make principal and interest payments when due, the value of your investment in such issuers will be adversely affected. The Fund invests in a mix of government and corporate securities where there is generally less risk of default for government securities than for corporate securities.

**Liquidity Risks****Fund liquidity may be affected during exceptional circumstances.**

- The Fund may not be able to easily sell securities during an economic event or due to deterioration in the creditworthiness of issuers in which it invests.
- Shares of the Fund may be redeemed on any Dealing Day. However, during a period when trading on relevant exchanges or the over-the-counter market is substantially restricted or when market conditions make it impracticable to dispose of or value any of the Fund's investments, redemption of the Shares may be suspended.
- Redemptions of Shares may be deferred when more than 10% of the value of the Fund's Shares are redeemed or exchanged on any one Dealing Day.

Refer to the sections “Sale of Shares” and “Suspension of Valuation, Issue, Sale and Switching of Shares” of the Singapore Prospectus.

**The Fund is not listed.**

- There is no secondary market for the Fund. All redemption requests should be made to the Singapore representative, either directly or through the financial advisor or distributor from whom you purchased the Fund.

**Product-Specific Risks****You are exposed to repurchase agreement risk.**

- The Fund may engage in collateralized repurchase transactions, where there is a risk that the counterparty defaults and the collateral received may be less than the cash placed out under the agreement.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Investors should note that subscriptions for Shares through any distributor appointed by the Managers may incur additional fees and charges.

#### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum (where applicable):

| Share classes | Initial Sales Charge /Entry Charge* | Contingent Deferred Sales Charge <sup>2</sup> | Exchange Charge/ Switching Fee* |
|---------------|-------------------------------------|---|---------------------------------|
| Share Class A | Currently 0.00% [max. 1.50%]        | Currently 0.00% [max 1.00%]                   | Nil                             |
| Share Class I | Nil                                 | Nil   | Nil                             |

\* There is no sales charge in the Fund. Investors who subscribe in the Fund and subsequently exchange their Shares for those of non-liquid reserve or non-money market funds, may be required to pay the sales charge applicable to the latter funds.

#### Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Investment Manager, Custodian and other parties:

| Share classes | Annual Investment Management Fee | Annual Maintenance, & Servicing Charges <sup>3</sup> | Others <sup>4</sup>  |
|---------------|----------------------------------|--|--|
| Share Class A | 0.25%                            | Maintenance: Up to 0.10%                             | <ul style="list-style-type: none"> <li>• Annual Custodian Fee: 0.01% to 0.14% p.a.</li> <li>• Annual Admin Fee: Max. 0.20% p.a. plus additional amount per Investor Holding over one year period</li> <li>• Annual Investment Management Fee retained by management company = 52.5% to 100%</li> <li>• Annual Investment Management Fee paid by management company to financial adviser or distributor (trailer fee)* = 0% to 47.5%</li> </ul> |
| Share Class I | 0.20%                            | Nil  |  |

Refer to the “Fee and Charges” section of the Singapore Prospectus and the “Servicing and Maintenance Charges” section and Appendix E – “Franklin Templeton Investment Funds Charges, Fees and Expenses” of the Luxembourg Prospectus.

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

- Daily valuations are available on Dealing Days, which refer to days which are both Valuation Days and Singapore Business Days (as defined below), or otherwise as the Directors may from time to time determine.
- A “Valuation Day” is a day on which NYSE is open or banks in Luxembourg are open for business, other than during suspensions of normal trading. A “Singapore Business Day” is a day (except Saturdays, Sundays and public holidays) on which commercial banks are open for business in Singapore.
- The indicative net asset value (NAV) and actual NAV per share of each Fund and Share Class may be obtained from the Singapore representative and will be published on the Singapore representative’s website ([www.franklintempleton.com.sg](http://www.franklintempleton.com.sg)) one Singapore Business Day after the relevant Dealing Day.

Refer to the “Purchase of Shares”, “Sale of Shares” and “Obtaining Price Information” sections of the Singapore Prospectus.

<sup>2</sup>Based on the lesser of the value of Shares being sold (exclusive of reinvested dividends) or the total cost of Shares when purchased

<sup>3</sup>Payable to principal distributor, based on the applicable average net asset value

<sup>4</sup>Payable to custodian, registrar and transfer, corporate, domiciliary and administrative agent (as applicable)

\*Your financial adviser or distributor is required to disclose to you the amount of trailer fee it receives from the management company.

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

- To exit the Fund you should complete the relevant sale form, together with such other documents as may be required and submit it to the Singapore representative or through the financial advisor or distributor from whom you purchased the Fund, the Internet or any other sales channels, if applicable. Please ensure that all relevant documents have been submitted.
- Some appointed distributors may offer a cancellation policy whereby you will not incur the sales charges if you sell during the relevant period (the Fund does not offer such cancellation policy). You will however take the risk of a decline in the Fund's NAV since you purchased it and certain administrative fees may apply.
- Sale proceeds will be paid within three Singapore Business Days following the Dealing Day of the receipt and acceptance of the sale request.
- Your exit price is determined as follows:
  - If the Singapore representative receives and accepts the sale request on or before 4 p.m. on a Dealing Day, you will be paid a price based on the net asset value of the Shares applicable on that day.
  - If the Singapore representative receives and accepts the sale request after 4 p.m. on a Dealing Day, you will be paid a price based on the net asset value of the Shares at the close of the next Dealing Day.
- The sales proceeds that you will receive will be the exit price multiplied by the number of shares sold, less any charges. The following illustrates the sales proceeds on a sale of 1,000 Class A SGD share class shares at an exit price of S\$12.50 and assuming no Contingent Deferred Sales Charge:

Exit price x Number of shares sold = Gross Sales Proceeds  
S\$12.50 x 1,000 = S\$12,500

Gross Sales Proceeds – Exit Charges = Net Sales Proceeds  
S\$12,500 – S\$0.00 = S\$12,500

## CONTACT INFORMATION

### HOW DO YOU CONTACT US?

- For account-related matters and product information, kindly contact the financial advisor or distributor from whom you purchased the Fund.
- For product-related queries, you may also contact Templeton Asset Management Ltd between 9.00 a.m. to 6.00 p.m., Mondays to Fridays (except Singapore public holidays):

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Singapore 038987  
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[www.franklintempleton.com.sg](http://www.franklintempleton.com.sg) (website)

Client Dealer Services Representative is available at:  
+65 6337 3933 (tel.)  
+65 6332 2296 (fax.)  
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