



SIMPLICITY PRICING ADMINISTERED FEE SERVICE (ADM) ACKNOWLEDGEMENT FORM

You can send us fee instructions electronically via Fundserv. Alternatively you can use this form to instruct Franklin Templeton regarding the rate of the negotiated investment advisory services fee to apply in respect of **Series F/FT/PF¹/PFT** when you purchase funds using the **Administered Fee Service (ADM)²** purchase option.

OVERVIEW

WHAT IS THE ADM PURCHASE OPTION?

Traditional fee-for-service products require dealers to administer the investment advisory services fees – commonly referred to as **advisory fees**. ADM is a service that allows us to take over administration of fees for dealers choosing our fee based products. In essence, ADM turns our traditional fee based options—Series F, FT, PF¹, and PFT—into **manufacturer administered** fee-for-service products.

! TIP Advisors should consult with their dealership about using the ADM purchase option in accordance with their dealer's business rules, especially as it relates to the negotiation of advisory fee rates. This purchase option is intended for use outside of the dealer's fee-based platform.

HOW ARE FEES COLLECTED?

The **advisory fee** is exactly what it sounds like – it's the fee that the client pays in return for advice and services provided by their investment dealer. The fee is negotiable up to 1.50%.

Advisory fees and related taxes are charged out of the investor's account by redeeming units. These are transactions which show investors an 'out of pocket' cost for the services they're receiving. The advisory fee and related taxes are paid to the dealer. *The dealer is responsible for remitting taxes associated with the advisory fee to the CRA.* Advisory fees and related taxes are captured on account statements.

WHEN ARE FEES COLLECTED?

Advisory fees are collected monthly, generally on the last business day of each month. Note that some transaction activity may result in fees being collected at the time of the transaction. This typically occurs in relation to redemptions, switches, or transfers of individual Series F/FT/PF¹/PFT holdings or in relation to a change of dealership. Advisory fees (and related taxes) collected in any given month are paid to the dealer at the beginning of the following month or quarter, depending on the dealer's preference.

SIMPLICITY PRICING FEATURES

ACCOUNT LINKING

Account Linking allows investors to aggregate assets across **Related Accounts** to access products with lower fees more quickly. Linking lets us know which accounts make up an investor's entire portfolio at Franklin Templeton. **'Related Accounts'** can include accounts belonging to the investor, accounts belonging to the investor's spouse, children or grandchildren and the spouses of each of these people, and any account in the name of a company of which the investor owns more than 50% voting equity. Related Accounts must be managed by the same investment advisor. Accounts can be linked or unlinked using the Simplicity Pricing Account Linking Form.

! TIP The Simplicity Pricing Account Linking Form is the primary way to link (or unlink) accounts. However, for convenience, accounts listed on this agreement are linked automatically.

MINIMUM MONITORING (SERIES PF¹/PFT ONLY)

Series PF¹ and PFT are available to investors who have at least \$100,000 in assets under management across their **Related Accounts**.

If at any time a Series PF¹/PFT investor does not meet the minimum requirement, we'll issue a notice to advisors. If after 30 days an investor continues to fall below the minimum, we'll switch their holdings into the equivalent F/FT version of the same fund, tax free. Please note that redemptions (including fee transactions) and return-of-capital distributions may lower the investor's balance below the minimum amount.

1. Includes Series PF Hedged where available.

2. The Investment Advisory Services Fee purchase option (as defined in the Franklin Templeton simplified prospectus), is referred to in this document as the Administered Fee Service (ADM) purchase option.



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1 INSTRUCTIONS

! TIP Use our Point of Sale Fund Fact Sheets to get critical information, including fee details and fund codes. Visit www.franklintempleton.ca to review our entire lineup.

ADVISORY FEE INSTRUCTIONS: Please note that advisory fees cannot exceed 1.50%.

Option 1 – Account Level

Charge an advisory fee of _____% for all Series F/FT/PF¹/PFT holdings in the account(s) noted below.

By selecting this option you are agreeing to apply the indicated rate at the account level. This rate will be applied to all current and future Series F/FT/PF¹/PFT purchases for the noted account(s) until a new Administered Fee Service (ADM) Acknowledgement Form is received or new instructions are received via Fundserv. Note that fees are calculated, accrued, collected, and administered at the fund level – even when a flat rate has been applied to the entire account.

Option 2 – Fund Level

Charge the advisory fee rates for each noted fund, as they apply to each of the accounts noted below.

By selecting this option you are agreeing to apply the indicated rates for each individual fund noted below. These rates will be applied to all current and future Series F/FT/PF¹/PFT purchases within each individual fund until a new Administered Fee Service (ADM) Acknowledgement Form is received or new instructions are received via Fundserv.

	FUND NAME	FUND CODE	FEE RATE
1	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 50%;" type="text"/> %
2	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 50%;" type="text"/> %
3	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 50%;" type="text"/> %
4	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 50%;" type="text"/> %
5	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 50%;" type="text"/> %
6	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 50%;" type="text"/> %

ACCOUNT INFORMATION: Let us know which account(s) this agreement applies to. Any accounts listed will be linked for the purpose of minimum investment monitoring. If you're looking to apply this agreement to multiple clients across multiple families, Appendix A has been provided for your convenience.

	Franklin Templeton Account Number	Dealer/Intermediary Account Number	Name of Account Holder
1	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
2	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
3	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
4	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
5	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
6	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

SWITCH INSTRUCTIONS (IF APPLICABLE): Let us know if any switches are required for the accounts listed above by checking the box.*

Switch all current holdings to the equivalent ADM purchase option, excluding the following:

(list series to be excluded, if applicable)

Where DSC fees apply, switch all free and matured units and set-up an annual 10% free switch on back end funds to run on December 31st, as applicable. (Where investors meet investment minimums, switches will be made into the most appropriate ADM Series offering.)

*Advisors should review fee details of existing holdings to assess suitability before switching. Switching out of grandfathered or capped/closed products will remove any re-entry privileges.

Administered Fee Service (ADM) Acknowledgement Form

- The undersigned as an authorized representative of the Dealer confirms that:
The Dealer is the registered agent of the beneficial owner (the Client) of the account number(s) listed. Accounts listed in this agreement will be linked. The Dealer and the Client have negotiated an Investment Advisory Services Fee (the Fee) for the Client's investment in Series F/FT/PF/PF (Hedged)/PFT securities of the mutual funds (Funds) managed by Franklin Templeton Investments Corp. (Franklin Templeton). The Fee is calculated based on the average daily net asset value of the applicable Series F, FT, PF, PF (Hedged) or PFT securities held in the account(s) at the end of each business day. The Fee will accrue on a daily basis. On the last business day of each month, we will redeem the amount of the accrued Fee (plus applicable taxes) from the account and pay it to the Dealer at a frequency agreed upon between Franklin Templeton and your Dealer. If the investor redeems, switches or transfers securities of a series where the Fee option applies, we will verify there are sufficient funds in the account to pay the accrued Fee (plus applicable taxes) as part of the next fee redemption cycle (at the end of the accrual month) or deduct the fees from the proceeds of the requested redemption, switch or transfer in order to satisfy the payment of Fee (plus applicable taxes) before we fulfill the request.
The Dealer has discussed the payment mechanism with the Client and the Client has confirmed their instructions to Franklin Templeton, as set out in the most current simplified prospectus of the relevant Fund(s), to redeem Series F/FT/PF/PF (Hedged)/PFT securities of the Fund(s) held in the Account(s) in the amount of the Fee (plus any applicable taxes) owing by the Client to the Dealer for the prior month, and to remit such amount to the Dealer on behalf of the Client.
- The terms and conditions in this form are in addition to all terms and conditions set out in the applicable simplified prospectus, annual information form, fund fact sheet and other offering documents (collectively, the Disclosure Documents). If there is a conflict between this form and a Disclosure Document, the Disclosure Document prevails. For nominee accounts, the advisor may sign on behalf of the dealer.
- Applicable fees will be applied to the Account(s) upon receipt of this form by Franklin Templeton regarding the Fee for Series F/FT/PF/PF (Hedged)/PFT securities.
- A new form must be completed and submitted to remove or add accounts, or change the Fee rates. Changes can also be made via the submission of fee rate instructions through Fundserv or by calling our Client Services team.
- Where switch instructions have been requested, the Dealer acknowledges having discussed the switch with the Client, any potential fees that may result from the switch (including any dealer-related fees), and in the case where the Client is switching out of a grandfathered product (where beneficial pricing may apply when compared to its Series F, FT, PF, PF (Hedged) or PFT equivalent), the potential disqualification from re-purchasing such product. The Dealer acknowledges having conducted a suitability assessment prior to switching the indicated securities for the Client(s) into the ADM purchase option (as applicable). The Client(s) has confirmed their instructions to Franklin Templeton, as set out in the current simplified prospectus of the relevant Fund(s), to redeem the indicated securities of the Fund(s) and purchase, using the ADM option, Series F, FT, PF, PF (Hedged) or PFT (as applicable), of the same Fund(s) held in the Account(s) according to the negotiated terms as set out above. The Dealer acknowledges the obligation to provide the Client(s) with the most recently filed Fund Facts document for the Series F, FT, PF, PF (Hedged) or PFT (as applicable).
- The Client Authorization section is only for use as required by dealers and is not required by Franklin Templeton.

Account Linking

- 'Related Accounts' can include accounts belonging to the investor, accounts belonging to the investor's spouse, children or grandchildren and the spouses of each of these people, and any account in the name of a company of which the investor owns more than 50% voting equity. Related Accounts must be managed by the same investment advisor.
- It is the responsibility of investors, to work with their financial advisor and dealer, to manage their account linking preferences, and to ensure that all accounts meet the definition of 'Related Accounts'. Franklin Templeton does not automatically link new accounts that may be opened by any of the above investors. Instead, each investor and advisor is responsible for any modifications, cancellations or additions.
- The advisor may sign on behalf of the investors to link accounts initially and add new accounts. For nominee accounts, the advisor may sign on behalf of the dealer. The Simplicity Pricing Account Linking Form can be used to unlink accounts if needed—unlinking requires a signature from all impacted account owners.
- Franklin Templeton may modify or discontinue account linking at any time, at its sole discretion. Existing participants will be provided with 90 days' notice of any discontinuance of this service.
- Applicable fees will be applied to the linked accounts upon receipt of this Form by FTIC. Any modifications to the Related Accounts (i.e. removing or adding accounts) may affect the fee rates that will be applied.

<input type="text"/>	<input type="text"/>	
Dealer Name	Dealer Code	
<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>
Advisor Name	Advisor Code	Advisor Signature

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Client Signature	Joint Client Signature (if applicable)

*CLIENT ACKNOWLEDGEMENT AND AUTHORIZATION: By signing this form, I/we acknowledge that I/we am/are entering into this agreement with my/our Dealer, have discussed the contents of this form with the Advisor indicated above and I/we understand and agree to the terms and conditions set out herein. I/we understand that this form will be submitted to Franklin Templeton Investments for the purposes of the administration of my/our account(s), in accordance with the terms and conditions set out herein.



SIMPLICITY PRICING ADMINISTERED FEE SERVICE (ADM) ACKNOWLEDGEMENT FORM – APPENDIX A

Use this appendix to apply fee instructions to a large group of accounts across multiple families and households. Use the Account Linking section to demonstrate where account linking is required.

	Franklin Templeton Account Number	Dealer Account Number	Client Name	Account Linking*
1	Example 1	111	Kevin Jones	Group 1
2	Example 2	222	Linda Jones	Group 2
3	Example 3	333	Chris Lee	Group 3
4	Example 4	444	Carmen Lee	Group 4

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For additional accounts, please provide additional copies of this page.

APPENDIX AUTHORIZATION (Required by Franklin Templeton)

Dealer Name	Dealer Code	
		X
Advisor Name	Advisor Code	Advisor Signature

*Let us know which accounts need to be linked by assigning group numbers as applicable. You can also provide linking instructions by writing in the account number you'd like us to link the line item to.

Please fax to (866) 850-8241 or email to requests@franklintempleton.ca. Keep a copy for your records.



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