FRANKLIN TEMPLETON INVESTMENTS

Franklin Templeton SIP/STP & Family Solutions Campaign for Independent Financial Advisors & Regional Distributors

INCENTIVE STRUCTURE

1st April 2018 to 30th September 2018

Upfront and Trail Incentive Details -

Particulars	Minimum Installment Rs.	Minimum SIP/FS Tenure	Additional Upfront per installment (%)	Additional Trail (%)	Incentive Payable
SIP Regular	2000	36 months	0.10%	0.00%	Monthly
Perpetual SIP	2000	*Perpetual	0.10%	#0.05%	Monthly
Family Solution (FS) SIPs	2000	FS Goal Tenure- 36 months	0.10%	#0.05%	Monthly

Perpetual SIP is where SIP End date and Frequency is not mentioned by the investor. Default end date for a Perpetual SIP will be **December 31, 2099.*

 # In case of Perpetual and FS SIPs, additional trail of 0.05% will be applicable over and above regular trail brokerage rate.

Funds Eligible for SIP/STP & FS Campaign

1. Franklin Asian Equity Fund (FAEF)
2. Franklin Build India Fund (FBIF)
3. Franklin India Bluechip Fund (FIBCF)
4. Franklin India Flexi Cap Fund (FIFCF)
5. Franklin India High Growth Companies Fund FIHGCF)
6. Franklin India Opportunities Fund (FIOF)
7. Franklin India Prima Fund (FIPF)
8. Franklin India Prima Plus (FIPP)
9. Templeton India Equity Income Fund (TIEIF)
10. Templeton India Growth Fund (TIGF)
11. Franklin India Taxshield (FIT)
12. Franklin India Smaller Companies Fund (FISCF)
13. Franklin India Technology Fund (FITF)
14. Franklin India Balanced Fund (FTIBF)
15. Franklin India Pension Plan (FIPEP)
16. FT India Dynamic PE Ratio Fund of Funds (FTDPEF)
17. FIF Franklin US Opportunities Fund (FIF-FUSOF)
18. FIF-Franklin European Growth Fund (FIF-FEGF)

Funds Eligible for STP-out for the Campaign

Income/Gilt Funds (Long term)	Short Term Debt Funds	Liquid Funds
1. Franklin India Income Builder Account (FIIBA) 2. Franklin India Dynamic Accrual Fund (FIDAF) 3. Franklin India Corporate Bond Opportunities Fund (FICBOF) 4. Franklin India Income Opportunities Fund (FIIOF) 5. Franklin India Monthly Income Plan (FIMIP) 6. Franklin India Government Securities Fund (FIGSF)- Composite and LT Plan 7. Franklin India Banking & PSU Debt Fund (FIBPDF)	8. Franklin India Short Term Income Plan (FISTIP) 9. Franklin India Savings Plus Fund (FISPF) 10. Franklin India Low Duration Fund (FILDF) 11. Franklin India Ultra Short Bond Fund	12. Franklin India Treasury Management Account (FITMA) 13. Franklin India Cash Management Account (FICMA)

Terms and Conditions

1. **Campaign Period –** April 1, 2018 To September 30, 2018
2. **Eligibility**
   a) All IFAs and Regional Distributors (RD) with valid ARN Codes and registered with Franklin Templeton during the campaign period are eligible to participate.
   b) All SIPs registered through ECS/Auto Debit/NACH will be eligibility for the campaign.
3. The incentive payable for the SIP/STP campaign will be over and above the regular remuneration applicable according to the slab that the distributor falls in.
4. **Eligible Frequency of SIP/ STP** – Weekly, Monthly, Quarterly
5. **Minimum Installment**
   a) **Weekly SIP / STP** - Rs.500/- (Rupees Five Hundred only)
   b) **Monthly SIP / STP** – Rs.2000/- (Rupees Two thousand only)
   c) **Quarterly SIP / STP** - Rs.3,000/- (Rupees Three thousand only)
6. STP out cannot be from any of the Equity or Balanced Funds or Fund of Funds
7. Campaign incentive will be paid on all eligible SIPs / STPs expiring and renewed during the Campaign period.
8. Multiple SIPs registered under the same FS Folio will be considered as an individual SIP. E.g. If an investor registers three goals in Family Solutions and then invests through three SIPs in each of the goal, then these will be considered as 9 SIPs, and each treated separately for the Incentive payable.
9. Campaign payout will be made on all new SIPs / STPs started in a new or existing FS Folio during the campaign period.
10. No incentives under this campaign will be paid to existing SIP / STPs that are freshly tagged under a new FS Folio.
11. Campaign will not be applicable for Dividend Transfer Plans.

Recovery Provision of Campaign Incentive

a) **For Additional Per Installment Upfront Incentive paid** - In case of cancellation of a Regular & Perpetual SIP/STP by the investor for any reason before completion of 36 months, the upfront incentive paid, will be fully recovered from the future remuneration payable to the Distributor. In case a SIP/STP is terminated by the Investor after completion of 36 months, then no recovery will be made of the upfront campaign incentive paid.
b) **For Additional 0.05% Trail paid** - In case of cancellation of a Perpetual SIP /FS Solutions SIP by the investor for any reason before completion of **36 months**, then the additional trail paid will be fully recovered from the future remuneration payable to the Distributor. In case a SIP/STP is terminated by the Investor after completion of 36 months, then no recovery will be made of the trail campaign incentive paid, however an additional trail will be stopped on all realized installments.
c) Campaign incentive paid for that month will be recovered in the next immediate month's brokerage cycle and will be carried forward to the subsequent brokerage payments in case if there is any deficiency in the amount available for the brokerage payable in any month.
d) In case of deficiency in recovery amount for three consecutive months, the concerned distributor is requested to pay the balance recovery amount by cheque favoring "Templeton India Common Redemption Account".

12. **Cancellation / De-registration of SIP**
    a) SIP will be cancelled if there are 6 continuous failures (ECS / Direct Debit failure or Cheque Dishonor).
    b) SIP will be cancelled in the first instance only if the reason for failure is **"Account Closed",** i.e. the Bank Account from where the ECS/Direct Debit Instruction is registered (or cheque issued) is "Closed".
    c) The conditions outlined in Para 12 will supersede this condition for the purpose of Recovery. This section only deals with the cancellation / de-registration process of SIPs.
13. 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) is on voluntary basis. By distributing the units, the distributors record their 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.
14. MIS based computation of incentive by FTMF's Registrar and Transfer Agent will be considered to be final and binding.
15. FTAMIL reserves absolute right and authority to change/discontinue this incentive structure at its sole discretion.

Statutory / AMFI Driven Regulations

1. 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.
2. 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/ her for different competing schemes of various mutual funds from amongst which the Scheme of FTMF is being recommended to them.
3. 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.
4. The payment of Commission shall depend on the documentation completion status as per the empanelment form.
5. 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.
6. All ARN holders are required to comply with the norms related to Know Your Distributor (KYD) as per AMFI circular dated August 27, 2010. The payment of Commission shall be suspended till the Distributor complies with this requirement.
7. The incentive structure mentioned in this document is inclusive of Goods and Service Tax (GST) at applicable rates, if any. All the terms and conditions laid out in distributor commission structure will be applicable for the SIP campaign documents. For further clarification on applicability of GST, please consult your tax advisor.

For further information
Please contact your Franklin Templeton Relationship Manager