

This document contains key information you should know about Franklin Bissett Canadian Bond Fund. You can find more detailed information in the fund's simplified prospectus. Ask your representative for a copy, contact Franklin Templeton Investments Corp. (Franklin Templeton) at 1.800.387.0830 or service@franklintempleton.ca or visit www.franklintempleton.ca.

Before you invest in any fund, consider how it would work with your other investments and your tolerance for risk.

## Quick facts

<b>Fund codes:</b>	CAD: TML3982, TML5056 (ADM)*	<b>Fund manager:</b>	Franklin Templeton Investments Corp.
<b>Date series started:</b>	January 5, 2018	<b>Portfolio manager(s):</b>	Franklin Bissett Investment Management, part of Franklin Templeton Investments Corp.
<b>Total value of the fund on March 31, 2018:</b>	\$427.4 million	<b>Minimum investment:</b>	\$100,000 initial <sup>§</sup> , PACs no minimum
<b>Management expense ratio (MER):**</b>	n/a		

\*\* As this series is new, the MER is not available.<sup>§</sup> Except for certain managed accounts

\* The effective date of availability of this purchase fee option is August 7, 2018.

## What does the fund invest in?

The fund invests primarily in a diversified portfolio of Canadian government and corporate debt securities. Debt securities include all varieties of fixed income and floating rate securities.

The charts below give you a snapshot of the fund's investments on March 31, 2018. The fund's investments will change.

### Top 10 investments (March 31, 2018)

1. PSP Capital Inc., Senior Note, 3.29%, 4/4/2024	6.66%
2. Province of Ontario, 3.15%, 6/2/2022	4.68%
3. Government of Canada, 5.00%, 6/1/2037	4.13%
4. Province of Ontario, 6.50%, 3/8/2029	4.00%
5. Province of Manitoba, 4.40%, 9/5/2025	3.84%
6. Province of New Brunswick, 4.55%, 3/26/2037	3.67%
7. Canada Housing Trust, Second Lien, 1.90%, 9/15/2026	2.90%
8. Province of Alberta, 3.90%, 12/1/2033	2.62%
9. OPB Finance Trust, Senior Note, E, 2.95%, 2/2/2026	2.48%
10. City of Montreal, 3.00%, 9/1/2025	2.46%

**Total percentage of top 10 Investments** 37.44%

**Total number of investments** 269

### Investment mix (March 31, 2018)

#### Asset Class

Canadian Government Bonds	55.21%
Canadian Corporate Bonds	35.16%
Foreign Corporate Bonds	8.96%
Foreign Government Bonds	0.13%
Supranational Bonds	0.08%
Short-term securities and all other assets, net	0.46%

## How risky is it?

The value of the fund can go down as well as up. You could lose money. One way to gauge risk is to look at how much a fund's returns change over time. This is called "volatility".

In general, funds with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

## Risk rating

Franklin Templeton has rated the volatility of this fund as **low**.

This rating is based on how much the fund's returns have changed from year to year. It doesn't tell you how volatile the fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.

Low	Low to Medium	Medium	Medium to High	High
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For more information about the risk rating and specific risks that can affect the fund's returns, see the Investment risk classification methodology section of the fund's simplified prospectus.

## No guarantees

Like most mutual funds, this fund doesn't have any guarantees. You may not get back the amount of money you invest.

## How has the fund performed?

This section tells you how Series PF securities of the fund have performed since inception. Returns are after expenses have been deducted. These expenses reduce the series' returns.

### YEAR-BY-YEAR RETURNS

As this series is new, this information is not available.

### BEST and WORST 3-MONTH RETURNS

As this series is new, this information is not available.

### AVERAGE RETURN

As this series is new, this information is not available.

## Who is this fund for?

Investors who:

- are conservative and seeking interest income and some capital gains
- are willing to accept low investment risk for that part of their portfolio
- are planning to hold their investments for a medium term

Series PF securities are only available to investors approved by Franklin Templeton for whom Franklin Templeton does not incur distribution costs.

## A word about tax

In general, you pay income tax on your share of the fund's earnings and on any gains you realize from redeeming your investment. The amount of tax depends on the tax rules and rates that apply to you, and whether you hold the fund in a registered plan, such as an RRSP or TFSA.

If you hold the fund in a non-registered account, we send a tax slip that shows your share of the fund's earnings. You must calculate your gains on redemption.

## How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell Series PF securities of the fund. The fees and expenses – including any commissions – can vary among series of a fund and among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other series, funds and investments that may be suitable for you at a lower cost.

### 1. SALES CHARGES

There are no sales charges for Series PF securities of the fund.

### 2. FUND EXPENSES

You don't pay these expenses directly. They affect you because they reduce the series' returns. The fund's expenses are made up of the management fee, fixed administration fee, any operating expenses not covered by the fixed administration fee, trading costs and taxes. The series' annual management fee is 0.50% and the series' annual fixed administration fee is 0.10% of the series' value. Because this series is new, any operating expenses not covered by the fixed administration fee and trading costs are not yet available.

### More about the trailing commission

No trailing commission is paid by Franklin Templeton to your representative's firm in respect of Series PF securities. Please see "Representative's Firm Fees" below.

### 3. OTHER FEES

You may have to pay other fees when you buy, hold, sell or switch securities of the fund.

Fee	What you pay
<b>Representative's Firm Fees</b>	No trailing commission is paid by Franklin Templeton to your representative's firm in respect of this series. Instead, you may buy and hold this series of securities in a fee-based account at your representative's firm. If you hold your securities in a fee-based account, you negotiate the fee and pay it directly to your representative's firm.
<b>Investment advisory services fee*</b>	If you do not hold this series of securities in a fee-based account at your representative's firm, you may buy this series by opting into our investment advisory services fee option. If this option is chosen by you, Franklin Templeton will collect the fee (plus any applicable taxes) from you on behalf of your representative's firm by redeeming securities of this series of the fund in your account and remitting the amount to your representative's firm. With this fee option, the maximum annual investment advisory services fee that we collect on behalf of your representative's firm is 1.50%.
<b>Switch fee</b>	Up to 2% of the value of the switched securities. You negotiate this amount with, and pay it to, your representative's firm. A switch from Series PF securities of the fund to Series PF securities of another fund will not be subject to switch fees. Your representative's firm may charge you a switch fee for switches from Series PF to any other series.

\* The effective date of availability of this purchase fee option is August 7, 2018.

#### What if I change my mind?

Under the securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual fund securities within two business days after you receive a simplified prospectus or Fund Facts document, or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you will also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form, Fund Facts document or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

#### For more information

Contact Franklin Templeton or your representative for a copy of the fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the fund's legal documents.

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To learn more about investing in mutual funds, see the brochure **Understanding mutual funds**, which is available on the website of the Canadian Securities Administrators at [www.securities-administrators.ca](http://www.securities-administrators.ca).