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Attention: U.S. Shareholder of Franklin U.S. Core Equity Fund

IMPORTANT TAX NOTICE

Re: 2020 PFIC Status

This statement is provided for shareholders who are United States persons for purposes of the U.S. Internal Revenue Code. It is not relevant to other shareholders.

Franklin U.S. Core Equity Fund (“Fund”) meets the Internal Revenue Code definition of a passive foreign investment company (“PFIC”) for the taxable year ended December 31, 2020. The Fund is hereby making available the PFIC Annual Information Statement for the taxable year beginning on January 1, 2020 and ending on December 31, 2020 pursuant to the requirements of Treasury Regulations Section 1.1295-1(g)(1).

The PFIC Annual Information Statement contains information to enable you, should you choose, to elect to treat the Fund as a Qualified Electing Fund (“QEF”).

A U.S. shareholder who makes a QEF election for the Fund is required annually to include in his or her income his or her pro rata share of the ordinary earnings and net capital gains for the Fund.

The QEF election is made by completing and attaching Form 8621 for each PFIC to your federal income tax return filed by the due date of the date of the return including extensions.

U.S. shareholders are advised to consult with their tax advisors with respect to the 2020 PFIC Annual Information Statement.

Further information in PFIC rules is available on the internet at the Internal Revenue Service website, including the following pages:

- Detailed information about PFICs and the QEF election:
<http://www.irs.gov/instructions/i8621/ch01.html>
- Instructions to complete Form 8621: <http://www.irs.gov/pub/irs-pdf/i8621.pdf>
- Form 8621: <http://www.irs.gov/pub/irs-pdf/f8621.pdf>

THIS INFORMATION IS PROVIDED IN ORDER TO ASSIST SHAREHOLDERS IN MAKING CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. U.S. TAX LAWS REGARDING PFICs ARE EXTREMELY COMPLEX AND SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE OVERALL TAX CONSEQUENCES OF THEIR RESPECTIVE INVESTMENT IN, AND OWNERSHIP OF SHARES OF THE FUND UNDER UNITED STATES FEDERAL, STATE, LOCAL, AND FOREIGN LAW.

PFIC Annual Information Statement for the year ended 12/31/2020

- (1) This Information Statement applies to the taxable year of the Fund commencing on January 1, 2020 and ending on December 31, 2020.
- (2) The per-unit per-day pro-rata share of the ordinary earnings and net capital gain of the Fund for the period specified in paragraph (1) is as follows:

Fund	Series	Ordinary Earnings (US\$)	Net Capital Gains (US\$)
Franklin U.S. Core Equity Fund	A	-	-
Franklin U.S. Core Equity Fund	AG	-	-
Franklin U.S. Core Equity Fund	AH	-	-
Franklin U.S. Core Equity Fund	AH2	-	-
Franklin U.S. Core Equity Fund	F	-	-
Franklin U.S. Core Equity Fund	FH	-	-
Franklin U.S. Core Equity Fund	FT	-	-
Franklin U.S. Core Equity Fund	FTH	-	-
Franklin U.S. Core Equity Fund	I	-	-
Franklin U.S. Core Equity Fund	O	0.0007095458	-
Franklin U.S. Core Equity Fund	OH3	-	-
Franklin U.S. Core Equity Fund	OT	-	-
Franklin U.S. Core Equity Fund	OTH3	-	-
Franklin U.S. Core Equity Fund	PA	-	-
Franklin U.S. Core Equity Fund	PA2	-	-
Franklin U.S. Core Equity Fund	PAG	-	-
Franklin U.S. Core Equity Fund	PAH2	-	-
Franklin U.S. Core Equity Fund	PAH3	-	-
Franklin U.S. Core Equity Fund	PF	-	-
Franklin U.S. Core Equity Fund	PFH3	-	-
Franklin U.S. Core Equity Fund	PFT	-	-
Franklin U.S. Core Equity Fund	PT	-	-
Franklin U.S. Core Equity Fund	PTH	-	-
Franklin U.S. Core Equity Fund	PTH3	-	-
Franklin U.S. Core Equity Fund	PT-USD	-	-
Franklin U.S. Core Equity Fund	PU	-	-
Franklin U.S. Core Equity Fund	T	-	-
Franklin U.S. Core Equity Fund	TH	-	-
Franklin U.S. Core Equity Fund	TH3	-	-
Franklin U.S. Core Equity Fund	T-USD	-	-
Franklin U.S. Core Equity Fund	V	-	-

- (3) Any cash or other property that was distributed to you by the Fund directly or indirectly for the period specified in paragraph (1), is set out in the table below:

Fund	Series	Record Date	Pay Date	Cash/Property Distributions (US\$)
Franklin U.S. Core Equity Fund	O	2020-Dec-21	2020-Dec-22	0.1464035937

Fair Market Value of Property: \$0.00

Please consult your advisor for actual amount of cash or property distributed to you if you did not hold units in the Fund for the entire period specified in paragraph (1).

- (4) The Fund will, upon receipt of request, permit the U.S. unitholder to inspect and copy its permanent books of account, records, and other such documents as may be maintained by such fund to determine that their respective ordinary earnings and net capital gains under U.S. income tax principles, and to verify these amounts and the pro-rata shares thereof.
- (5) U.S. persons that are a direct or indirect unit or shareholders in PFICs are required to complete Form 8621 in certain circumstances. Where a U.S. person is a unitholder in a fund that invests in securities, that person may be considered to be an indirect unit holder in those securities.
- (6) The following table is designed to assist a U.S. unitholder to make a QEF election for certain Franklin Templeton funds that may be classified as PFICs and that are held directly by the Fund. The pro-rata share of the ordinary earnings and net capital gains for the unitholder of the Fund for those certain Franklin Templeton funds specified in the table below attributable to a per-unit per-day Fund holding by the fund its investments in the certain Franklin Templeton funds, and the per-unit amount of cash or property distributed by those certain Franklin Templeton funds specified in the table below for the period specified in paragraph (1) is as follows:

Direct Investee funds of the Fund	Ordinary Earnings (US\$)	Net Capital Gains (US\$)	Cash/Property Distributions (US\$)
N/A	-	-	-

Please note that the factors for the Fund included in the report represent a calculation of its ordinary earnings, net capital gains and distributions on standalone basis and includes certain transactions with respect to lower tier investments that may be classified as PFICs. Please consult your tax advisor. This information is provided in order to assist unitholders in preparing Form 8621 and does not constitute tax advice. We only provide information for the Fund's investment in certain other Franklin Templeton funds that may be classified as PFICs. The Fund may invest in other securities that may be classified as PFICs. WE DO NOT WARRANT THAT THE FUNDS LISTED IN PARAGRAPH (6) CONSTITUTES ALL OF THE FUND'S INVESTMENTS THAT MAY BE CLASSIFIED AS PFICs.