FRANKLIN TEMPLETON INVESTMENTS

Distribution Remuneration Structure

The Commission rates mentioned below are for the business to be mobilized during the period 01-Apr-2018 to 30-Jun-2018.

Fund Type, Fund Name, Plan	Exit Load	Applicable for T-30 & B-30				Total Earnings for 3 Years for T-30 Cities	Additional Upfront for B-30	Total Earnings for 3 Years for B-30 Cities	Trail from 4th year onwards (T30 & B30 cities)
		Upfront	Trail year 1	Trail year 2	Trail year 3 Onwards	(C+D+E+F)		(G+H)	
"A"	"B"	"C"	"D"	"E"	"F"	"G"	"H"	"I"	"J"
A - Equity Funds									
1) Franklin India High Growth Companies Fund (FIHGCF)	1.00% if redeemed / switched out within one year of allotment	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
2) Franklin Build India Fund (FBIF)	1.00% if redeemed / switched out within one year of allotment	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
3) Franklin India INDEX FUND NIFTY PLAN (FIIF)	1.00% for 30 days	0.00%	0.50%	0.50%	0.50%	1.50%	0.00%	1.50%	0.50%
4) Franklin India FLEXI CAP FUND (FIFCF)	1.00% for 1 year	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
5) Franklin India Smaller Companies Fund (FISCF)	1.00% for 1 year	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
6) Templeton India EQUITY INCOME FUND (TIEIF)	1.00% for 1 year	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
7) Franklin India BLUECHIP FUND (FIBCF)	1.00% for 1 year	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
8) Franklin India PRIMA FUND (FIPF)	1.00% for 1 year	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
9) Franklin India PRIMA PLUS (FIPP)	1.00% for 1 year	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
10) Franklin India Technology Fund (FITF)	1.00% if redeemed / switched out within one year of allotment	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
11) Franklin INDIA OPPORTUNITIES FUND (FIOF)	1.00% for 1 year	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
12) Templeton India GROWTH FUND (TIGF)	1.00% for 1 year	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
B - Section 80C Funds									
1) Franklin India TAXSHIELD (FIT)	Nil	0.00%	1.20%	1.20%	1.20%	3.60%	2.00%	5.60%	1.20%
2) Franklin India Pension Plan (FIPEP)	3.00% if redeemed before age of 58 years,(subject to lock in period & target amount) Nil after age of 58 years	0.00%	1.35%	1.35%	1.35%	4.05%	0.00%	4.05%	1.35%
C - Hybrid Funds									
1) Franklin India Balanced Fund (FIBF)	1.00% for 1 year	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
2) Franklin India Monthly Income Plan - Plan A (FTMIP)	1.00% for 1 year	0.00%	1.40%	1.40%	1.40%	4.20%	0.00%	4.20%	1.40%
D - Income Funds - Long Term									
1) Franklin India Income Opportunities Fund (FIIOF)	3% within 12 months, 2.00% for > 12 months & within 18 months, 1.00% > 18 months but within 24 months.	0.00%	1.05%	1.05%	1.05%	3.15%	0.00%	3.15%	1.05%
2) Franklin India Corporate Bond Opportunities Fund (FICBOF)	3% within 12 months, 2.00% for > 12 months & within 24 months, 1.00% > 24 months & within 36 months.	0.00%	1.10%	1.10%	1.10%	3.30%	0.00%	3.30%	1.10%
3) Franklin India Government Securities Fund - CP/PF (FIGSF-CP)	0.50% for 3 months	0.00%	1.10%	1.10%	1.10%	3.30%	0.00%	3.30%	1.10%
4) Franklin India Income Builder Account - Plan A (FIIBA)	0.50% for 1 year	0.00%	0.45%	0.45%	0.45%	1.35%	0.00%	1.35%	0.45%
5) Franklin India Government Securities Fund - Long Term Plan (FIGSF-LT)	Nil	0.00%	1.10%	1.10%	1.10%	3.30%	0.00%	3.30%	1.10%
6) Franklin India Short Term Income Plan - Retail Plan (FISTIP)	0.50% for 1 year	0.00%	1.00%	1.00%	1.00%	3.00%	0.00%	3.00%	1.00%
7) Franklin India Dynamic Accrual Fund (FIDA)	3% within 12 months, 2.00% for > 12 months & within 24 months, 1.00% > 24 months & within 36 months ,0.50% for >36 months & within 48 months	0.00%	1.10%	1.10%	1.10%	3.30%	0.00%	3.30%	1.10%
E - Income Funds - Short Term									
1) Franklin India Banking and PSU Debt Fund (FIBPDF)	Nil	0.00%	0.20%	0.20%	0.20%	0.60%	0.00%	0.60%	0.20%
2) Franklin India Savings Plus Fund Retail Option (FISPF)	Nil	0.00%	0.05%	0.05%	0.05%	0.15%	0.00%	0.15%	0.05%
3) Franklin India Low Duration Fund (FILDF)	0.50% for 3 months	0.00%	0.40%	0.40%	0.40%	1.20%	0.00%	1.20%	0.40%
F - Liquid / Liquid+ Funds									
1) Franklin India Ultra Short Bond Fund - Super Institutional Plan (FIUBF)	Nil	0.00%	0.05%	0.05%	0.05%	0.15%	0.00%	0.15%	0.05%
2) Franklin India Cash Management Account (FICMA)	Nil	0.00%	0.75%	0.45%	0.45%	1.65%	0.00%	1.65%	0.45%
3) Franklin India Treasury Management Account - Super Institutional Plan (FITMA)	Nil	0.00%	0.05%	0.05%	0.05%	0.15%	0.00%	0.15%	0.05%
G - Fund of Funds									
1) Franklin India Multi - Asset Solution Fund (FIMAS)	1.00% for 3 years	0.00%	1.30%	1.30%	1.30%	3.90%	2.00%	5.90%	1.30%
2) Franklin India Life Stage Fund of Funds - 20's Plan (FILSF-20)	1.00% for 1 year	0.00%	1.30%	1.30%	1.30%	3.90%	0.00%	3.90%	1.30%
3) Franklin India Life Stage Fund of Funds - 30's Plan (FILSF-30)	0.75% for 1 year	0.00%	1.30%	1.30%	1.30%	3.90%	0.00%	3.90%	1.30%
4) Franklin India Life Stage Fund of Funds - 40's Plan (FILSF-40)	0.75% for 1 year	0.00%	1.30%	1.30%	1.30%	3.90%	0.00%	3.90%	1.30%
5) Franklin India Life Stage Fund of Funds - 50's Plus Plan (FILSF-50)	1.00% for 1 year	0.00%	1.30%	1.30%	1.30%	3.90%	0.00%	3.90%	1.30%
6) Franklin India Life Stage Fund Of Funds - 50's Plus Floating Rate Plan (FILSF-50+)	1.00% for 1 year	0.00%	0.35%	0.35%	0.35%	1.05%	0.00%	1.05%	0.35%
7) Franklin India Dynamic P E Ratio Fund Of Funds (FIDPEF)	1.00% for 1 year	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
H - International Funds									
1) Franklin Asian Equity Fund (FAEF)	1% for 3 years	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
2) Franklin India Feeder - Franklin U S Opportunities Fund (FUSOF)	1% for 3 years	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%
3) FRANKLIN INDIA FEEDER - FRANKLIN EUROPEAN GROWTH FUND (FEGF)	1% for 3 years	0.00%	1.35%	1.35%	1.35%	4.05%	2.00%	6.05%	1.35%

Note:-

1. Any distribution of Mutual Fund units of Franklin Templeton Mutual Fund (FTMF) by distributors empaneled with Franklin Templeton Mutual Fund/Franklin Templeton Asset Management (India) Pvt. Ltd (FTAMIL)("Distributor/s") is on voluntary basis and by distributing the units, the distributors records its informed consent to comply with all the terms and conditions mentioned in this document as well as such other documents including empanelment form executed by them in connection with the distribution services provided to FTMF/FTAMIL.

2. This Distribution Remuneration Structure is applicable only to Distributors empaneled with FTAMIL.

3. FTAMIL reserves absolute right and authority to change the Distribution Remuneration Structure applicable to existing as well as future assets contributed by the Distributor under their respective ARN, at its sole discretion. Any change in the Distribution Remuneration Structure shall be intimated to the Distributors by telephone/email/post/courier /text messages or such other medium of communication as may be preferred by FTAMIL and the same will be effective from the date of dispatch of such communication.

4. The MIS based computation of commission by FTMF's Registrar and Transfer Agent will be considered to be final.

Terms & Conditions:-

A. Applicability of T-30 and B-30 Cities for payment of Commission:

1. AMFI has identified the top 15 (T-30) cities as major investments hubs. The List of T-30 cities as on December 31, 2015 are Mumbai (including Thane and Navi Mumbai), Delhi, Bangalore, Chennai, Kolkata, Ahmedabad, Pune, Hyderabad, Jaipur, Vadodara, Chandigarh, Surat, Kanpur, Gurgaon and Lucknow. The T-30 list is subject to periodic announcements made by AMFI in this regard. The Cities beyond T-30 are classified as "Beyond Top 15 (B-30) cities".

2. NRI & other eligible Foreign Investor Investments business shall also be considered as T-30 business. Additional upfront / trail commission offered on investments from B30 cities will not be applicable to investments from T30 cities, NRIs and Foreign Institutional Investors.

B. Recovery of Upfront Commission Paid:

1. The upfront commission paid to a Distributor will be recovered from the Distributor, if the investment for which such upfront commission was paid is redeemed /switched out to any other scheme or the Direct Plan before the completion of the Exit Load period. In the case of Franklin India Government Securities Fund – Composite / PF / LT Plans the recovery period will be one year.

2. (i) The recovery will be made on a pro-rata basis, depending upon the number of days for which the investment has stayed invested in the fund before being redeemed / switched out.

(ii)In case exit load is mentioned in months – 1 month will be considered as 30 days, 3 months as 90 days, 6 months as 180 days, 9 months as 270 days and 1 year as 365 days respectively

(iii) Recovery of the upfront commission ("Recovery Amount") will be equal to upfront commission paid x (No. of days for the Exit Load period – No. of days the monies have stayed in the funds) / (No. of days for the Exit Load period).

For example :

An upfront commission of 0.75% is paid on an Equity Fund, where the Exit Load period is 1 year. For an investment of Rs. 100,000/-, a distributor would be paid a sum of Rs. 750/- as the upfront commission. If the investor redeems this money exactly after completion of 180 days the Recovery Amount will be Rs. 380.14, computed as ((750 * (365 – 180))/365 as per the above formula.

For Additional Brokerage Structure applicable for investments Beyond Top 15 Cities, full recovery of the additional Commission paid will be done in case the Investor redeems / switches out to any other Scheme or the Direct Plan before the completion of ONE YEAR from the date of investment, irrespective of the Exit Load period applicable to the Fund.

3. The recovery of the Recovery Amount will be made from the Commission payable to the Distributor for the month in which redemption has been made. In case the Commission payable to the Distributor is insufficient to cover the Recovery Amount, we will continue to recover from the Commission payable in subsequent months. In case the recovery is not completed in 3 months, a demand notice will be sent to the Distributor asking him to refund the money to the AMC. In case the Distributor does not pay the money within 1 month from the date of the receipt of the notice, the AMC will approach AMFI and / or may initiate legal action for resolution of the same.

C. Commission payable on Switches :

1. Upfront commission will be paid on switches done from one Equity/Balanced Fund to another Equity/Balanced Fund only on completion of three years from the date of initial investment.

2. In case an investor switches out money from FTMF before the exit load Period, it will be considered as redemption and the upfront commission so paid will be recovered in lines of Para B above. Further a switch-in will be considered as a fresh purchase, and the upfront commission payable on the switch-in fund will be paid in entirety to the Distributor.

D. Statutory / AMFI Driven Regulations :

1. The rate of Commission mentioned in this document is inclusive of service tax if any. As per the notification no. 19/2016 dated 1st March 2016 issued by the Ministry of Finance, effective April 1, 2016, the distributors, whose service tax liability exceeds the threshold limit, shall be liable to register themselves and pay service tax under forward charge mechanism. Every Distributor providing taxable service must issue an invoice to the Asset Management Company (FTAMIL) signed by Distributor or a person authorized by the Distributor. For further clarification on applicability of service tax, please consult your tax advisor.

2. In case any assets under your ARN Code are transferred to another Distributor at the request of the Investor, you shall not be entitled to receive any trail commission on such assets. Further, the payments of trail commission on assets that are transferred from another Distributor to your ARN Code shall be subject to us receiving a "Clearance Certificate" from the previous Distributor. Please contact your Franklin Templeton Relationship Manager for further details.

3. The upfront commission that is payable by the investor (if any) as per the SEBI (SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009) will be paid directly to the Distributor / Advisor by the investor based on his assessment of various factors including the service rendered by the Distributor / Advisor. Further, the Distributor / Advisor is required to disclose to customers all the commissions (in the form of trail commission or any other mode) received by him for different competing schemes of various mutual funds from amongst which the Scheme of Franklin Templeton Mutual Fund (FTMF) is being recommended to them.

4. The Distributor shall adhere to all applicable SEBI Regulations and more particularly SEBI circulars dated June 26, 2002 and August 27, 2009 on the Code of Conduct and other guidelines issued by AMFI from time to time for mutual fund distributors and ensure that (i) no rebate is given to investors in any form and (ii) splitting of applications for any benefit.

5. The payment of Commission shall depend on the documentation completion status as per the empanelment form.

6. In terms of a SEBI directive, the Distributor / Advisor shall not take any Irrevocable Power of Attorney from its clients in connection with investments in the schemes of FTMF and that the liability of Distributor / Advisor shall not be limited and depend upon his failure to discharge his obligations.

7. All ARN holder are required to comply with the norms related to Know Your Distributior (KYD) as per AMFI circular dated August 27, 2010. The payment of Commission shall be suspended till the Distributor complies with this requirement.

E. This Distribution Remuneration Structure is applicable for SIP, STP and lump sum investments.

F. Important Definitions :

"Commission" shall mean any payment due from Fund/FTAMIL as distribution fees or other fees to the Distributor for valid transactions executed through the Distributor under the Distributor's ARN code and in respect of which final allotment of units has been made to the Customer. Commission includes upfront and trail commission as explained in the AMFI Best Practice Circular and the modification thereto from time to time.

"Distribution Remuneration Structure" shall mean the applicable fee/charges structure along with provisions for Commission, claw back and applicable taxes and deductions which shall from time to time be communicated to the Distributor through email/letters.

Please refer to the Fund's Scheme Information Document (SID) / Prospectus / Fund Factsheet for the minimum amounts for investments, exit loads and other statutory and fund related information.