

Load & Distributor Remuneration Structure

Period of Applicability: January 1, 2010 to March 31, 2010

Fund Type	Fund Name	Plan	Investment Amount	Exit Load / CDSC	Upfront Brokerage	Trail (% p.a.)			
						1st Year	2nd Year	3rd Year	
Equity Funds	Franklin Asian Equity Fund (FAEF)	N.A.	N.A.	1.00 % (L-1), i.e. Legend -1, referred as "L" going forward	0.50%	0.40%	0.40%	0.40%	
	Franklin Build India Fund (FBIF)								
	Franklin FMCG Fund (FFF)								
	Franklin India Bluechip Fund (FIBCF)								
	Franklin India Flexi Cap Fund (FIFCF)								
	Franklin India High Growth Companies Fund (FIHGCF)								
	Franklin India Opportunities Fund (FIOF)								
	Franklin India Prima Fund (FIPF)								
	Franklin India Prima Plus (FIPP)								
	Franklin Infotech Fund (FIF)								
	Franklin Pharma Fund (FPF)								
	Templeton India Equity Income Fund (TIEIF)								
	Templeton India Growth Fund (TIGF)								
Index Funds	Franklin India Index Fund (FIIF)	N.A.	N.A.	1.00% (L-2)	Nil	0.30%	0.40%	0.40%	
Section 80C Funds	Franklin India Taxshield (FIT) (L-3)	N.A.	N.A.	Nil	2.25%	Nil	Nil	0.40% (L-4)	
	Templeton India Pension Plan (TIPP) (L-5)	N.A.	N.A.	Nil, 3.00% (L-6)	1.75%	Nil	Nil	0.40% (L-4,7)	
Balanced / Hybrid Funds	FT India Balanced Fund (FTIBF)	N.A.	N.A.	1.00 % (L-1)	0.50%	0.40%	0.40%	0.40%	
	Templeton India Children's Asset Plan (TICAP)	Education Plan & Gift Plan	N.A.	Nil	0.40%	0.40%	0.40%	0.40%	
Income / Gift Funds (Long Term)	Templeton India Income Builder Account (TIIBA)	Plan A	> Rs. 50 Lakh	0.50% (L-8)	Nil	0.65%	0.40%	0.40%	
		Plan B (L-9)	<= Rs. 50 Lakh		0.50%	0.20% (L-10)	0.40%	0.40%	
	Templeton India Income Fund (TIIF)	N.A.		<= Rs. 50 Lakh	0.50% (L-8)	0.25%	0.20% (L-10)	0.40%	0.40%
				> Rs. 50 Lakh		Nil	0.35%	0.40%	0.40%
	Franklin India International Fund (FINIF)	N.A.	N.A.	0.50% (L-8)	0.50%	0.20% (L-10)	0.40%	0.40%	
	Templeton Monthly Income Plan (TMIP) - Growth & Half Yearly Dividend	N.A.	N.A.	0.50% (L-11)	0.50%	0.20% (L-10)	0.40%	0.40%	
	Templeton Monthly Income Plan (TMIP) - Monthly & Quarterly Dividend	N.A.	N.A.	0.50% (L-11)	0.25%	0.30% (L-10)	0.35%	0.35%	
	FT India Monthly Income Plan (FTIMIP)	Plan A & Plan B	N.A.	1.00 % (L-1)	0.50%	Nil	0.30%	0.30%	
	Templeton India Income Opportunities Fund (TIIOF)	N.A.	N.A.	3.00%, 2.00%, 1.00% (L-12)	0.80%	Nil	0.40% (L-13)	0.40%	
	Templeton India Government Securities Fund (TGSF)	Composite Plan PF Plan Long-term Plan	N.A.		0.50% (L-11)	0.40%	0.20% (L-10)	0.40%	0.40%
0.35%					0.45% (L-10)	0.40%	0.40%		
Nil					Nil	0.55%	0.40%	0.40%	
Short Term Funds	Templeton India Govt. Securities Fund (TGSF)	Treasury Plan	N.A.	Nil	Nil	0.35%	0.30%	0.30%	
	Templeton India Short Term Income Plan (TISTIP)	Retail Plan	N.A.	0.50% (L-8)	Nil	0.40%	0.30%	0.30%	
		Institutional Plan	=> Rs. 5 Crore	Nil	0.30%	0.30%	0.30%		
	Templeton Floating Rate Income Fund - Short-term (TFIF- ST)	Retail Plan	N.A.	Nil	Nil	0.30%	0.30%	0.30%	
		Institutional Plan	=> Rs. 5 Crore	Nil	0.20%	0.20%	0.20%		
	Templeton Floating Rate Income Fund - Long-term (TFIF-LT)	Retail Plan	N.A.	0.25% (L-14)	Nil	0.40%	0.30%	0.30%	
		Institutional Plan	=> Rs. 1 Crore		Nil	0.20%	0.20%	0.20%	
		Super Institutional Plan	=> Rs. 5 Crore		Nil	0.05%	0.05%	0.05%	
Templeton India Ultra-short Bond Fund (TIUBF)	Regular Plan	=> Rs. 25000	0.25% (L-15)	Nil	0.25%	0.25%	0.25%		
	Institutional Plan	=> Rs. 1 Crore		Nil	0.15%	0.15%	0.15%		
	Super Institutional Plan	=> Rs. 5 Crore		Nil	0.05%	0.05%	0.05%		
Liquid Funds	Templeton India Money Market Account (TIMMA) (L-16)	N.A.	N.A.	Nil	Nil	0.25%	0.20%	0.20%	
	Templeton India Treasury Management Account (TITMA)	Liquid Plan	N.A.	Nil	Nil	0.35%	0.20%	0.20%	
		Regular Plan	=> Rs. 1 Lakh		Nil	0.20%	0.20%	0.20%	
		Institutional Plan	=> Rs. 1 Crore		Nil	0.15%	0.15%	0.15%	
		Super Institutional Plan	=> Rs. 5 Crore		Nil	0.05%	0.05%	0.05%	
Fund of Funds (Refer Notes 2 & 3 below)	FT Life Stage Fund of Funds (FTLF)	20s Plan	N.A.	1.00% (L-1)	0.50%	0.375%	0.375%	0.375%	
		30s Plan		0.75% (L-1)	0.40%	0.375%	0.375%	0.375%	
		40s Plan		0.75% (L-1)	0.30%	0.25%	0.25%	0.250%	
		50s Plan		1.00% (L-1)	0.50%	Nil	0.125%	0.125%	
		50s Plus Floating Rate Plan		1.00% (L-1)	0.50%	Nil	0.25%	0.25%	
	FT Dynamic PE Ratio Fund of Funds (FTDPEF)	N.A.	N.A.	1.00% (L-1)	0.40%	Refer point 2 in Notes	Refer point 2 in Notes	Refer point 2 in Notes	

Legends:

L - 1	If redeemed / switched out within 1 year from date of allotment	L - 10	Trail Applicable from beginning of the seventh month from Date of Initial Investment
L - 2	If redeemed within 30 days from date of allotment	L - 11	If redeemed within 3 months from date of allotment
L - 3	Lock-in period of three years from date of allotment	L - 12	3% if redeemed within 6 months from the date of allotment, 2% if redeemed after 6 months but within 12 months from the date of allotment, 1% if redeemed after 12 months but within 18 months from the date of allotment, Nil thereafter
L - 4	Trail Commission applicable from beginning of the 4th year from Date of Initial Investment		
L - 5	Lock-in period of three financial years	L - 13	Trail Applicable from beginning of the 19 th month from the date of allotment
L - 6	Exit Load of 3 % if redeemed before attaining 58 years of age (subject to a 3 year lock-in period)	L - 14	If redeemed within 14 days from date of allotment
L - 7	Payable till investor reaches the age of 60 years	L - 15	If redeemed within 7 days from the date of allotment
L - 8	If redeemed / switched out within 6 months from date of allotment	L - 16	Lock in period of 14 days
L - 9	Fresh / additional purchase (including switch-in) on a single day in TIIBA-Plan B will be allowed / accepted only for amount less than or equal to Rs. 50 Lakh per application		

Notes:**A. General**

- 1) The Investment amounts outlined in the brokerage structure above are the eligible amounts for payment of Brokerages. Please refer to the Fund's SID / Prospectus / Fund Factsheet for the minimum amounts for investments.
- 2) **Brokerage payable in Fund of Funds:** The following table provides a ready Reckoner to determine the brokerage payable in Fund of Funds on three levels – Upfront Brokerage & FoF Level Trail (paid from the Fund of Fund itself) and Underlying Funds Trail (paid from the underlying funds).

Fund	Upfront Brokerage	Trail – FoF Level		Trail – Underlying Funds	
		First Year	Second Year	First Year	Second Year
FTLF – 20s, 30s & 40s Plan	As shown in Structure above	As shown in Structure above	As shown in Structure above	Nil (No trail payable from the underlying funds)	Nil (No trail payable from the underlying funds)
FTLF – 50s and 50s Plus Floating Rate Plan	As shown in Structure above	Nil (No trail payable at a FoF level)	Nil (No trail payable at a FoF level)	Nil (No trail payable from the underlying funds)	Payable as per the applicable structure of the underlying funds (refer point 3 below)
FTDPEF	As shown in Structure above	Nil (No trail payable at a FoF level)	Nil (No trail payable at a FoF level)	Payable as per the applicable structure of the underlying funds (refer point 3 below)	Payable as per the applicable structure of the underlying funds (refer point 3 below)

- 3) **Underlying schemes in FTLF*:** FIBCF, FIPF, TIGF, TIIF, TIIBA and TFIF - LT;
Underlying schemes in FTDPEF*: FIBCF, TIIF
* Please note that the Asset Allocation across the underlying schemes may vary from month to month depending upon the fund construct.
- 4) **Brokerage payable on Switches**
 - a) No upfront brokerage will be paid on switches done from one Equity Fund to another Equity Fund.
 - b) No upfront brokerage will be paid on switches done from **Templeton India Short-term Plan (TISTIP)** into **Templeton India Income Opportunities Fund (TIIOF)**. In such case, the Trail in TIIOF will be payable from Day 1 instead of the regular 19th month onwards at the levels mentioned above.
 - c) The differential upfront brokerage will be payable on all switches done from a fund with Lower Upfront Brokerage to a Fund with Higher Upfront Brokerage.
 - d) No upfront brokerage will be payable on all switches done from a fund with a Higher Upfront Brokerage to a Fund with Lower Upfront Brokerage.
- 5) The MIS computation by Franklin Templeton's Transfer Agency will be considered to be final for the purpose of the brokerage computation.
- 6) The above brokerage structure and the payout thereof is applicable only till the time the Distributor is empanelled with Franklin Templeton Asset Management (I) Pvt. Ltd.

B. Statutory / AMFI Driven Regulations

- 1) The commission structure communicated by the AMC from time to time is all inclusive i.e. inclusive of any cess, charges, taxes, etc. that may be applicable to the Distributor and eligible for all the statutory deductions, including Income Tax, Service Tax, etc.
- 2) Investments in FIT and TIPP are eligible for deduction under Section 80C of the Income Tax Act, 1961. Investors are requested to consult their tax advisor in this matter.
- 3) The rules and regulations of SEBI/AMFI pertaining to brokerage payment to distributors will also be applicable for payment of the above mentioned brokerage structure.
- 4) The above brokerage structure is based on the present expense ratio allowed by SEBI. Any change by SEBI in the expense ratio will entail a change in the above brokerage structure.
- 5) 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.
- 6) The distributors shall adhere to SEBI circular dated June 26, 2002 on Code of Conduct and SEBI Regulations and ensure that no rebate is given to investors in any form.
- 7) As per the revised guidelines issued by SEBI (SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009) the upfront commission will be paid by the investor directly to his Distributor / Advisor based on his assessment of various factors including the service rendered by the Distributor / Advisor. Further, the revised guidelines states that the Distributor / Advisor is required to disclose all commissions (in the form of trail commission or any other mode) payable to them for the different competing schemes of various mutual funds from amongst which the scheme is being recommended to the investor.
- 8) SEBI vide its circular SEBI/IMD/CIR No.12/186868/2009 dated December 11, 2009 has advised the Asset Management Companies (AMCs) to seek documentation related to the investor including Know your Client, Power of Attorney (PoA) in respect of transactions/ requests made through Channel Partners. It has also directed the AMCs to withhold the Brokerage payments (both monthly / quarterly) for the period ending December 2009 till the completion of documentation requirements as outlined under the captioned circular for all partners working with Franklin Templeton Investments under the definition of "Channel Partner" as outlined in the captioned circular.