

This Product Highlights Sheet is an important document.

- It highlights the key features and risks relating to the Fund and complements the Replacement Master Information Memorandum<sup>1</sup>.
- It is important to read the Replacement Master Information Memorandum before deciding whether to purchase Units of the Fund. If you do not have a copy of the Replacement Master Information Memorandum, please contact us for a copy.
- You should not invest in the Fund if you do not understand or are not comfortable with the accompanying risks.
- For account-related matters and information regarding the Fund, kindly contact us, or the distributor from whom you purchased Units of the Fund.

**This Product Highlights Sheet only highlights the key features and risks of the Fund.**

**Investors are advised to request, read and understand the Replacement Master Information Memorandum before deciding to invest.**

## **PRODUCT HIGHLIGHTS SHEET FRANKLIN U.S. OPPORTUNITIES FUND (THE “FUND”)**

### **RESPONSIBILITY STATEMENT**

This Product Highlights Sheet has been reviewed and approved by the directors or authorised committee or persons approved by the directors of *Franklin Templeton Asset Management (Malaysia) Sdn. Bhd.* and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, there are no false or misleading statements, or omission of other facts which would make any statement in the Product Highlights Sheet false or misleading.

### **STATEMENT OF DISCLAIMER**

The Securities Commission Malaysia has authorised the Fund, and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Fund and lodgement of this Product Highlights Sheet should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of *Franklin Templeton Asset Management (Malaysia) Sdn. Bhd.* and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

**YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT**

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<sup>1</sup> The Replacement Master Information Memorandum and accompanying supplemental information memoranda (if any) is available at Franklin Templeton Asset Management (Malaysia) Sdn. Bhd. and its appointed distributors during business hours.

Brief Information on the Product		
Type of Product	The Fund is a Wholesale Fund that is structured as a feeder fund.	
Name of Manager	Franklin Templeton Asset Management (Malaysia) Sdn. Bhd.	
Product Suitability		
The Fund is suitable for Sophisticated Investors who:		
<ul style="list-style-type: none"><li>• seek capital appreciation by investing in equity securities;</li><li>• seek a growth investment in sectors showing above average growth or growth potential as compared with the overall economy;</li><li>• seek an investment concentrated in equities of US issuers; and</li><li>• plan to hold their investment for the medium to long term.</li></ul>		
Key Product Features		
<ul style="list-style-type: none"><li>• The Fund aims to achieve capital appreciation by investing in the Target Fund which invests principally in equity securities of U.S. companies demonstrating accelerating growth, increasing profitability, or above-average growth or growth potential as compared with the overall economy.</li><li>• A feeder fund is a fund which invests all or substantially all of its assets in a single collective investment scheme.</li></ul>		
Class of Units	MYR Class	USD Class
Launch Date	8 May 2013	2 December 2013
Initial Offer Price	RM 0.5000*	USD 0.5000*
<i>*Initial offer price is no longer applicable as the initial offer period has passed</i>		
Minimum Initial Investment	RM 10,000 or such other amount as the Manager may prescribe from time to time.	USD 5,000 or such other amount as the Manager may prescribe from time to time
Minimum Additional Investment	RM 1,000 or such other amount as the Manager may prescribe from time to time.	USD 500 or such other amount as the Manager may prescribe from time to time.
<i>Please note that the minimum initial and additional investment amounts stated above include any applicable fees and charges payable by investors, including sales charge and tax (if any). In other words, the amount is gross of fees and charges payable by investors.</i>		
Investment Strategy and Policy	<ul style="list-style-type: none"><li>• As the Fund is a feeder fund, the investment of the Fund will consist of a single collective investment scheme, i.e., the Target Fund. The Manager will monitor the investment objective of the Target Fund to ensure that it is consistent with the investment objective of the Fund.</li><li>• The Fund aims to invest a minimum of 95% of the NAV of the Fund in the Target Fund which is denominated in USD and domiciled in Luxembourg; the balance of the NAV of the Fund will be held in cash or invested in liquid assets to defray operating expenses and to provide liquidity.</li><li>• As the primary investment of the Fund, i.e., the Target Fund, is denominated in USD, the Manager intends to employ hedging to reduce the Fund's exposure to foreign exchange fluctuations. The hedging tools that the Manager may utilise include but are not limited to foreign exchange forwards.</li><li>• The Target Fund invests principally in equity securities of US companies demonstrating accelerating growth, increasing profitability, or above average growth or growth potential as compared with the overall economy. Equity securities generally entitle the holder to participate in a company's general operating results. They include common stocks, convertible securities and warrants on securities.</li><li>• The Target Fund principally invests in small, medium, and large capitalisation companies with strong growth potential across a wide range of sectors. In selecting equity investments, the Investment Manager utilises fundamental, bottom-up research focusing on companies believed to possess sustainable growth characteristics and which meet growth, quality and valuation criteria. The Investment Manager focuses on sectors that have exceptional growth potential and fast growing, innovative companies within these sectors. In addition, solid management and sound financial records are factors the Investment Manager also considers. Although the Investment Manager searches for investments across a large number of sectors, the Target Fund, from time to time, may</li></ul>	

	<p>have significant positions in particular sectors such as technology (including electronic technology, technology services, biotechnology and health care technology).</p> <p><i>For more information on the Fund and the Target Fund, please refer to Chapter 3 of the Replacement Master Information Memorandum – “Fund Information” and Chapter 4 of the Replacement Master Information Memorandum – “Information on Target Fund”.</i></p>
<p><b>Who am I investing with? Who are the parties involved?</b></p> <ul style="list-style-type: none"> <li>• The Manager of the Fund is Franklin Templeton Asset Management (Malaysia) Sdn. Bhd.</li> <li>• The Trustee of the Fund is Deutsche Trustee Malaysia Berhad.</li> <li>• The Target Fund, Franklin Templeton Investment Funds – Franklin U.S. Opportunities Fund is a sub-fund of the Franklin Templeton Investment Funds (FTIF) which is a SICAV.</li> <li>• FTIF has appointed Franklin Templeton International Services S.à r.l. (“FTIS”) to act as the management company of the Target Fund, to provide administration, marketing, investment management and advice services in respect of the Target Fund.</li> <li>• FTIS has further delegated the investment management services to Franklin Advisers, Inc. to act as the investment manager of the Target Fund.</li> </ul>	
<p><b>What are the possible outcomes of my investment?</b></p> <ul style="list-style-type: none"> <li>• The value of the Fund and the distribution you may receive from your investment may fall or rise. There may be a risk that you may lose some or all of your investments.</li> </ul>	
<p><b>Key Risks</b></p> <p><i>FOR INFORMATION CONCERNING RISK FACTORS, WHICH YOU SHOULD CONSIDER, PLEASE REFER TO THE “RISK FACTORS” SECTION (CHAPTER 2) OF THE REPLACEMENT MASTER INFORMATION MEMORANDUM (AS MAY BE AMENDED AND SUPPLEMENTED).</i></p>	
<p><b><u>General Risks of Investing in the Fund</u></b></p> <ul style="list-style-type: none"> <li>• Market Risk</li> <li>• Fund Management Risk</li> <li>• Performance Risk</li> <li>• Inflation Risk</li> <li>• Risk of Non-Compliance</li> <li>• Operational Risk</li> </ul> <p><b><u>Specific Risks Associated with the Fund</u></b></p> <ul style="list-style-type: none"> <li>• Currency Risk</li> <li>• Hedging Risk</li> <li>• Foreign Country Security Risk</li> <li>• External Fund Manager’s Risk</li> </ul>	<p><b><u>Principal Risks Associated with the Target Fund</u></b></p> <ul style="list-style-type: none"> <li>• Class hedging risk</li> <li>• Convertible and Hybrid securities risk</li> <li>• Counterparty risk</li> <li>• Equity risk</li> <li>• Growth stocks risk</li> <li>• Liquidity risk</li> <li>• Market risk</li> <li>• Securities Lending Risk</li> <li>• Single country risk</li> <li>• Smaller and Midsize Companies risk</li> <li>• Warrants risk</li> </ul>
<p><b>Fees &amp; Charges</b></p>	
Sales Charge	<p>Up to 5.00%^ of the NAV per Unit</p> <p><i>Note:</i>  <i>The Manager reserves the right to waive or reduce the sales charge from time to time at its absolute discretion.</i></p> <p><i>The above sales charge is applicable to all distribution channels. Subject to the maximum rate as stipulated above, investors can expect differing sales charge to be levied when buying Units from different distribution channels due to the different levels of services provided by each distribution channel and/or the size of the investment undertaken by the investors. Investment through the different distribution channels shall be subject to their respective terms and conditions.</i></p>
Redemption Charge	Nil.
Switching Fee	<p>The Manager does not intend to impose any switching fee, however, if the amount of sales charge of the fund that the Unit Holder intends to switch into is more than the sales charge imposed by the Fund being switched from, then the difference in the sales charge between the 2 funds and any tax (as the case may be) shall be borne by the Unit Holder.</p> <p>Conversely, no sales charge by the fund that the Unit Holder intends to switch into will be imposed on the Unit Holder, should it be less</p>

	<p>than or equal to the sales charge paid by the Unit Holder when they invested in the Fund.</p> <p>For the avoidance of doubt, under no circumstances is a Unit Holder entitled to any refund on the sales charge they have paid when they invested in the Fund if it exceeds the sales charge of the fund that they intend to switch into.</p>
Transfer Fee	The Manager does not intend to charge any transfer fee.
Other Charges	Charges such as bank costs, telegraphic charges and courier charges shall be borne by the Unit Holders in order to execute transactions on behalf of the Unit Holders.
Management Fee	1.75%^ per annum of the NAV of the Fund. The Management Fee is calculated and accrued on a daily basis and payable monthly. The Management Fee applies to each class of Units of the Fund.
Trustee Fee	0.05%^ per annum of the NAV of the Fund subject to a minimum of RM18,000^ per annum (excluding foreign custodian fees and charges). The Trustee Fee is calculated and accrued on a daily basis and payable monthly. The Trustee Fee applies to the Fund as a whole, irrespective of the classes of Units.
Other Expenses	Expenses directly related to the Fund include audit fees, commission/fees paid to brokers, sub-custodian fees and charges, tax adviser's fee, taxes and other duties imposed by the government/authorities, valuation fees incurred by independent valuers for the benefit of the Fund, cost of modification of Deed (if any), cost of convening meetings for Unit Holders and any other expenses allowed under the Deed. These expenses are taken from the Fund.
Tax	<p>In the event of the imposition of any applicable tax by the Malaysian Government, the Manager, the Trustee and other service providers may impose such tax in addition to any fees and/or charges in respect of any Units, and the Unit Holder and/or the Fund (as the case may be) shall pay all such tax as may be applicable.</p> <p>Investors should be aware that all fees, charges and expenses referred to or quoted in the Replacement Master Information Memorandum (including any supplemental information memorandum) and the Deed (including any supplemental deed) are referred to or quoted as being exclusive of tax.</p>
Fees Chargeable by the Target Fund	Please refer to Section 4.13 of the Replacement Master Information Memorandum for details on the fees and charges that may be imposed by the Target Fund. Please note that these fees are factored in the NAV of the Target Fund.
^ The rates and/or amount for sales charge, management fee and trustee fee disclosed under the "Fees and Charges Related to the Funds" above are exclusive of any tax.	
<b>Valuations and Exiting from Investment</b>	
<ul style="list-style-type: none"> <li>The Fund is valued once every Business Day. The Funds adopts a forward pricing basis which means the price of a Unit will be calculated based on the NAV of the Unit at the next valuation point.</li> <li>The value of the Fund's investment in the Target Fund at the close of Business Day* will only be determined the following Business Day (eg. Target Fund is a foreign fund). So the valuation of the Units in respect of a particular Business Day can only be carried out on the following Business Day (T+1) at 10.00 a.m.</li> <li>If applications for Units or redemption requests are received before the cut-off time of 4.00 p.m. on a Business Day, for example a Tuesday, the price of the Units in respect of those applications/redemptions will be calculated based on the valuation of the Units done on a Wednesday.</li> <li>The daily NAV of the Fund in Malaysia is carried by Reuters/Lipper, Bloomberg and Morningstar. You may also request for the daily NAV from the distributor who you invested with or from us directly.</li> </ul> <p><i>*A Business Day means a day on which Bursa Malaysia is open for trading. However, the Manager may declare certain Business Days as non-Business Days if it is not a dealing day in the country of the Target Fund (foreign fund).</i></p>	

**How can I exit from this investment and what are the risks and costs involved?**

- You may redeem your investment in the Fund on any Business Day by completing the redemption request form available at the distributor (same place/person you purchased Units of the Fund from).
- The distributor will advise the Manager of the redemption and based on no. of redemption units (by end day; before 4 p.m.).
- All redemption requests from the distributor must be received by the Manager before 4.00 pm on a Business Day. Any requests after 4.00 p.m. will be treated as having received the following Business Day.
- Redemption proceeds are based on the NAV per Unit of the Fund at the close of Business on the day the redemption request form is received by the Manager.
- Redemption proceeds will be paid to you within \*10 Business Days upon receipt of the redemption request form.

*\*There may be instances when the Redemption Payment Period of 10 Business Days cannot be complied with due to certain redemption policies of the Target Fund. Please see Section 4.12.6 for details.*

- The minimum redemption amount is set at 2,000 Units for the MYR Class and 1,000 Units for the USD Class or such other amount as the Manager may prescribe from time to time.
- In the case of a partial redemption, if a redemption request results in you holding less than 20,000 Units for the MYR Class or 10,000 Units for the USD Class, which is the minimum holding requirement, you will be required to redeem all the remaining Units held in the Fund.
- There is no redemption fee to exit an investment in the Fund.

***Below is an illustration on the redemption proceeds are calculated when a Unit Holder makes a redemption request:***

Let us assume that the NAV per Unit of MYR Class is RM 0.5000 and a Unit Holder wants to redeem 10,000 Units.

Amount to be redeemed will therefore be:

$$\begin{aligned} &= \text{Number of Units} \times \text{NAV per Unit} \\ &= 10,000 \text{ Units} \times \text{RM}0.5000 \\ &= \text{RM}5,000 \end{aligned}$$

**Contact Information****Who should I contact for further information or to lodge a complaint?**

1. For account-related matters and information regarding the Fund, please kindly contact the distributor from whom you purchased Units of the Fund.
2. For Fund related enquiries, you may contact:
  - (a) distributor from whom you purchased the Fund; or
  - (b) Franklin Templeton Asset Management (Malaysia) Sdn. Bhd. at +603 – 2264 6688 or salesMY@franklintempleton.com
3. For internal dispute resolution, you may contact:
  - (a) distributor from whom you purchased the Fund; or
  - (b) Franklin Templeton Asset Management (Malaysia) Sdn. Bhd. at +603 – 2264 6688 or salesMY@franklintempleton.com
4. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to Securities Industries Dispute Resolution Corporation (SIDREC):
  - (a) via phone to : 03-2282 2280 (b) via fax to : 03-2282-3855
  - (b) via email to : info@sidrec.com.my
  - (c) via letter to : Securities Industry Dispute Resolution Center (SIDREC) Unit A-9-1, Level 9, Tower A Menara UOA Bangsar, No. 5, Jalan Bangsar Utama 1, 59000 Kuala Lumpur
5. You can also direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:
  - (a) via phone to the Aduan Hotline at : 03 – 6204 8999
  - (b) via fax to : 03 – 6204 8991
  - (c) via e-mail to : aduan@seccom.com.my
  - (d) via online complaint form available at www.sc.com.my
  - (e) via letter to : Investor Affairs & Complaints Department Securities Commission Malaysia  
No 3 Persiaran Bukit Kiara Bukit Kiara, 50490 Kuala Lumpur.

## **GLOSSARY / DEFINITIONS**

Terms and expressions not expressly defined in this Product Highlights Sheet and which have been defined in the Replacement Master Information Memorandum shall have the same meanings ascribed to them in the Replacement Master Information Memorandum.

<b>Base Currency</b>	Means the currency in which the Fund is denominated.
<b>Class of Units</b>	Means any class of Units representing similar interests in the assets of the Fund although a class of Units of the Fund may have different features from another class of Units of the same Fund.
<b>Deed</b>	A legal document that sets out obligations of the Trustee and the Manager and the right of the Unit Holders. The Deed dated 23 May 2012 (as may be amended and supplemented) in respect of the Fund entered into between the Manager and the Trustee.
<b>Fund</b>	A Wholesale Fund called Franklin U.S. Opportunities Fund designed as a feeder fund that invests all or substantially all of its assets in the Target Fund.
<b>Launch Date</b>	means the date on which sale of the Units of the Fund may first be made.
<b>Manager</b>	Franklin Templeton Asset Management (Malaysia) Sdn. Bhd.
<b>Replacement Master Information Memorandum</b>	The offer document of the Fund, which includes the Replacement Master Information memorandum of the Fund, and any supplementary or replacement Master Information memoranda.
<b>MYR Class</b>	Refers to a class of Units of the Fund which is denominated in RM.
<b>SC</b>	means the Securities Commission Malaysia.
<b>SICAV</b>	is an investment company with variable capital.
<b>Sophisticated Investor(s)</b>	Any person who comes within any of the categories of investors set out in Part 1, Schedule 6 and 7 of the CMSA
<b>Target Fund</b>	means the Franklin Templeton Investment Funds – Franklin U.S. Opportunities Fund; which is the collective investment scheme which the Fund feeds into.
<b>Units</b>	means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a Unit of the Fund.
<b>Unit Holders</b>	means the Sophisticated Investors for the time being registered as the holder of Units in the Fund.
<b>USD Class</b>	Refers to a class of Units of the Fund which is denominated in USD.
<b>Wholesale Fund</b>	means a unit trust fund, the units of which are issued, offered for subscription or purchase, or for which an invitations to subscribe for or purchase the units have been made, exclusively to Sophisticated Investors.