

**Product Key Facts**  
**Franklin Templeton Investment Funds –**  
**Templeton Global Total Return Fund**

*Last updated: 31 May 2011*

- **This statement provides you with key information about this product.**
- **This statement is a part of the offering document.**
- **You should not invest in this product based on this statement alone.**

**Quick facts**

**Investment manager:** Franklin Advisers, Inc.

**Custodian:** J.P. Morgan Bank Luxembourg S.A.

**Base currency:** USD

**Financial year end of this fund:** 30 June

**Dealing frequency:** Every Hong Kong Business Day

**Dividend policy:** Dividends, if declared, will be reinvested unless indicated by you in the application form to be paid out

**Minimum Investment:** USD 1,000 [initial] and USD 500 [subsequent purchases] or equivalent (Certain intermediaries may impose higher minimum dealing amounts)

**What is this product?**

*This is a fund constituted in the form of a mutual fund. It is domiciled in Luxembourg and its home regulator is Commission de Surveillance du Secteur Financier (“CSSF”).*

**Objective and Investment Strategy**

*The fund aims to maximise total investment return by achieving an increase in the value of its investments, earning income and realizing currency gains over the medium to long term.*

*The fund invests mainly in:*

- *debt securities of any quality issued by governments, government-related or corporate entities in any developed or emerging markets*

*The fund can invest to a lesser extent in:*

- *mortgage- and asset-backed securities*
- *debt securities of supranational entities, such as the European Investment Bank*
- *derivatives for hedging and investment purposes as an active investment management instrument to take exposure on the markets*

*The management team that operates worldwide with over 100 fixed income specialists takes advantage of different total investment return opportunities through active management of currencies, interest rates and fixed income securities. In making investment decisions, the investment team uses in-depth research about various factors that may affect bond prices and currency values.*

**What are the key risks?**

**Investment involves risks. Please refer to the offering document for details including the risk factors.**

- **Derivatives risk:** *The fund may invest in financial derivatives or structured products such as credit-linked securities, swaps (including credit default swaps and total return swaps), futures, forwards, and options for hedging or investment purposes, or for efficient portfolio management (to reduce risk or cost). A small outlay may relate to material market exposure, but the fund sets aside cash or assets to meet any future obligation.*
- **Prepayment and extension risk:** *Mortgage- and asset-backed securities, where principal is paid back over the life of the security, may see their maturity shortened or extended as interest rate levels change.*
- **Mortgage dollar roll risk:** *Selling mortgage-backed securities for delivery in the current month and purchasing similar securities on a future date exposes the fund to potential loss if the counterparty defaults.*
- **Economic, political and regulatory risks:** *Such risks are prevalent in any market, especially emerging markets.*
- **Interest rate risk:** *Fixed income securities with longer term maturities tend to be more sensitive to interest rates changes than shorter term maturities.*
- **Credit risk:** *Default can occur if an issuer fails to make principal and interest payments when due. Generally, corporate bonds have a higher risk of default than governments.*
- **Low-rated securities risk:** *You are exposed to lower rated, non-investment grade securities where the risk of failure to pay interest or principal is greater vs. higher rated securities.*

- **Foreign currency risk:** The fund may seek to hedge currency exposure or take a currency position for investments purposes, exposing your investment to potential losses.
- **Liquidity risk:** The fund may not be able to easily sell securities held in adverse market conditions or reduced creditworthiness of issuers in which it invests. Requests for redemption of shares, which are not listed, may be deferred or suspended.

**Is there any guarantee?**

Like most funds, this fund does not have any guarantees. You may not get back the full amount of money you invest.

**What are the fees and charges?**

**Charges which may be payable by you**

You may have to pay the following fees when dealing in the units of the fund.

	<b>Class A</b>	<b>Class B</b>	<b>Class N</b>
<b>Subscription fee (Initial sales charge)</b>	<b>Up to 5.00%</b>	<b>Nil</b>	<b>Up to 3.00%</b>
<b>Switching fee (Switching charge)</b>	<b>1.00%</b>	<b>Nil</b>	<b>Nil</b>
<b>Redemption fee (Redemption charge)</b>	<b>Nil</b>	<b>Up to 4.00%</b>	<b>Nil</b>

**Ongoing fees payable by the fund**

The following expenses will be paid out of the fund. They affect you because they reduce the return you get on your investments.

	<b>Class A</b>	<b>Class B</b>	<b>Class N</b>
<b>Management fee (Investment management fee)</b>	<b>0.75%</b>	<b>0.75%</b>	<b>0.75%</b>
<b>Custodian fee</b>	<b>Up to 0.14%</b>	<b>Up to 0.14%</b>	<b>Up to 0.14%</b>
<b>Performance fee</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Administration fee</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Maintenance charge</b>	<b>Up to 0.30%</b>	<b>Up to 0.75%</b>	<b>Nil</b>
<b>Servicing charge</b>	<b>Nil</b>	<b>1.06%</b>	<b>Nil</b>
<b>Distribution charge</b>	<b>Nil</b>	<b>Nil</b>	<b>Up to 1.25%</b>
<b>Registrar and Transfer, Corporate, Domiciliary and Administrative Agent fee + Additional fixed amount of USD per Shareholder account at the relevant Class level</b>	<b>Up to 0.2175%</b> <b>Up to USD 30 per annum</b>	<b>Up to 0.2175%</b> <b>Up to USD 30 per annum</b>	<b>Up to 0.2175%</b> <b>Up to USD 30 per annum</b>

**Other fees**

You may have to pay other fees when dealing in the units of the fund.

**Additional Information**

- You generally buy and redeem units at the fund's next determined net asset value (NAV) after the Hong Kong Representative, Franklin Templeton Investments (Asia) Limited, receives your request in good order on or before 4p.m. Hong Kong time being the dealing cut-off time. Certain intermediaries may impose an earlier dealing cut-off time.
- The net asset value of this fund is calculated and the price of units published daily in South China Morning Post and Hong Kong Economic Times. Information about prices may also be obtained on the internet [www.franklintempleton.com.hk](http://www.franklintempleton.com.hk).
- Investors may obtain information on the intermediaries by calling the Hong Kong Representative at (852) 2877 7733 or visiting our website at [www.franklintempleton.com.hk](http://www.franklintempleton.com.hk).
- The website mentioned above has not been reviewed by SFC.

**Important**

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

Issuer of this statement: Franklin Templeton Investments (Asia) Limited