

# Amendment No. 1 dated October 15, 2018 to the Simplified Prospectus dated May 29, 2018



in respect of:

Franklin Bissett Canadian Bond Fund (*Series A, F, O and PF*)

(the “Fund”)

All page references relate to the Simplified Prospectus dated May 29, 2018 (the “Prospectus”). All capitalized terms not defined herein have the respective meanings set out in the Prospectus.

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The Prospectus is hereby amended to correct certain typographical errors on the fund specific page of Franklin Bissett Canadian Bond Fund (the “Fund”) in Part B of the Prospectus.

## Amendments to the Prospectus

### 1. Investment objective

The first bullet in the “Investment objective” of the Fund on page 157 of the Prospectus is deleted and replaced with the following:

- *current income, liquidity and some long-term capital appreciation by investing primarily in a diversified portfolio of Canadian government and corporate debt securities.*

### 2. Investment strategies

The second paragraph in the “Investment strategies” of the Fund on page 157 of the Prospectus is deleted and replaced with the following:

*The Fund invests primarily in investment grade Canadian debt securities. Debt securities include all varieties of fixed income and floating rate securities.*

*The Fund also:*

- *may invest a portion of its assets in real return bonds and securities backed by mortgages*
- *may invest a portion of its assets in preferred shares of Canadian companies*
- *may invest in Canadian dollar denominated debt securities issued by foreign governments and corporations*
- *may continue to hold sub-investment grade debt securities following a credit downgrade*

- *may hold a portion of its assets in cash, money market securities (including bank-sponsored asset-backed commercial paper) or money market mutual funds as a strategic asset class or for tactical or liquidity purposes*
- *may, from time to time, hold: (i) equity securities issued in exchange for debt instruments by companies recently emerging from or facing financial restructuring, that resulted from the conversion of convertible securities or that were received as part of a bond offering; and (ii) warrants/rights issued by companies recently emerging from or facing financial restructuring*
- *may engage in securities lending, repurchase and reverse repurchase transactions as well as invest in derivatives including forward contracts, options contracts (calls or puts), including currency options, currency index options, and swaptions, collateralized debt obligations and swaps, including credit default, currency, interest rate and fixed income total return swaps (as described on pages 64 to 65). These transactions and investments in derivatives will be used in conjunction with the Fund's other investment strategies in a manner considered most appropriate to achieving the Fund's overall investment objectives and enhancing the Fund's returns. Such investments are permitted by securities regulations and the exemption from certain derivative rules received by the Fund and described under "Investments in Derivatives" on page 65.*

*The Fund may engage in a limited amount of short selling. These transactions will be used with the other investment strategies in a manner considered most appropriate to achieving the Fund's overall investment objective and enhancing the Fund's returns. See "Short selling" on page 65 for more information.*

### **3. What are the risks of investing in the fund?**

The list of risks in "What are the risks of investing in the fund?" on page 157 of the Prospectus is deleted and replaced with the following:

- *interest rate risk*
- *credit risk*
- *reinvestment risk*
- *regulatory risk*
- *large investor risk*
- *portfolio management risk*
- *derivative risk*
- *asset-backed and mortgage-backed securities risk*
- *repurchase/reverse repurchase agreements risk*
- *tracking risk*
- *series risk*
- *short selling risk*
- *securities lending risk*
- *inflation linked bonds risk*
- *cyber security risk*

## **WHAT ARE YOUR LEGAL RIGHTS?**

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the simplified prospectus or fund facts, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund securities and get your money back, or to make a claim for damages, if the simplified prospectus, annual information form, fund facts or financial statements misrepresent any facts about the funds. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or territory or consult your lawyer.