

## FRANKLIN TEMPLETON SHARIAH FUNDS

富蘭克林坦伯頓伊斯蘭系列基金

# 公開說明書中文譯本

SOCIÉTÉ D'INVESTISSEMENT À CAPITAL VARIABLE  
INCORPORATED IN LUXEMBOURG

設立組成於盧森堡  
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（授權者簽名）

本公開說明書中文譯本僅供參考。中文譯本之內容與英文  
公開說明書若有歧異，以英文公開說明書之內容為準。

# 富蘭克林坦伯頓伊斯蘭系列基金

Société d'investissement à capital variable

註冊辦事處：盧森堡艾伯特博歇特大道 8A，L-1246 盧森堡  
盧森堡大公國

註冊號碼：B 169.965

## 基金提供

富蘭克林坦伯頓伊斯蘭系列基金（本公司）為相關的基金股份以公開售價提供不同類別的無面額股份供投資人選擇，每個股份類別連結到本公司下列其中之一的子基金：

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● Franklin Global Sukuk Fund

伊斯蘭債券基金(本基金之  
配息來源可能為本金)

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## 富蘭克林坦伯頓伊斯蘭系列基金—重要資訊

若您對本公開說明書的內容有任何疑慮，您應該與您的銀行、股票經紀商、律師、會計師、或是其他的財務顧問商量。沒有人被授權給予任何相左於本公開說明書所涵蓋的資訊或是在此中所提到的任何文件。

**投資者應該知道，本基金將按照伊斯蘭教律監督委員會確定的伊斯蘭教律指導方針進行管理。**

### 本公司

本公司是依照盧森堡大公國法律所組成的法人組織（société anonyme），並且為合法的可變動資本額投資公司（société d'investissement à capital variable (“SICAV”））。

依照 2010 年 12 月 17 日所修訂盧森堡法律第一部份有關集合投資事業的規定，得視狀況隨時修訂（即“2010 年 12 月 17 日法規”），本公司註冊於集合投資事業正式名冊中。依照 2009 年 7 月 13 日所修訂歐盟議會和理事會指令 2009/65/EC，本公司為合格從事可轉讓證券的集合投資事業（“UCITS”）。

本公司已指派註冊於盧森堡艾伯特博歌特大道 8A，L-1246，盧森堡大公國之富蘭克林坦伯頓國際服務有限公司擔任管理公司，以便對本公司提供投資管理、行政及行銷等服務並在可能範圍內授權部分或全部之前揭服務予第三方。

本公司已在下列（除盧森堡大公國之外）各個歐洲國家獲得行銷股份認可：奧地利、法國、德國、西班牙和英國。在任何法律管轄下，本公司股份的註冊並不需要任何權力當局去核准或否決本公開說明書的適足性或精準性，或者是本公司所持有的證券投資組合。任何的相反的聲明是未經授權及違法的。

依據指令 2009/65/EC 之第 92(1) b) 至 e) 條（由指令(EU) 2019/1160 修訂）於特定歐洲經濟區國家內投資人可於 <https://www.eifs.lu/franklintempleton> 獲取相關資訊。

本公開說明書的發放以及基金股份的銷售可能在某些特定的其他管轄地區有所限制。任何欲申購股份的投資人有責任了解關於本公開說明書所告知的內容，以及遵守任何相關管轄地區所適用的法律與規定。投資人亦須注意：在某些法律管轄區（例如義大利）的付款機構與通匯銀行可能有設定固定交易金額。計劃在未來做股份申購的投資人必須自行注意有關這類申購的法律規定以及任何依其個別公民、居留或戶籍身分所適用的稅則。

本公開說明書與不受杜拜金融服務主管機關（“DFSA”）任何監管或批准的基金有關，且非針對 DFSA 所定義的“零售客戶”（透過中介機構根據適用法律公開分配資金除外）。DFSA 不須負責審查或驗證本公開說明書或與基金有關的其他文件。因此，DFSA 尚未批准本公開說明書或其他任何相關文件，也未採取任何步驟來驗證本公開說明書中所載的訊息，對此概不負責。股份發行可能會受到轉售限制。股份的發行可能會受到其轉售的限制。有意購買者應自行對股份進行盡職調查，若對本公開說明書內容有不理解之處，則應諮詢經授權的理財顧問。

本公司可於全世界許多其他不同的法律管轄地區申請本公司股份的註冊。

本公司沒有任何公司債券、貸款、借貸或是具負債性質的承兌或承兌信用、擔保品擔保義務、保證或是其他重大的或有負債。

本公司沒有在美國註冊並受 1940 年投資公司法規範。本公司的股份亦沒有在美國註冊並受 1933 年證券法規範。現有的股份，不可在美國法律管轄範圍或是在美國境內或是轄區領土、屬地或地區，直接或間接做股份買賣交易，亦不可銷售予美國國民或居民，除非在美國的法律，任何適用的條例、規則或說明中，有現成的免除註冊規定可供遵循。位於(定居)在美國的人或其他美國人(依據 1933 年美國證券法 S 規則不定期修正的定義)(統稱“美國人”)不得向本公司購買股份。申購股份時應須聲明投資者不是美國人或非代表任一美國人做申購。在沒有以書面形式通知本公司與此相反的情況下，潛在的投資者於本公司的投資申購書表單中提供了非美國地址，這將被視為該投資者聲明及保證，他/她/它非美國人，除本公司接獲變更通知該投資者的資格外，其將持續被視為非美國人。

“美國人”稱謂是指任何人合乎 1933 年美國證券法下之 S 規則所定義之美國人。在 S 規則的這類美國人稱謂定義，有時會經由立法、法條、規則、或是司院或行政機構的解釋而有所變動。

本公司並無註冊在加拿大任何省或其管轄區域，且在適用的證券法下，本公司股份無法在任何加拿大管轄區域銷售。在此條件下，股份不得直接或間接在加拿大任何省或管轄區域提供或銷售，或提供或銷售予其居民，除非該加拿大居民在投資期間一直維持依加拿大證券法規定義的“許可客戶”。有意投資者可能會被要求申報其是否為加拿大居民，及非代表加拿大居民申購股份。如果投資者購買本公司股份後成為加拿大居民，投資人將無法新增申購任何本公司的股份。

在此公開說明書的聲明是以盧森堡大公國現行的法律及施行細則為基礎，並遵行這些法律與施行細則的變更。

本公開說明書沒有對任何人提出在任何法律管轄區內視為不法的請求或是教唆，或是透過任何人從事不合規範的請求或是教唆。

本公司股份的價格及來自股份的收益可能會下跌與上漲，投資人也有可能無法取回已投資金額。投資人須更加特別留意本公司投資所可能引發特定風險（將定義於後）的事實，在“風險考量”章節裡有更詳盡的說明。

本公司最近期的已審計年報以及未審計半年報為本公開說明書不可缺少的部分，投資人可向本公司及管理公司之註冊辦事處免費索取。

投資人欲取得有關本公司進一步的資訊（包括有關申訴處理的程序、本公司投票權行使所遵循的政策、代表本公司與其他機構交易的下單政策、最佳執行政策以及有關費用、酬傭或是本公司的投資管理及行政相關之非金錢利益的安排），或是希望對本公司的營運提出申訴時，敬請與位於盧森堡艾伯特博歇特大道 8A, L-1246 的管理公司客戶服務部門或是其當地服務處所聯繫。

本公司及管理公司請投資人注意，如果投資人為已註冊並且以其名義為本公司的記名股東，則該任何投資人將只能直接對本公司完全行使其投資人權利，特別是有權利參與股東大會的事實。

如果投資人投資本公司係透過中介機構以其名義代表投資人投資於本公司時，對投資人可能無法總是能直接對本公司執行某些股東權利。投資人應尋求諮詢以了解其權利。管理公司，擔任本公司的主辦承銷商（“主辦承銷商”），也將組織並監督股份的行銷及分配。主辦承銷商可能僱用次承銷商、中介機構、交易商以及/或是專業投資人（其可能為富蘭克林坦伯頓基金集團的分支機構並且可取得部分維護費用，分銷費用及其他類似費用）。

此外，管理公司有時可能依據某些有銷售或即將銷售本公司股份的特定國家之相關法規或稅務條件的要求，將現階段原本由主辦承銷商負責的股份行銷、管理與監控，隨時由管理公司直接指派給其他機構（可能是富蘭克林坦伯頓基金集團的關係企業）。

依據管理公司契約的規定，上述的其他機構可能為次承銷商、中介機構、交易商或專業投資人（他們可能是富蘭克林坦伯頓基金集團的關係企業）。雖然如此，管理公司仍將監控上述的次承銷商、中介機構、交易商或專業投資人以及指派給他們的任務，而其為擔任主辦承銷商的部分任務。

主辦承銷商、次承銷商、中介機構和交易商從事市場行銷及股份配銷活動須遵守並執行本公開說明書的所有規範，包括所適用之任何盧森堡法律及條例有關股份配銷的強制性條款的規範。他們在進行活動時也須遵守其所適用之當地國家的任何法律及條例的規範，尤其是包含任何為確認及知悉其客戶的相關要求。他們不得以任何方式行使可能對本公司以及/或是管理公司有所損害或是負有義務的行動，尤其是提交本公司和/或管理公司其他未被額外要求的監管、會計或報告資訊。他們不能以其身分對外代表本公司。

為避免疑慮，經由其他機構（或上述的次承銷商、中介機構、交易商或專業投資人）進行申購的投資人，本公司或管理公司不會收取額外的費用。

在適用的狀況下，本公開說明書中有關主辦承銷商的參考資料也適用於上述管理公司指派的其他機構。

本公司的董事其姓名已出現在“行政資訊”章節裡，皆對本公開說明書所刊載的內容負責。就董事們的智識和信念所及（負責以合理的注意確保成就此事），本公開說明書的內容皆據實刊載，並無遺漏任何可能影響這類資料的重要性。董事會依據事實接受責任。

### **董事會的職權**

董事會負責本公司之管理及行政功能，並依本公司章程及與管理公司之服務合約，將其日常管理及行政事務授權予管理公司。

董事會負責本公司及其所屬基金之全面的投資政策、目標及管理。依據公開說明書的修訂，董事會可授權成立具備不同投資目標之新基金。

本公司董事會可決議提供或發行任何一支基金已存在的股份類別（其期間與條件在“股份類別”與“投資管理費用”的章節有更詳細的說明）除基本計價幣別以外的選擇性貨幣類別、避險股份類別、與具有不同的配息頻率的股份類別。如“股份價格的發行”章節的說明，投資人將於這類股份的每股淨資產價值公佈時得知這類股份的發行。

如本基金股份的總值低於美金五千萬元或約當等值此數之時或是有關政經情況之變動適合基金進行這類清算考量，或視其是否來自有關基金股東利益的要求，董事會得決定贖回此基金的所有流通股份，同時寄發通知給記名投資人，告知此項贖回。贖回價格將採此基金所有資產變現後計算出來的每股淨值。更多細節，請參閱附錄E。

本公司董事會保留權利在任何時候得未經通知，並依公開說明書規定不繼續發行或銷售股份。

各個基金發行或提供股份，其股份類別與計價貨幣詳述於“股份類別”章節裡。

各基金資產的可利用性係專為滿足其股東或因該基金之成立、營運或清算而產生之債權人的權益。為股東間關係的目的，各基金將被視為獨立的個體。

本基金股份價格的決定得於必要時期得暫停，此時期乃指於相關的證券交易所之交易被限制時，或是當某些特定情況發生時，以致於無法處理或評估本公司的投資（請參閱附錄E）。於此暫停時期，不得發行或回贖或轉換股份。董事會及/或管理公司會在報紙上公佈任何暫停時期的通知。

本公開說明書在某些法律管轄區之發行可能需要翻譯成該法律管轄區規定之官方語言。若該翻譯語言之版本與本公開說明書英文版本內容有分歧時，以英文版本為準。

本公開說明書將持續更新並且可於 [www.franklintempleton.lu](http://www.franklintempleton.lu) 或其他富蘭克林坦伯頓的股份承銷商的網站裡查閱或下載，或是到本公司及管理公司的註冊辦事處免費索取。

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## 定義

"Accumulation Share" 配息累積股份	a Share which accumulates the income attributable to a Share so that it is reflected in the increased value of that Share 股份累積可分配的收益反映在該股份淨值的增加。
"Administrative Agent" 行政代理機構	J.P. Morgan SE, Luxembourg Branch (the Legal successor of J.P. Morgan Bank Luxembourg S.A.), to whom the Management Company has delegated some of the administrative agency services in relation to the Company 管理公司已將本公司部分行政代理服務委託給摩根大通銀行盧森堡分行之繼承者-摩根歐洲盧森堡分行(J.P. Morgan SE Luxembourg Branch)
"Alternative Currency Class" 選擇性貨幣股份類別	a Share Class in an alternative currency to the base currency of the Fund 股份類別為選擇性幣別而非該基金的基本計價幣別。
"Annual General Meeting" 年度股東大會	the annual general meeting of Shareholders of the Company 本公司股東的年度股東大會。
"Articles" 公司章程	the articles of incorporation of the Company as amended from time to time 本公司公司章程（得隨時修訂）。
"Board of Directors" 董事會	the board of directors of the Company 本公司董事會。
"Broker/Dealer" 經紀商/交易商	financial intermediary or advisor 金融中介機構或顧問公司。
"Business Day" 營業日	a day on which the banks in the relevant jurisdiction(s) are normally open for business 相關管轄區域的銀行正常開放營業的日子。
"Commitment Approach" 承諾法	an approach for measuring risk or "Global Exposure" that factors in the market risk of the investments held in a UCITS sub-fund, including risk associated with any financial derivatives instruments held by converting the financial derivatives into equivalent positions in the underlying assets of those derivatives (sometimes referred to as "notional exposure"), after netting and hedging arrangements where the market value of underlying security positions may be offset by other commitments related to the same underlying positions. Global Exposure using the Commitment Approach is expressed as an absolute percentage of total net assets. Under Luxembourg Law, Global Exposure related solely to financial derivatives may not exceed 100% of total net assets, and Global Exposure overall (including market risk associated with the sub-funds' underlying investments, which by definition make up 100% of total net assets) may not exceed 200% of total net assets (excluding the 10% that a UCITS may borrow on a temporary basis for short-term liquidity) 為衡量基金風險或全球曝險的一種方法。全球曝險係指 UCITS 子基金持有之投資組合之市場風險，包括與衍生性金融商品轉換到該衍生性商品標的資產之對等部位（又稱「名目曝險」），標的資產之市場價值在沖抵或避險安排下，相同之標的資產部位可用承諾法進行沖抵。在使用承諾法下，全球曝險呈現為全部淨資產的絕對比率。在盧森堡的規範下，單獨衍生性金融商品部位的全球曝險不得超過全部淨資產價值的 100%，而全球曝險總額(包含子基金投資的部位，即為全部淨資產的 100%)不得超過全部淨資產價值的 200%(不包含 UCITS 因暫時性借貸產生的 10%短期負債)。
"Company" 公司	Franklin Templeton Sariah Funds

本公司	富蘭克林坦伯頓伊斯蘭系列基金。
"Contingent Deferred Sales Charge" or "CDSC" 或有遞延銷售手續費	a fee imposed when shares are sold, typically during the first few years of ownership 當售出股份是特別在持有的最初幾年期間時，所收取的費用。
"Contract Note" 成交單	see sub-section "Contract Note" under section Investor General Information 請詳投資人"一般投資人資訊"章節之"成交單"段落之內容。
"CPF" 新加坡中央公積金	Central Provident Fund 新加坡中央公積金
"Covered Bonds" 資產擔保債券	Covered bonds are debt obligations issued by credit institutions and secured by a ring-fenced pool of assets (the "cover pool" or "cover assets") which bondholders have direct recourse to as preferred creditors. Bondholders remain at the same time entitled to a claim against the issuing entity or an affiliated entity of the issuer as ordinary creditors for any residual amounts not fully settled with the liquidation of the cover assets, giving them effectively a double claim or "dual recourse" 資產擔保債券是由信貸機構發行的債務憑證，由分隔措施的資產池（“特定資產池”或“擔保資產”）擔保，債券持有人得作為優先債權人直接追討。債券持有人同時仍然有權作為普通債權人就擔保資產的任何尚未列於清算清償範圍內的剩餘金額向發行實體或發行人的關聯實體提出索賠，從而有效地賦予他們雙重索賠或“雙重追討權”
"CPF Board" 新加坡中央公積金局	Central Provident Fund Board, a statutory body incorporated in Singapore and constituted under the Central Provident Fund Act. 新加坡中央公積金局設立在新加坡，依中央公積金法而成立的法定單位。
"CPF Investor" 新加坡中央公積金投資人	a purchaser of Shares in the Company using this CPF Savings, subject to such terms and conditions set out in the Singapore prospectus and terms and conditions as may be imposed by the CPF Board from time to time. 本公司基金股份購買者使用新加坡中央公積金存款，受新加坡公開說明書上列出的條款及條件，和新加坡中央公積金局的條款及條件不時所規定。
"CSSF" 盧森堡金融監督處	Commission de Surveillance du Secteur Financier – The regulatory and supervisory authority of the Company in Luxembourg. 金融業監督管理委員會- 本公司在盧森堡之管理及監督主管機關。
"Data Protection Officer" 資料保護長	A person appointed by the Management Company as a data protection officer in accordance with the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC 依據 2016 年 4 月 27 日歐洲議會和理事會的第 2016/679 號規則，管理公司委任資料保護長以保護自然人之個資處理以及個資自由流通，同時廢除 95/46 / EC 指令。
"Depository Bank" 基金保管機構	J.P. Morgan SE, Luxembourg branch (the Legal successor of J.P. Morgan Bank Luxembourg S.A), a Luxembourg based bank, has been appointed by the Company as the Company's depository bank 本公司已指派，位於盧森堡的銀行，摩根歐洲盧森堡分行(摩根大通銀行盧森堡分行的合法繼承人)為本公司的基金保管機構。
"Dealing Cut-Off Time" 交易截止時間	the time prior to which a transaction instruction must be received in order for the transaction to be processed at the current day's NAV as further described in

	<p>Appendix A of this Prospectus 交易指示必須在交易截止時間之前被收到以便可以當日的基金淨值來交易，詳見本基金公開說明附錄 A 之說明。</p>
<p>"Dealing Day" 交易日</p>	<p>any Valuation Day which is also a Business Day. Dealing Day restrictions in any jurisdiction may be obtained upon request 任何評價日亦即是營業日，在任何管轄區域的交易日限制得依要求索取。</p>
<p>"Directors" 董事</p>	<p>the members of the Board of Directors 董事會的成員。</p>
<p>"Distributor" 經銷商</p>	<p>an entity or person duly appointed by Management Company, acting as the Principal Distributor to distribute or arrange for the distribution of Shares 由管理公司所正式指派的機構或個人，擔任主辦承銷商一職得以分配或安排股份的經銷事宜。</p>
<p>"Distribution Share" 配息發放股份</p>	<p>a Share which normally distributes its net investment income, unless otherwise stated in the relevant Fund policy 股份將正常分配其淨投資收益，除非在相關基金政策另有說明。</p>
<p>"Emerging Markets" 新興市場</p>	<p>Countries whose economy, stock market, political situation and regulatory framework are not fully developed 經濟、股市，政治形勢和監管架構尚未充分發展的國家。</p>
<p>"Equity Fund" 股票型基金</p>	<p>an Equity Fund's assets are mainly or solely invested in or exposed to equity securities issued by companies which are listed and traded on stock exchanges (equities). Equity Funds can either invest globally (global equity Funds) or be concentrated on specific countries (country-specific Funds), geographic regions (regional Funds) or sectors (sector-specific Funds) 一檔股票型基金的資產係主要或完全地投資或曝險在股票交易所上市或交易的公司所發行的股權證券。股票型基金可以全球性的投資（全球股票型基金），或是集中在特定國家（特定國家股票型基金）、地理區域（區域股票型基金）或是產業（特定產業股票型基金）。</p>
<p>"ETC"</p>	<p>Exchange Traded Commodity 交易所買賣商品</p>
<p>"ETF"</p>	<p>Exchange Traded Fund 指數股票型基金</p>
<p>"EU" 歐盟</p>	<p>European Union 歐洲聯盟。</p>
<p>"FATCA" 外國帳戶稅收遵從法案</p>	<p>Foreign Account Tax Compliance Act 外國帳戶稅收遵從法案。</p>
<p>"Fatwa" 伊斯蘭教令</p>	<p>a ruling concerning Shariah as issued by the Shariah Supervisory Board 由伊斯蘭教律監督委員會發佈的關於伊斯蘭教義的條例</p>
<p>"FFI" 外國金融機構</p>	<p>a Foreign Financial Institution as defined in FATCA 於外國帳戶稅收遵從法案所定義之外國金融機構</p>
<p>"Fixed Income Fund" 固定收益型基金</p>	<p>a Fixed Income Fund's assets are mainly or solely invested in or exposed to debt securities (including, but not limited to, Sukuk) which pay a fixed or variable rate of interest and which may be issued by companies, national or local governments and/or international organizations which are supported by several governments (such as the World Bank). Fixed Income Funds may invest globally or focus on a</p>

	<p>geographic region or country and may invest in bonds issued by different types of issuer or focus on just one (such as governments). The performance of Fixed Income Funds is often linked to broad economic factors and particularly any changes in interest rates</p> <p>一檔固定收益型基金的資產係主要或完全地投資或曝險在債權證券（包括但不限於於伊斯蘭債券），其支付固定或變動利率的利息，並且其可能是由公司、國家或地方政府，以及/或是由數個政府所支持的國際組織（例如：世界銀行）所發行之。固定收益型基金可以全球性的投資或是集中在地理區域或國家，並且可能投資於由不同種類的發行機構所發行的債券，或是僅集中投資於一種發行機構（例如：政府）。固定收益型基金的績效與廣泛的經濟因素，特別是利率的任何變化有關聯。</p>
"Franklin Templeton Investments" 富蘭克林坦伯頓基金集團	<p>FRI and its subsidiaries and affiliates worldwide</p> <p>富蘭克林公司及其遍及全世界的子公司和關係企業。</p>
"FRI" 富蘭克林公司	<p>Franklin Resources Inc, One Franklin Parkway, San Mateo, California 位於加州聖瑪蒂奧的富蘭克林公司。</p>
"Fund" 基金	<p>a distinct pool of assets and liabilities within the Company, distinguished mainly by its specific investment policy and objective as created from time to time</p> <p>在本公司內由不同的資產與負債組成的共同資金，主要是由其特定的投資政策和目標（得隨時創設）來做區分。</p>
"Global Exposure" 全球曝險	<p>refers to a measure of the risk exposure for a UCITS sub-fund that factors in the market risk exposure of underlying investments, as well as the incremental market risk exposure and implied leverage associated with financial derivative instruments if and where held in the portfolio. Under Luxembourg regulation, UCITS are required to measure such risk exposure using either a "Commitment Approach" or a "Value-at-Risk (VaR) Approach" – see separate definitions for these terms</p> <p>為衡量 UCITS 子基金之曝險，即其投資標的之市場曝險的因素，如投資組合所持有之衍生性金融商品之增額市場曝險及隱含槓桿。在盧森堡的法規規範下，UCITS 基金須使用“承諾法”或“風險值法”計算上述之曝險部位，請詳上述項目的個別定義。</p>
"Hibah" 禮物/分紅	<p>a gift or donation. Transfer of a determinate property without any material consideration</p> <p>禮物或捐贈。不需任何重大考慮下轉移確定的財產。</p>
"Holding" 持股	<p>Shares held in a single Share Class within the Investor's account</p> <p>投資人帳戶裡的股份將持有於個別的股份類別。</p>
"Ijara" 租賃	<p>Shariah-compliant leasing</p> <p>符合伊斯蘭教義的租賃。</p>
"Institutional Investor" 法人機構投資人	<p>as defined from time to time by the guidelines or recommendations of the competent Luxembourg financial supervisory authority within the meaning of article 174 of the Law of 17 December 2010. Please refer to the section "Share Classes" for the list of qualifying Institutional Investors</p> <p>經盧森堡金融監督主管機關依照 2010 年 12 月 17 日法規第 174 條之規定所提出的指南或建議事項中所定義的法人機構投資人（得隨時修改定義）。請參考“股份類別”章節的合格法人機構投資人列表。</p>
"Investment Fund(s)" 投資基金	<p>a UCITS or other UCI in which the Funds may invest, as determined in the investment restrictions described in Appendix C</p> <p>本公司基金得投資的“合格從事可轉讓證券的集合投資事業”或其他“集合投資事業”由附錄 C 所述的投資限制決定之。</p>

"Investment Managers" 投資經理公司	a company appointed by the Management Company and which provides day-to-day management in respect of the investment and re-investment of the assets of the Funds 由管理公司指派之公司其提供有關基金資產的投資與再投資的逐日管理。
"Investor" 投資人	a purchaser of Shares in the Company either directly or through a distributor subscribing for Shares in its own name and on behalf of the relevant underlying purchaser of Shares in the Company 直接或透過分銷商以自己的名義並代表其公司相關的股份購買人而成為本公司基金股份的購買者。
"Investor Portfolio" or sometimes referred to as "Portfolio" 投資人投資組合或投資組合	a portfolio of Holdings in the name of the registered Investor(s) 記名投資人持股的組合。
"Investor Portfolio Number" 投資人投資組合號碼	personal number attributed to an Investor Portfolio upon acceptance of an application 所受理申請書上之投資人投資組合的個人號碼。
"ISIN Code" 國際證券識別編碼	International Securities Identification Number that uniquely identifies a Fund / Share Class 國際證券識別編碼其為獨一無二地辨識基金/股份類別的編碼。
"KID" 重要投資人資訊文件	a key information document (as defined in Regulation 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products ("PRIIPs")) For the avoidance of any doubt and where relevant, the references to KID in this Prospectus shall be understood as references to Key Investor Information Document ("KIID") within the meaning of article 159 of the Law of 17 December 2010 重要投資人文件的引用（定義詳歐洲議會第 1286/2014 號條例和 2014 年 11 月 26 日理事會關於包裝零售投資和保險類投資產品法規（“PRIIPs”）的重要資訊文件）。為避免相關的疑問，本公開說明書中提及的 KID 應理解為 2010 年 12 月 17 日法律第 159 條含義內的關鍵投資者資訊文件（「KIID」）。
"Law of 17 December 2010" 2010 年 12 月 17 日法規	Luxembourg Law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time 2010 年 12 月 17 日的盧森堡法律為有關集合投資事業的規定，得視狀況隨時修訂。
"Mainly" 大部分地	please refer to the "primarily" definition below 請參考下方“首要地”的定義
"Management Company" 管理公司	Franklin Templeton International Services S.à r.l. or, where relevant, the members of the Management Company's board of managers. 富蘭克林坦伯頓國際服務有限公司，或是管理公司的董事會經理人之相關成員。
"Member State" 成員國	A Member State, as defined in the Law of 17 December, 2010 依 2010 年 12 月 17 日法律規定的成員國。
"Multi-Asset Fund" 多元資產收益策略基金	a Multi-Asset Fund typically invests in multiple types of assets, including but not limited to equities, debt securities, cash, real estate, commodities, etc. The proportion of a Multi-Asset Fund invested in each type of asset (the asset allocation) may be fixed for some Funds and flexible for others. Where the asset allocation is flexible, the Investment Manager will make adjustments to the amount invested in each type of asset depending on its view of their future prospects

	<p>多元資產基金通常投資於多種資產，包括但不限於股票、債務證券、現金、房地產、商品等。多元資產基金投資於每種資產的比例（資產配置）對於某些基金可能是固定的，而對於其他基金則可能是靈活的。在資產配置靈活的情況下，投資經理會根據其對未來前景的看法，調整對每類資產的投資金額。</p>
"Mudharabah" 盈利分享	<p>a Shariah-compliant partnership where a capital owner (Rab al Mal) and a manager (Mudarib) undertake a Shariah-compliant business or project 符合伊斯蘭教教義的合作夥伴關係，資金所有者（Rab al Mal）和經理人（Mudarib）承擔符合伊斯蘭教律的事業或計畫。</p>
"Murabaha" 成本加利潤銷售型融資	<p>a contract referring to a sale and purchase transaction for the financing of an asset whereby the cost and profit margin (mark up) are made known and agreed to by all parties involved. The settlement for the purchase can be settled either on a deferred lump sum basis or on an instalment basis, and is specified in the agreement 有關資產融資買賣交易的契約，其中成本和利潤（加價）已被所有相關的人知曉並同意。申購的結算可以延期一次性總額支付或分期付款的方式結算，並在協議中規定。</p>
"Musawamah"	<p>a sale contract without the disclosure of the asset cost price and profit margin to the purchaser 未向買方揭露資產成本價和利潤的買賣契約</p>
"Net Asset Value per Share" or "NAV" 每股淨資產價值 或 淨資產價值	<p>the value per Share of any Class of Share determined in accordance with the relevant provisions described under the heading "Determination of Net Asset Value of Shares" as set out in Appendix E. 依照訂定於附錄 E“每股淨資產價值的判定”所敘述的相關說明而決定出來的任何股份類別的每股價值。</p>
"OECD" 經濟合作發展組織	<p>Organisation for Economic Cooperation and Development 經濟合作發展組織。</p>
"Omnibus" 綜合帳戶	<p>an institution which holds assets within a Portfolio or holding for a number of underlying Investors 法人機構在投資組合內持有的資產係為一些置於其名下的投資人所持有。</p>
"Perpetual securities" 永續證券	<p>sukuk securities with no maturity date, excluding for the avoidance of any doubt, contingent convertible securities 無到期日的伊斯蘭債務證券，為避免任何疑慮，不包括應急可轉股證券。</p>
"Primarily" or "principally" or "mainly" 首要地、主要地或 大部分地	<p>when a Fund investment policy states that investments will be made "primarily" or "principally" or "mainly" in a particular type of security, or in a particular country, region or industry, it generally means that at least two-thirds of this Fund's total assets (without taking into account ancillary liquid assets) shall be invested into such security, country, region or industry 當基金投資政策述明基金資產將“首要地”、“主要地”或“大部分地”投資於特定類型的證券，或是特定國家、區域或是產業時，其通常表示該基金總資產至少三分之二（在不考慮輔助流動資產下）將被投資於該特定證券、國家、區域或是產業。</p>
"Principal Distributor" 主辦承銷商	<p>the Management Company acting as principal distributor of the Company. 由管理公司擔任本公司之主辦承銷商。</p>
"Prohibited Persons"	<p>any US Person and/or any person, firm or corporate body, in the opinion of the</p>

禁止人士	<p>Company, having holding that may be detrimental to the Company or its Shareholders, and which may result in a breach of any applicable law or regulations whether Luxembourg or foreign or may expose the Company or its Shareholders to liabilities (to include, inter alia, regulatory or tax liabilities and any other tax liabilities that might derive, inter alia, from any breach of FATCA requirements) or any other disadvantages that it or they would not have otherwise incurred or been exposed to.</p> <p>任何美國人及/或任何人、公司或法人機構，以本公司的觀點，持有可能對本公司或其股東有害，可能導致違反任何適用的法令或法規，無論是盧森堡或外國還是可能使本公司或其股東承擔責任（除其他外，包括監管或稅務責任以及可能因任何違反 FATCA 要求而導致的任何其他稅務責任）或任何其他不會產生或曝露的缺點。</p>
"purchase" 申購	<p>when the Prospectus states "purchase" or "how to purchase shares", it generally refers to a subscription of Shares</p> <p>當公開說明書提及「申購」股份或「如何申購股份」時，通常指購買股份。</p>
"Registrar and Transfer Agent" 註冊及股務代理機構	<p>Virtus Partners Fund Services Luxembourg S.à r.l, to whom the Management Company has delegated the registrar and transfer agency services in relation to the Company</p> <p>Virtus Partners Fund Services Luxembourg S.à r.l.已被管理公司任命為本公司的註冊及股務代理機構，並執行註冊及股務代理服務。</p>
"REIT" 不動產投資信託	<p>An entity that is dedicated to owning, and in most cases, managing, real estate. This may include, but is not limited to, real estate in the residential (apartments), commercial (shopping centres, offices) and industrial (factories, warehouses) sectors. Certain REITs may also engage in real estate financing transactions and other real estate development activities. The legal structure of a REIT, its investment restrictions and the regulatory and taxation regimes to which it is subject will differ depending on the jurisdiction in which it is established. Investment in REITs will be allowed if they qualify as transferable securities. A closed-ended REIT, the units of which are listed on a regulated market is classified as a transferable security listed on a regulated market thereby qualifying as an eligible investment for a UCITS under the Luxembourg law</p> <p>一個致力於擁有並在大多數情況下管理房地產的實體。這可能包括但不限於住宅（公寓）、商業（購物中心、辦公室）和工業（工廠、倉庫）領域的房地產。某些房地產投資信託基金還可能從事房地產融資交易和其他房地產開發活動。不動產投資信託的法律結構、其投資限制以及其所受的監管和稅收制度將根據其成立所在的司法管轄區而有所不同。如果不動產投資信託符合可轉讓證券的條件，則允許對其進行投資。其單位在受監管市場上市的封閉式房地產投資信託基金被歸類為在受監管市場上市的可轉讓證券，因此根據盧森堡法律有資格成為合格從事可轉讓證券的集合投資事業的合格投資。</p>
"RMB" 人民幣	<p>the official currency of mainland China – to be read as a reference to onshore Renminbi (CNY) and/or offshore Renminbi (CNH) as the context requires</p> <p>為中國之官方貨幣，依內容所需，在境內被稱為 Renminbi(CNY)及/或在境外稱為 Renminbi(CNH)。</p>
"sale" or "to sell" 銷售或售出	<p>when the prospectus states "a sale" of shares or "how to sell shares", it generally refers to a redemption of Shares</p> <p>當公開說明書提及「銷售」股份或「如何售出股份」時，通常指贖回股份。</p>
"SFDR" 永續金融揭露規範	<p>Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services</p>

	sector 2019 年 11 月 27 日歐洲議會和理事會第 2019/2088 號規則有關金融服務業在永續性相關的揭露規定。
"SICAV" 合法的可變動資本額 投資公司	Société d'Investissement à Capital Variable 合法的可變動資本額投資公司。
"Share" 股份	a Share of any Share Class in the capital of the Company 任何股份類別的股份為本公司的資本。
"Share Class" 股份類別	a class of Shares with a specific fee structure, currency of denomination or other specific feature 股份類別具有特定的費用架構、計價幣別或其他的具體特點。
"Shareholder" 股東	a holder of Shares in the Company 本公司股份的持有人。
"Shariah" 伊斯蘭教律	the principles, precepts and tenets of Islam derived principally from the Holy Qur'an and from the teachings and examples of the Holy Prophet Muhammad (peace be upon Him) as interpreted by the Shariah Supervisory Board 伊斯蘭教的原則、戒律和教義，主要根據“古蘭經”，以及由伊斯蘭教律監督委員會解釋的聖教先知穆罕默德（peace be upon him 願他安息）的教義和聖訓。
"Shariah-compliant" 符合伊斯蘭教律	Investment products that comply to the requirements of Shariah principles as interpreted by the Shariah Supervisory Board 符合伊斯蘭教律監督委員會解釋的伊斯蘭教律原則要求的投資產品。
"Shariah Guidelines" 伊斯蘭教律準則	The investment guidelines established and confirmed by the Shariah Supervisory Board as compliant with the Shariah principles and set out in Appendix B 符合伊斯蘭教律原則，由伊斯蘭教律監督委員會建立和確認的投資準則，並訂定於附錄 B。
"Shariah Supervisory Board" or "SSB" 伊斯蘭教律監督委員會	A board comprising four eminent Islamic scholars responsible for approving the Shariah Guidelines and confirming the compliance of the Fund's investments and accounting standards with the Shariah principles 由四位傑出的伊斯蘭學者組成的董事會，負責核准伊斯蘭教律準則，並確認基金的投資和會計準則符合伊斯蘭教律原則。
"Shariah Stock Screening Provider" 伊斯蘭股票篩選供應商	IdealRatings, Inc. has been appointed as the Company's Shariah stock screening provider, in charge of the screening of the stocks held by the Equity Funds of the Company IdealRatings, Inc 公司已被委任為本公司的伊斯蘭股票篩選供應商，負責篩選本公司股票型基金所持有的股票。
"Sub-adviser" 次顧問公司	A company which provides non-discretionary investment advisory services and related research services to the Investment Manager(s) in respect of the assets of the Fund(s) 為基金的資產向投資經理公司提供非全權投資顧問服務及相關研究服務的公司。
"Sukuk" (plural of "Sakk") 伊斯蘭債券	Islamic fixed-income securities that comply with Shariah and where the holder owns an undivided exposure over an underlying asset 伊斯蘭固定收益證券，其符合伊斯蘭教律而且持有者對該資產有共同的所有權。



"Sukuk al-Ijara" 伊斯蘭債-租賃型	a securities issuance where the underlying transaction between the issuer and the obligor involves a lease of tangible or intangible property 發行人與債務人之間的相關交易涉及有形或無形財產租賃的證券發行。
"Sukuk al-Wakala" 伊斯蘭債-代理型	trust certificates that are issued by a party in order to raise capital to acquire or invest in Shariah compliant assets, goods, or services. These sukuk provide sukuk-holders with ownership of or equity participation in the underlying assets, goods, or services. These acquisitions or investments are then entrusted to an agent (wakeel) for management on behalf of the issuer and sukuk-holders. The sukuk-holders take the risk of the acquisitions and investments and are entitled to any profits generated from them 信託憑證，由一方為了籌集資金以購買或投資符合伊斯蘭教律的資產、商品或服務所發行。這些伊斯蘭債券提供持有人所有權或參與相關資產、商品或服務的股權。這類收購或投資被委託給代表發行公司和伊斯蘭債券持有人的代理公司（wakeel）進行管理。伊斯蘭債券持有人承擔收購和投資的風險，並有權獲得由此產生的任何利潤。
"Sum of Notionals" 名目本金總額	<p>a measure of the level of leverage as calculated by taking the sum of notionals of all financial derivative contracts entered into by the Fund expressed as a percentage of the Fund's Net Asset Value. The Global Exposure to the underlying investment(i.e. the 100% of Global Exposure represented by actual net assets) is not included in the calculation, only the incremental Global Exposure from the financial derivative contracts being taken into account for the purpose of calculation of the Sum of Notionals.</p> <p>This methodology does not:</p> <ul style="list-style-type: none"><li>- make a distinction between financial derivative instruments that are used for investment or hedging purposes. As a result strategies that aim to reduce risk will contribute to an increased level of leverage for the Fund.</li><li>- allow the netting of derivative positions. As a result, derivative roll-overs and strategies relying on a combination of long and short positions may contribute to a large increase of the level of leverage when they do not increase or only cause a moderate increase of the overall Fund risk.</li><li>- take into account the derivative underlying assets' volatility or make a distinction between short-dated &amp; long-dated assets. - consider the delta for option contracts, so there is no adjustment for the likelihood that any option contract will be exercised. As a result, a Fund that has out of the money option contracts that are not likely to be exercised will appear to have the same leverage as a Fund with comparable figures for sum of notionals where the option contracts are in the money and are likely to be exercised, even though the potential leveraging effect of out of the money options tends to increase as the price of the underlying asset approaches the strike price, then tends to dissipate as the price of the underlying rises further and the contract goes deep into the money.</li></ul> <p>槓桿水準的衡量方式係採用本基金所持有之所有衍生性金融商品契約的名目本金總額佔本基金淨資產價值比率的計算方式所表達。投資標的的全球曝險(如 100%全球曝險由實際淨資產所表達)並不包括在計算內，為計算名目本金總額，僅考慮衍生性金融商品契約的增額全球曝險。</p> <p>本方法不會：</p> <ul style="list-style-type: none"><li>- 區分持有衍生性金融商品之目的為投資或避險。因此，以降低風險為目標的投資策略，將使本基金之槓桿水準增加。</li><li>- 允許沖抵衍生性商品部位。因此，重購衍生性商品或投資策略為結合長期或短期部位，在不會或僅適度增加本基金整體風險時，會使槓桿水準大幅度的增加。</li><li>- 考量衍生性商品標的資產之波動性或區分短天期或長天期之資產。考量選擇權契約之 delta 值，因此，持有可能不會執行之價外</li></ul>

	選擇權契約的基金將與持有有可能會執行之價內選擇權契約的基金，在名日本金總額法下，有相同的槓桿，即使價外選擇權的潛在槓桿效果大多會隨著標的資產價格接近履約價格時增加，而當標的資產價格進一步上漲致使選擇權契約深度價內時，將逐漸消失。
Taxonomy Regulation 分類法規	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, as may be amended from time to time 2020 年 6 月 18 日歐洲議會和理事會第 2020/852 號規則有關建立促進永續投資的框架，以及得隨時修訂之第 2019/2088 號規則有關金融服務業在永續性相關的揭露規定。
"Third Party Payment" 第三方款項	payments received from, or made by/to, a party other than the registered investor 收取的款項來自，或是款項的給付方/支付方，為無關記名投資人的一方。
"UCI" or "other UCI" 集合投資事業 或 其他集合投資事業	Undertaking for Collective Investment within the meaning of Article 1, paragraph (2), point a) and b) of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended 2009 年 7 月 13 日歐盟議會和理事會指令 2009/65/EC 中章節 1 第二段 a) 及 b) 點及其後之修訂所定義之集合投資事業。
"UCITS" 合格從事可轉讓證券的 集合投資事業	Undertaking for Collective Investment in Transferable Securities authorised according to Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as regards depositary functions, remuneration policies and sanctions 依照歐盟議會指令 2014/91/EU 和 2014 年 7 月 23 日理事會修訂指令 2009/65/EC 所授予得合格從事可轉讓證券的集合投資事業，協調有關集合投資於可轉讓證券的存管功能、薪酬政策和制裁法令，法規及行政規定。
"USA" or "US" 美國	United States of America 美利堅合眾國。
"US Person" 美國人	shall mean any person that is a United States person within the meaning of Regulation S under the United States Securities Act of 1933 or as defined by the U.S. Commodity Futures Trading Commission for this purpose, as the definition of such term may be changed from time to time by legislation, rules, regulations or judicial or administrative agency interpretations. 是指任何人合乎 1933 年美國證券法下之 S 規則所定義之美國人。在 S 規則的這類美國人稱謂定義，有時會經由立法、法條、規則、或是司院或行政機構的解釋而有所變動。
"Valuation Day" <sup>1</sup> 評價日 <sup>1</sup>	any day on which the New York Stock Exchange ("NYSE") is open or any full day on which banks in Luxembourg are open for normal business (other than during a suspension of normal dealing). Further information on the applicable Valuation Days for the Funds can be found on the website: <a href="http://www.franklintempleton.lu">http://www.franklintempleton.lu</a> 紐約證券交易所 (NYSE) 之任何開市營業日或是盧森堡的銀行有開放

<sup>1</sup>註 1：自 2024 年 4 月 1 日起，「估值日」是指對每個基金而言，相關基金特定次章節資訊列出的任何此類日期。有關基金適用估值日的更多資訊，請在網站查詢：<http://www.franklintempleton.lu>

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	的正常營業日（並非在正常交易中止期間）。更多關於有關本基金適用的報價日的資訊可在網站查詢： <a href="http://www.franklintempleton.lu">http://www.franklintempleton.lu</a>
"Value-at-Risk (VaR) approach" 風險值法	<p>an approach for measuring risk or "Global Exposure" based on Value-at-Risk or VaR, which is a measure of the maximum potential loss that can arise at a given confidence level over a specific time period under normal market conditions. VaR may be expressed in absolute terms as a currency amount specific to a portfolio, or as a percentage when the currency amount is divided by total net assets. VaR may also be expressed in relative terms, where the VaR of the Fund (expressed in percentage terms) is divided by the VaR of its relevant benchmark (also expressed in percentage terms), generating a ratio known as relative VaR. Under Luxembourg Law absolute VaR limits are currently 20% of total net assets and relative VaR limits are currently twice or 200% of the benchmark VaR</p> <p>為衡量風險的方法或在風險值法下計算全球曝險，即於正常的市場狀況下，在特定的信心水準於特定時間內出現的最大潛在損失。風險值可能以絕對關係表示，如一個具體投資組合的貨幣金額，或是以貨幣金額除以總淨資產的百分比。風險值也得以相對關係表示，在此基金的風險值（以百分比方式表示）除以其對應指標的風險值（也以百分比方式表示），所產生的比率即所謂的相對風險值。在盧森堡法律下，目前對絕對風險值之限制為全部淨資產價值的 20%，而相對風險值目前則為比較基準風險值的兩倍或 200%。</p>
"Wa'd" 承諾	<p>a unilateral promise made by one person to another to undertake a certain action or verbal disposal beneficial to the other party</p> <p>一方向另一方作出單方面承諾，而採取某種有利於另一方的行動或口頭處置。</p>
"Wakala" 代理	<p>an agency agreement where one person appoints another person to perform a task on his behalf</p> <p>代理協議，一方委派另一方代表其執行任務。</p>
"Zakat" 慈善捐款	<p>an obligation under Shariah to pay a certain amount on wealth above a specified minimum for defined beneficiaries</p> <p>伊斯蘭教律下的義務，為確定的受益人支付高於特定最低金額之一定數額的財富。</p>

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除非另有標示，本文件的所有參考資料的時區為中部歐洲時間。

名詞定義以單數字表示時，在符合內文文法時亦得使用複數字，反之亦然。

## 行政資訊

### 本公司之董事會

#### 董事長：

Caroline Carroll  
董事  
富蘭克林坦伯頓投資管理公司  
Cannon Place,  
78 Cannon Street,  
London, EC4N 6HL  
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#### 董事：

A. Craig Blair  
執行長  
富蘭克林坦伯頓國際服務有限公司  
8A, rue Albert Borschette  
L-1246 Luxembourg  
Grand Duchy of Luxembourg

Hans-J. Wisser  
獨立董事  
Kälberstücksweg 37  
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Germany

William Jackson  
非常務董事  
2 St Clair Terrace  
Edinburgh EH10 5NW United Kingdom.

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### 管理公司董事會經理人：

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執行長

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Bérengère Blaszczyk

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Martin Dobbins

(獨立經理人)

董事

SAGE ADVISORY S.Á.R.L

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Luxembourg

William Jackson

(非常務經理人)

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United Kingdom

Gwen Shaneyfelt

資深副總裁 全球會計及稅務

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One Franklin Parkway

San Mateo

CA 94403-1906

United States of America

Jane Trust

資深副總裁

LEGG MASON&CO, LLC

100 International Drive, Baltimore, MD 21202

United States of America

Ed Venner

首席運營長—經銷

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United Kingdom

**管理公司執行長：**

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執行長

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**伊斯蘭教律監督委員會：**

AMANIE ADVISORS SDN BHD

Level 13A-2

Menara Tokio Marine Life

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50400 Kuala Lumpur

Malaysia

- Dr. Mohamed Ali Elgari
- Dr. Muhammad Amin Ali Qattan
- Dr. Mohd Daud Bakar
- Dr. Osama Al Dereai

**伊斯蘭股票篩選供應商：**

IdealRatings, Inc.  
425 Market Street  
Suite 2200  
San Francisco, CA, 94105  
United States of America

**投資經理公司：**

富蘭克林顧問公司  
FRANKLIN ADVISERS, INC.  
One Franklin Parkway  
San Mateo, CA 94403-1906  
USA

富蘭克林坦伯頓投資(亞洲)公司  
FRANKLIN TEMPLETON INVESTMENTS (ASIA) LIMITED  
17/F, Chater House  
8 Connaught Road Central  
Hong Kong

富蘭克林坦伯頓投資(中東)公司  
FRANKLIN TEMPLETON INVESTMENTS (ME) LIMITED  
The Gate, East Wing, Level 2  
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坦伯頓資產管理公司  
TEMPLETON ASSET MANAGEMENT LIMITED  
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坦伯頓全球顧問公司  
TEMPLETON GLOBAL ADVISORS LIMITED  
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Lyford Cay  
Nassau  
Bahamas

**次顧問公司：**

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FRANKLIN TEMPLETON GSC ASSET MANAGEMENT Sdn. Bhd.  
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Malaysia

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European Bank & Business Centre  
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Grand Duchy of Luxembourg

**註冊及股務代理機構：**

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Grand Duchy of Luxembourg

**台灣總代理：**

富蘭克林證券投資顧問股份有限公司〔台灣〕  
FRANKLIN/TEMPLETON SECURITIES INVESTMENT CONSULTING (SINOAM) INC.  
8F, #87, Sec. 4  
Chung Hsiao E. Road  
Taipei  
Taiwan, R.O.C.

**保管銀行：**

摩根歐洲盧森堡分行  
J.P. MORGAN SE, LUXEMBOURG BRANCH  
European Bank & Business Centre  
6C, route de Trèves  
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Grand Duchy of Luxembourg

**簽證會計師：**

PRICEWATERHOUSECOOPERS Société Coopérative  
2, rue Gerhard Mercator  
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**法律諮詢顧問：**

艾芬格，侯斯與普森  
ELVINGER HOSS PRUSSEN, société anonyme  
2, Place Winston Churchill  
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**當地付款代理公司：**

在法國：  
CACEIS Bank  
89-91, rue Gabriel Péri  
92120 Montrouge

在瑞士：  
NPB New Private Bank Ltd.  
Limmatquai 1/am Bellevue  
P.O. Box  
8022 Zurich

**資料查詢設施代理公司：**

在英國：  
FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED  
Cannon Place  
78 Cannon Street  
London EC4N 6HL  
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## 基金資訊、目標及投資政策

本公司致力於提供投資人一系列以全球為基礎廣泛地投資於符合伊斯蘭教律的可轉讓證券與其他符合伊斯蘭教律的合適資產並且著眼予多重投資標的之基金選擇：包括資本成長及收益。本公司的總體目標是經由多樣化策略尋求降低投資風險並且提供投資人分享由富蘭克林坦伯頓基金集團旗下公司根據其久經時間考驗的成功投資選股方法所經理的投資組合利益。

詳細說明列於附錄 E，各基金應獨立負擔其自有資產與負債。

在本公司所有投資限制的規範以及伊斯蘭教律準則之內，個別基金可能投資於符合伊斯蘭教律的“預期發行”（when-issued）證券，並且尋求融資。

再者，遵照明訂的投資限制及伊斯蘭教律準則，本公司就相關基金可投資符合伊斯蘭教律的金融衍生性工具，前提是（a）這些投資在經濟上合適，因為它們以成本 - 有效的方法，（b）為了（i）降低風險、（ii）降低成本，或（iii）產生額外的資本利得或收益，其風險水準與相關基金的風險狀況及本公開說明書附錄 C 所載的風險分散要求一致，且（c）能充分地反映適用於本公司的風險管理程序。符合伊斯蘭教律的金融衍生性工具得包括遠期外匯和收益率互換交易。

當基金投資政策述明基金資產將“首要地”、“主要地”或“大部分地”投資於特定類型的證券，或是特定國家、區域或是產業時，其通常表示該基金至少三分之二的總資產（在不考慮輔助流動資產下）將被投資於該特定證券、國家、區域或是產業。

每檔基金得持有最多 20% 的淨資產於輔助流動性資產（亦即銀行即期存款，例如：將現金存放於得隨時提存的銀行活期帳戶）以應對負面的市場、經濟、政治或其他狀況，或者是滿足流動性、贖回和短期投資的需求。在暫時性基礎上，如果遇值市場狀況異常不利時，每檔基金得依股東最大利益而採行持有最多 100% 的淨資產於輔助流動性資產之措施，以降低這類特殊市場狀況的風險。

為了實現其投資目標和財務目的，每個基金還可以根據適用的投資限制投資於符合伊斯蘭教律的銀行存款、伊斯蘭貨幣市場工具及/或伊斯蘭貨幣市場基金。出於防禦目的，本基金可能會臨時將其高達 100% 的淨資產投資於這些符合伊斯蘭教律的工具。

當基金得投資於總報酬互換交易或是其他具有相似特性的金融衍生性商品時，將在個別相關基金的投資政策裡說明其標的資產及投資策略將增添的曝險。

管理公司及個別相關投資經理公司有義務服膺下列投資目標和政策所述之約束，並且依循伊斯蘭教律準則。

### 永續投資

管理公司已在其投資決策過程中實施有關整合永續發展風險的政策。管理公司及/或投資經理公司將永續發展風險和機會整合到他們的研究、分析及投資決策過程裡。

永續發展風險如“風險考量”章節所進一步描述的是指環境、社會或治理事件或條件，如果發生，可能會潛在或實際上對基金投資的價值造成重大的負面影響。永續發展風險既可以代表其自身的風險，也可以對其他風險產生影響，並且可能促成對諸如市場風險、運營風險、流動性風險或是交易對手風險的重大影響。

為了增強投資人的長期風險調整後收益並確定特定基金的政策風險和機會，永續發展風險是需要考慮的重要因素。目前，本公司所有基金的確將永續發展風險納入其投資決策過程。永續發展風險的整合可能會根據基金的政策、資產及/或投資組合的組成而有所不同。管理公司及/或相關的投資經理公司將善用特定的方法與資料庫其為來自外部研究公司的環境、社會和公司治理（ESG）資料與自行的研究結果。對永續發展風險的評估是複雜的，並且可能基於ESG資料難以取得與不完整、預估、過時或存在其他實質性錯誤。即使被識別，也不能保證這些資料將被正確評估。

如果發生永續發展風險，或是以管理公司及/或相關投資經理公司/投資經理公司的模型未預期的方式發生，則可能會對投資價值及進而對基金的淨資產價值產生突然的、重大的負面影響。這類負面影響可能會導致相關投資的全部價值虧損，並可能對基金的淨資產價值具有同等的負面影響。

除非在下面基金的特定小節中另有說明，否則基金的投資不考慮歐盟對環境永續經濟活動的標準，包括《永續經濟活動分類規則》所指的授權或過渡活動。

## 伊斯蘭債券基金（本基金之配息來源可能為本金） 〔 Franklin Global Sukuk Fund 〕

資產類別：固定收益型基金（符合伊斯蘭教律的證券）

基本計價幣別：美元

評價日(自 2024 年 4 月 1 日生效):在紐約證券交易所正常營業的日期(正常交易暫停期間除外),有關本基金適用評價日的更多資訊可在網路查詢：<http://www.franklintempleton.lu>

投資目標：

本基金之投資目標為透過審慎的投資管理，追求最大化總投資報酬，包括利潤收益和資本增值。

投資政策：

為達成投資目標，本基金主要投資於由已開發和開發中國家之政府、政府相關及企業所發行的符合伊斯蘭教律之固定或浮動利率債券（包括非投資等級證券）之投資組合。

由於投資目標可透過彈性和合適的投資政策來實現，本基金也得依據其投資政策和伊斯蘭教律準則，投資於有價證券或得為避險、效率投資組合管理以及/或是投資目的而運用之金融衍生性商品，當標的證券連結或其價值來自任何國家的特定證券、資產、商品或貨幣。這些金融衍生性商品包括但不限於符合伊斯蘭教律的互換交易（包括但不限於收益率互換交易、信用違約互換交易或總報酬互換交易），以及符合伊斯蘭教律的貨幣遠期交易和其他在櫃檯買賣市場符合伊斯蘭教律的避險工具。本基金得投資於伊斯蘭國家的金融工具，發行人可為企業、主權國家或超國際組織機構，同時可能為被擔保或價值來自任何有形資產及其他資產（包括抵押貸款）。<sup>2</sup> 本基金也可能投資於短期工具，包括成本加利潤銷售型(Murabaha)的短期融資工具以及不超過 20%的淨資產於符合伊斯蘭教律的信用連結債券或是結構型商品。

投資經理公司可能會暫時持有防禦性現金部位，當基金投資的證券交易市場或國家經濟出現過度波動、較長期修正或其他不利條件。本基金得購買以任何貨幣計價的證券。

本基金也得分派資本、已實現和未實現淨資本利得，以及未扣減費用之收益，其得允許較多的收益被分配而可能也有減少本金的影響。

總報酬互換交易曝險：

可能受伊斯蘭教律的總報酬互換交易(非融資性)影響之期望曝險水準相當於基金淨資產的 5%，最高不超過 20%。

投資人剖析：

考量上述之投資目標，本基金可能訴諸以下投資人：

- 尋求最大化總投資報酬，包括利潤收益和資本增值之投資人。
- 預計持有投資時間為中長期。

<sup>2</sup>註 2：自 2024 年 2 月 26 日起，將增加以下條款於本段落的最後句子之前：

“針對本基金，伊斯蘭債券可能包括或有可轉換債券，但最多不超過本基金淨資產的 10%。”

風險考量：

請參閱“風險考量”章節對下列風險項目的完整敘述：

對本基金投資策略的主要風險：

- 信用風險
- 新興市場風險
- 外幣風險
- 流動性風險
- 伊斯蘭教律遵法風險
- 伊斯蘭債券投資風險

可能與本基金相關的其他風險：

- 可轉換和混合證券風險
- 交易對手風險
- 衍生性金融商品風險
- 配息政策風險
- 邊境市場風險
- 債權證券風險
- 法規風險
- 市場風險
- 重整公司風險
- 交割違約風險
- 結構型產品風險

全球曝險：採用承諾法計算本基金的全球曝險。

投資經理公司：富蘭克林坦伯頓投資(中東)公司 (Franklin Templeton Investments (ME) Ltd)

次顧問公司：富蘭克林坦伯頓 GSC 資產管理私人有限公司(Franklin Templeton GSC Asset Management Sdn. Bhd.)

費用揭露：請參閱附錄 F 有關富蘭克林坦伯頓伊斯蘭系列基金收費及費用的完整敘述。

基金績效指標揭露：請參閱附錄 G，以了解與該基金有關的基金績效指標之揭露。

## 風險考量

投資人在投資任何基金之前，應參閱本“風險考量”章節。

當任何基金所持有的證券價值增加時股份的價值則會增加，並且當基金的投資價值減少時股份的價值則會減少。因此，投資人參與了相關基金所持有的證券價值之任何變動。除了影響基金所持有之任何特定證券價值的因素之外，基金股份的價值也可能隨著整體股票與伊斯蘭債券市場的動向而變動。

基金視其投資目標而定，可能持有不同類型的證券或是不同的符合伊斯蘭教律的資產等級，例如：股票、固定收益證券(包括伊斯蘭債券)、符合伊斯蘭教律的貨幣市場工具、金融衍生性商品工具等。

不同的投資有不同類型的投資風險。基金視其所持有之證券而定，也會有不同種類的風險。本“風險考量”章節包含適用於個別基金之不同種類的投資風險摘要。請參閱本公司的公開說明書“基金資訊、目標及投資政策”章節所載適用於個別基金的主要投資風險。投資人應留意有時其他風險也可能與基金相關。

### 一般風險

本單元所說明的一些風險係適用於所有基金，但是無意聲稱其為完整說明，而且有時其他風險也是相關的。特別是，本公司的表現可能會因為市場以及/或是政經狀況、法律、條例及稅賦要求的變動而受到影響。無法確保或代表所承做的投資方案將會成功並且無法保證將會達成基金的投資目標。再者，過去的表现並無法確保未來的表現而且投資的價值可能上下起伏變化。貨幣間的匯率變動可能造成基金投資的價值減少或增加。

本公司或是任何其基金可能曝險於非其所能控制的外在風險，例如：法律及條例風險其來自於投資國家的法律不明確與變動、缺乏已建置或有效的法律救濟管道、或是由於基金在非歐盟管轄區域註冊的結果使得基金得遵從更加約束的規範制度（沒有任何通知給有關的基金股東）而可能妨礙基金善盡投資限制範圍。監管機關、自律組織以及證交所已被授權在市場緊急事件下得以採行非常性的行動。加諸本公司的任何未來規範行動的效力可能是重大且不利的。本基金可能曝險於恐怖份子行動的風險、受特定國家的經濟及外交制裁的干擾以及已開始軍事行動的風險。這類事件的衝擊並不明確，但是對於一般經濟狀況及市場流動性可能產生實質的影響。提醒投資人在一些特定狀況下其贖回股份的權利可能會暫停，敬請詳見附錄 E 的說明。

本公司或是任何其基金可能曝險於作業風險，其為存在於作業流程的風險，包括：資產保管、評價及交易處理的作業流程可能有誤而導致損失。失誤的潛在原因可能是人為失誤、實體或電子系統失誤以及其他業務執行風險與外部事件所引起。

## 中國市場風險

與中國市場相關的風險類似以下敘述的“新興市場風險”。隨著政府具有更大的資源分配權力，隨之而來地普遍存在於這類市場的風險係政治和法律的不確定性、匯率波動和封鎖，改革缺乏政府支撐或是資產的國有化和徵收。這類風險會對相關基金的績效產生負面的影響。

中國市場正經歷經濟上的改革，這些地方分權的改革是史無前例或是試驗性的，且須承受這些修改在經濟表現以及相關基金的證券價值上不可能總是有正面的成果。

中國經濟也是出口導向並對貿易有高度依存性，其主要貿易對手如美國、日本和南韓經濟狀況的不利變化對中國經濟和相關基金投資將產生負面的衝擊。

## 股份等級避險風險

對於某些股份等級（“避險股份等級”），本公司可能從事外幣避險交易。避險交易旨在盡可能地減少投資人的貨幣風險。

用於實施一個或多個基金級別的避險策略的符合伊斯蘭教律的任何金融工具，均為該基金整體的資產以及/或負債，但歸屬於相關級別以及收益/損失和相關金融工具的成本，將僅歸於相關級別。任何級別的貨幣曝險不得與任何其他級別的基金組合或抵銷。歸屬於一個級別的資產的貨幣曝險不得分配給其他級別。儘管避險可能小幅度超過 100%（在避險股份章節中進一步詳細說明），但不得因為基金之貨幣避險級別而蓄意進行槓桿交易。避險股份的淨投資流入和流出，導致的避險股份的淨資產變動可能直到接受到指示的評價日之後的下一個或之後的營業日，才將進行調整及反應。

不能保證規避貨幣風險的嘗試是成功的，沒有任何避險策略可以完全消除貨幣風險。如果避險策略不完整或不成功，該基金的資產和收入的價值可能仍然容易受到匯率波動的影響。

以避險股份類別的淨投資流量為例，避險部位可能尚未調整或反應於避險股份類別的淨資產價值中直到評價日後下一個營業日交易指示被接受。

投資者應注意，有可能存在避險交易可能會減少相關基金估值所產生的貨幣收益的情況。此避險交易的收益/損失及成本將僅歸於相關的避險股份類別。

避險股份持有人的風險，在盧森堡主管機關所規範的限制之內，可能經由有效率的投資組合管理技術以及金融工具（包括 Wa'd(單方承諾)結構型貨幣選擇權、遠期貨幣契約、貨幣期貨以及在現貨基礎上的貨幣交換或任何其他符合伊斯蘭教律的避險工具等）作外幣與股份基本計價貨幣的避險動作而降低。

此外，避險股份的投資人可能承受因為施行避險政策而運用金融工具所致的利益/虧損或其關聯交易成本所導致的股份淨值的波動。避險股份運用金融工具所致的利益/虧損以及其關聯成本將只會歸屬於避險股份。

更多詳細的股份類別的資產與負債分配管理規則請詳見附錄 E 的說明。

## 集中風險

某些基金的投資政策特別聲明，即使基金規模擴大，該基金擬維持一個係由數量有限或集中分配到給定的經濟產業、市場區域或地理區域的發行機構的證券。由於投資比較集中，相較下該等基金可能較分散投資的基金更為波動，或承受較大的風險，因為一個或部分持有部位、產業或地理區域的表現落後將對投資集中的基金資產產生更大的影響。相關基金可能因該等較大波幅或風險受到負面影響。

## 可轉換及混和證券風險

可轉換證券通常是指持有人在特定期間後可以在特定的可轉換價格轉換成普通股之債權憑證、優先股或是其他分配利益或股利的證券。可轉換證券之價值可能受所連結標的股票市價漲跌的影響，或是像債券受利率以及發行機構信用品質的變動而價值不同。當所連結標的股票價格相對於轉換價格為高時(因為存在較多的證券價值得選擇做轉換)，可轉換證券傾向表現得較像是股票，而當所連結標的股票價格相對於轉換價格為低時(因為選擇做轉換的價值較少)，可轉換證券傾向表現得較像是債券。因為可轉換證券的價值會受到許多不同因素的影響，像是對利率變動就沒有像相似的非可轉換債券易受影響，而且通常比所連結標的股票較少有潛在獲利或虧損。

混和型證券具有如上述所稱之可轉換證券結合了債券和股權特性的證券。可能由公司(簡稱為公司混和型)或由金融機構發行(通常稱為或有可轉換債券或“CoCos”債券)混和型。混和型證券為次級工具，通常資本結構為股權以及其他次級債務，例如此證券將為股權最初級證券。這類型的證券將需較長的成熟時間甚至可能為永續的性質。息票支付可能為自由的，因此發行人可以於任一時點因任何理由以及任一期間內取消。息票支付的取消不相當於違約事件。混和型證券可以事先決定。混和型證券不能被假設，包括永續證券將會於買回日贖回。投資人再買回日或任何一天可能不會收到資本的退還。

或有可轉換證券由金融機構(簡稱“CoCos”債券)這種型的可轉債在2008至2009年金融危機以後變得盛行，為一種附加特性的債券，以減緩因市場因素所造成的壓力，其不同於典型的公司混和型。以CoCos債券，根據金融機構的資本結構以及/或當監管機構認為銀行不再可經營時，可能在預先指定的觸發事件後轉換。或有可轉換債券可能轉換為股權或可能為吸收虧損以及轉換為無。觸發水準可能因另一個問題而不同以及轉換的風險將取決於資本比率與觸發水準的差距以及/或監管機構認為發行人不再可行的點(例如債券在無法維持營運點可自行紓困或PONV)，使相關基金的投資經理公司以及/或投資共同經理公司可能難以預測觸發事件，其要求負債轉換為股權或僅吸收虧損。亦有可能投資經理公司以及/或共同經理公司難以評估證券轉換後的表現如何。由於轉換發生係在特定事件之後，轉換發生在相關股權之股價低於債券發行時或購買時的價格。然而傳統的可轉換證券為持有人選擇轉換時以及持有此種債券的持有人將於股價高於履約價格時轉換(例如當發行人表現良好時)，當發行人正處於危機期間以及須要額外的股權或為了紓困吸收虧損時，可能轉換CoCos債券。因此，相較於傳統的可轉換，CoCos債券有更大的潛在資本損失。

如果轉成股票時，投資經理公司及/或共同投資經理公司可能被迫賣出這些新股權股份因為相關基金的投資政策並不允許在其投資組合內持有股票。因此，這類債券發行公司可能較易受到金融市場衰弱影響的傾向。因為在特定事件後使轉換發生時，該轉換



可能發生在所連結標的股票之股價低於已發行或購買之債券，而導致比傳統可轉換債券有更多資本損失的可能性。主動觸發是透過資本的損失作為分子或增加風險權重的資產(由於轉換為風險較高的資產)作為分母。持有 CoCos 債券之投資人可能看著他們的票券被取消，而發行人持續支付一般股權利息，取消息票的支付通常不會累積而是被註銷。不同於公司混和債券所稱之股利推動者或停止條例的情況，其將混和票券與股權利息的支付是互相連結的。CoCos 債券可能受到資本架構倒置風險牽連，由於主管機關認為發行人無法履行時而違反預先設定觸發條件(如主管機關在此違規不履行前宣布，則適用於正常債權人等級)，這類的證券持有人可能遭受資本損失。CoCos 債券價值達到觸發之水準時可能突然下降。在或有可轉債券為了僅吸收的情況下，本基金可能要求接受少於原始投資之現金或證券價值或本基金可能損失其全部投資。

### 交易對手風險

當符合伊斯蘭教律的櫃檯買賣或是其他雙邊合約（特別是櫃檯買賣市場衍生性商品、附買回協議等）時，本公司發現其自身可能曝險於來自交易對手的清償全部債務之能力以及無法履行這些契約約定的能力等風險下。本公司面臨的風險是交易對手在每份合約期限內未能履行其承諾。此外，能用於符合伊斯蘭教律的特定金融工具，得經核准的交易對手有一定的數量，使基金面臨可能只有少數甚至只有一位交易對手可以從事特定交易的可能性。如果可用的經核准的交易對手（或交易對手們）在避險交易中沒有提供具競爭性的費率，或於避險交易到期時不續作避險交易，則本公司操作避險策略的能力可能會受損或可能終止。此象徵著，貨幣避險股份類別可能無法與基準貨幣股份類別的績效有相近的績效表現。

### 信用風險

信用風險為固定收益證券(包含伊斯蘭債券)以及符合伊斯蘭教律的貨幣市場工具的基本風險，其為證券發行單位無法支付到期的本金以及利息款項的可能性。信用風險較高的發行單位因增加的風險提供較高的收益。反之，信用風險較低的發行單位通常提供較低的收益。基本上，在正常市場情況下，就信用風險而言，政府證券被視為最安全的標的；然而公司債，特別是信評較差者，則其信用風險較高。如果一個國家的經濟、政治，金融或貨幣狀況惡化，政府或主權證券也可能帶來高風險。發行單位的財務狀況變動，基本經濟與政治狀況變動，或是對特定發行單位的經濟與政治狀況變動，所有因素皆可能對公司的信用品質以及證券價值產生不利衝擊。

### 存管風險

本公司之資產係安全託管於基金保管銀行，並且投資人所處之基金保管銀行之風險係其不能夠充分履行其義務於短期時間範圍內歸還本公司所有資產而基金保管銀行破產的情況下。本公司之資產於基金保管銀行之簿冊中將被認定為歸屬於本公司。由基金保管銀行所持有之證券及伊斯蘭債券將與基金保管銀行之其他財產予以隔離以減緩但不排除破產情況下之未歸還風險。然而，如無這樣的隔離則適用於破產情況下的現金未償還風險。基金保管銀行並非自行保管所有本公司之資產，但使用不屬於同一集團之聯絡網公司為次基金保管機構作為基金保管銀行。投資人也處於次基金保管機構破產之風險。本基金或將投資於保管或結算系統尚未全部發展之市場。

## 債權證券風險

所有投資在債權證券或貨幣市場工具的基金均受利率風險、信用風險、違約風險的影響，並可能面臨特定風險，包括但不限於主權風險、高收益證券風險、重整風險以及使用信評相關的風險。

固定收益證券的價值在利率下跌時通常會增加，而利率上升時則減少。長期固定收益證券比起短期固定收益證券對於利率變動傾向較為敏感。

相較於固定利率債權證券，變動利率證券（包括浮動利率債權證券）通常對利率變動的敏感性較低。

有些基金可能投資在發行公司最近沒有分配收益的債券上（違約債券）。若投資經理公司以及/或是共同投資經理公司認為這些債券的發行公司重新開始分配收益，或是在可預見的未來會有其他優點，則基金可能會購買這類型的債券。這種證券可能變的流動性不佳。

主權債券除了需承受那些與債權證券及外國證券有關的各種風險外，一般來說包括但不限於政府發行機構可能不願或無力對其主權債務分配收益和償還本金的風險。主權債券通常沒有破產的程序。如果主權債務國家就其主權債務義務違約（或威脅要違約），則義務可能被重整。在主權義務違約的情況下，基金可能在對抗違約政府發行機構的法律資源有限。

基金可能投資於所謂的新興市場或邊境市場國家的政府或政府相關機構所發行的主權債券，與先進開發市場相較，其將因為如較大的政經不穩定、匯率波動、資本匯回管制或是資本控管等這類因素而須承受額外的風險。

某些基金可能投資在低於投資等級而具有較高收益的證券。高收益債權證券以及相似信用評比的未經評比證券（“高收益債權工具”或“垃圾債券”）相對高品質債權證券有較大的損失風險，或分配收益和本金支付延遲的風險。高收益債權工具的發行機構在財務上並不像那些發行高品質債權證券的公司那樣強健。高收益債權工具相較於高品質債權證券通常流動性較差且價格波動較大。

有些基金也可能投資在公司業務涉及合併、整合、清算與組織重整（包括那些涉及破產的公司）。這些公司事件可能會破壞所涉及的公司的業務和管理結構，這可能會使基金承擔較高的投資風險。

評估債權證券而使用信用評比可能涉及特定風險，包括由信評機構對證券所為的最近一次評比其可能無法反映發行機構目前的財務狀況或事件之風險。信用評比可能受到利益衝突影響或是基於歷史資料已不再適用或不再準確。最近，對改革信評機構之立法和法規已被提出可能對基金的投資或是投資過程有不利影響。

債權證券須承受當發行機構於證券到期日前“買回”該證券或是償還全部或部分本金之提前還款風險。當基金再投資所收到的提前還款本金時，其收到的利率可能會較低於既有的證券利率，而可能降低基金的收益、殖利率以及其分配予股東的配息。證券遭

受提前還款可能在利率下滑環境提供較少的收益潛力並且有較大的價格波動。提前還款風險會在利率下降期間明顯增大。

### 衍生性金融商品風險

衍生性金融商品是一種金融工具，其價值源自另一項資產的價值。在伊斯蘭金融中，衍生性金融商品只能用於(i)降低風險、(ii)降低成本、以及/或(iii)產生額外資本或報酬，其風險水準與相關基金的風險狀況一致，而不是為了投機，是一種被禁止(Haram)的活動，例如賭博。

為了進行避險、降低成本、及產生額外的資本或報酬，其風險水準與相關基金的風險狀況一致的目的，本公司得在各基金的整體投資政策範圍內，在適用於基金的投資限制和伊斯蘭教律準則中規定的限制範圍內，從事涉及使用符合伊斯蘭教律的衍生性金融商品的特定交易，包括但不限於利率互換交易和外幣遠期契約（包括透過替代避險，其貨幣可能與另一種貨幣有高度相關）。本公司得在投資限制和伊斯蘭教律準則規定的限制範圍內，從事涉及使用衍生性金融商品的各種投資組合策略，以防護市場和貨幣風險。若基金擬從事涉及使用符合伊斯蘭教律的衍生性金融商品的交易作為其投資策略的一部分，而不是偶爾進行，這將描述於該基金的投資目標中。

使用衍生性金融商品和避險交易可能達到或可能達不到其預期目標，並涉及特殊風險。

基金對衍生性金融商品的全球曝險不得超過其總資產淨值，因此該基金的總風險曝險永久不得超過其資產淨值的200%。

衍生性金融商品的績效和價值至少部分取決於其所連結標的績效或價值。衍生性金融商品涉及成本，其可能會波動，並且可能涉及小額投資即承擔風險的槓桿效應。衍生性金融商品能成功使用可能取決於投資經理公司預測市場變動的能力。風險包括交割失敗、另一方違約或因為交易市場變得無流動性而無法平倉。部份衍生性金融商品對利率變化的敏感度高。基金互換交易的損失風險取決於哪一方有義務向對方支付的淨差價額。若交易對手有義務將淨額支付給基金，基金的損失風險為基金有權利收到的全部金額的損失；若是基金有義務支付淨額，則基金的損失風險僅限於應付淨額。櫃檯買賣市場交易的衍生性金融商品涉及的風險程度較高，因為櫃檯買賣市場的流動性及監管較差。

### 危機證券風險

投資於危機證券可能會對基金造成額外風險。就發行公司分配收益及本金或是在任何長時間維持其他報價文件條款的能力而言，這類證券是被視為以投機為主。危機證券通常被理解為由可能破產、重組或其他金融動盪而承受財務壓力的公司所發行的證券。不斷變化的市場狀況可能會對此類證券產生更大的不利影響，且持有大量危機證券的投資組合可能會損失其全部投資，可能被要求接受少於其原始投資的現金或證券價值，及/或被要求接受付款時間的展期。相關基金而言，收益和本金的回收可能涉及額外的成本。在這種情況下，相關基金投資產生的回報可能無法充分彌補股東承擔的

風險。

於本公開說明書，危機證券理解為包括違約證券，以及至少由兩個評級機構評為 CCC 評級或以下的證券，或如未評級則同等級和其信用利差大於 1,000 bps。然而，對於信用利差高於 1000 bps 的證券（無論其信用等級如何），投資經理將根據證券的信用利差的演變和其他信用機構提供的等級進行額外分析和驗證，以評估此證券是否應重新確認為危機證券。管理公司的風險管理程序將進一步說明此過程。

### 分配風險

無法保證任何股利之配發。僅於股東名字於開始配發之基準日 (Record Date) 仍在股東名冊上，才有資格領取該期 (季、半年或年度) 的股利，如其情形適用。相關基金的資產淨值，將依配發的股利數額而減少。

### 配息政策風險

基金的配息政策允許從資本中發放配息。如以此為之，其等同於報酬或是提領部分自投資人原始投資或是原始投資所獲之資本利得而來。任何涉及從基金資本之配息發放或從基金資本中有效發放配息（視情況而定），可能導致每股淨資產價值立即減少。

### 新興市場風險

所有基金投資於不同國家的證券發行單位（企業、政府以及公開實體）並且以不同幣別做為計價單位涉及相當程度的風險。這些典型的風險在開發中國家以及新興市場國家會增高。這些對投資組合可能有不利影響的風險包括：(i) 投資以及收益匯回限制，(ii) 匯率波動，(iii) 相較於工業化國家之非常態的市場變動潛藏性，(iv) 政府干預民間私人產業，(v) 有限的投資人訊息以及較少嚴格的投資人訊息揭露要求，(vi) 相較於工業化國家顯得淺薄以及實質上流通性較小的證券市場，其表示本基金有時無法在合意的價格出售證券，(vii) 特定當地稅法考量，(viii) 有限的證券市場規定，(ix) 國際與區域的政經發展，(x) 外匯管制的可能規定或是其他的當地政府法律或限制規定，(xi) 來自通貨緊縮或通貨膨脹之負面影響所增生的風險，(xii) 基金法律資源受限的可能性以及 (xiii) 保管以及/或是交割系統可能尚未充分被開發。

舉凡基金有投資於新興市場國家者，投資人應該特別被告知這些新興市場國家的企業或公開實體所發行的證券其流動性可能實質上較小於工業化國家的相似證券。

### 歐洲及歐元區風險

當認為一個國家面臨償還債務的困難，持續增加的主權債務負擔可能會造成經濟和政治緊張局勢。這種風險可能在歐洲及歐元區產生，當一個國家被認為違約可能會對整個地區及其貨幣有不利的影響。這類事件可能會對利率及歐洲固定收益及股權證券及潛在的其他市場帶來不利的影響。這些事件會增加歐洲投資的波動性及流動性和貨幣風險。

在有任何不利的信用事件下(如：降低主權債信評級或歐元區國家的破產)，可能會對相關基金之價值及績效有不利的影響。

## ESG 監管風險

有關可持續投資的監管框架不斷發展和演變。在將 ESG 和可持續性標準納入投資決策和更新投資工具的營銷文件時，缺乏關於 ESG 和可持續性標準的通用或統一的定義，或關於所需披露水平的明確指南，可能會導致資產管理人採取不同的作法。因此具有一定程度的主觀性，這意味著基金可能投資於其他資產管理人，或投資者不會投資的證券，並且公司營銷文件中的披露程度可能比預期的披露更詳細或更不詳細。也就是說，可能難以比較具有相似目標的投資工具，因為這些投資工具將採用不同的證券選擇和排除標準。因此，其他條件類似的投資工具的業績狀況可能會比預期的更大幅度地偏離。這也意味著主觀選擇的方法可能與後期歐盟層面或國家監管機構採取的立場不同，這可能會帶來聲譽風險或被視為非自願漂綠。

## 外幣風險

鑒於公司評價每支基金的投資組合不是以美元就是以歐元計價，這些計價幣別的匯率變動可能負面影響到這類投資組合的價值以及個別基金之收益。

由於基金所持有之證券含現金或現金工具可能用不同於基金的基本計價幣別來計價，基金可能因為外匯管制條例或是這類參考貨幣與其他貨幣之間的匯率變動而造成有利或不利的影響。匯率變動會影響基金股份的價值，也會影響基金所賺取的配息的價值以及基金所實現的利得與虧損。如果證券計價的幣別對應於基金的基本計價幣別升值時，該證券的價格則可能會增加。相反地，匯率降低將對證券的價格有不利的影響。

在一定程度上，基金或任何股份等級對於匯兌風險尋求利用任何策略或工具來防護，然而無法保證這些防護目的可以被達成。除非已訂於任何基金的投資政策，否則任何基金並不需要對於任何相關於匯兌風險的交易尋求防護。

## 邊境市場風險

在新興市場國家投資所涉及的風險已載於以上“新興市場風險”單元。投資在邊境市場所涉及的風險與投資在新興市場的風險相似但是涉及更多的風險，因為邊境市場甚至是規模較小、較低度開發並且較其他新興市場更難以進入。邊境市場也可能遭受更大的政治與經濟不穩定性，且其在資訊透明、道德實踐和公司治理方面都較其他新興市場不健全，且相關基金/投資人或遭受不利地影響。

此市場相較於其他新興國家也多可能有投資與保留本國之限制、匯兌管制及低開發的託管與結算系統。屬於邊境市場的國家包含位於非洲亞洲中歐及拉丁美洲中較低度開發的國家。

## 法規風險

基金須遵循各種法律規範，包含不同管轄區域（包括盧森堡）之證券法及公司法的要求。

法規的適用與解釋通常是矛盾的及可能影響基金各種契約及保證。立法機構可追溯徵收或可能發佈內部規範，此一般不向公眾提供解釋和適用的法律，法規往往是矛盾和不確定性，特別是在有關稅務事項。

法院可不遵守的法律和有關契約的要求，也不能保證或在外國法院判決的任何追索權，相關基金於某些管轄區域所持有證券的資產可被強制執行。

### **流動性風險**

當需要符合本公司的流動性現需求或是回應特定經濟事件（例如發行機構的信用狀況惡化）時，流動性降低可能對市價以及本公司出售特定證券的能力有不利衝擊。

### **市場風險**

這是影響所有類型投資的一般風險。價格趨勢主要由金融市場趨勢以及發行機構的經濟發展決定，發行機構本身受到全球經濟總體情況以及各國經濟和政治條件所影響。由於基金所持有的證券價格波動，基金的投資價值將會因此快速或不可預測上漲和下跌。投資人有可能無法取回當初所投資的金額。

### **經銷商代表所屬投資人以其自身名義申購股份風險**

在某些市場立法架構正開始發展證券上的法律(形式)所有權與受益(實質)所有權或利益之概念。因此，於此市場之法院或將認定持有證券的經銷商（代表所屬投資人以其自身名義申購股份)或受託人有完整的所有權，而受益所有權人或將無任何關於該證券所有權的權利。

### **作業風險**

作業風險是由於內部流程、人員和系統不適當或錯誤或外部事件導致直接或間接損失的風險。內部控管、伊斯蘭股票篩選控管、人為錯誤，實體系統故障和其他業務執行風險以及外部事件的缺陷可能導致潛在的損失原因。

### **實體資產風險**

投資於實體資產證券或與實體資產掛鈎的證券的基金，將承受與多種因素有關的特定風險，這些因素包括地方、區域和國家的經濟狀況、利率和稅收考慮因素。實體資產市場的表現可能與股票和債券市場幾乎沒有關聯。即使於有利的經濟環境下，投資於實體資產的基金仍有表現不佳的風險。

不動產投資信託證券（"REITs"）的價值可能受其所屬不動產以及其他因素的影響，價格傾向於上下波動。不動產投資信託的績效表現取決於其所屬不動產的性質與所在地點，以及是否能有效管理。租金收益的衰退可能歸因於過多的空屋、增多的競爭者、承租人無力支付租金或是不良的管理。不動產投資信託的績效表現亦取決於該公司購置資產與維修的財務能力與現金流量的管理。由於不動產投資信託通常僅作有限數量的投資案或是侷限於特定市場區塊，因此，相對於其他投資範圍較為分散的投資種類，

它對單一投資案或市場區塊的不利影響會更加敏感。

基礎建設公司證券係指主要從事與基礎設施活動相關公司的證券，這些活動包括海港、機場、鐵路、道路、管道、能源生產設施（煤炭、石油、核能、水力發電或太陽能）、電力輸送、水處理廠或與這些業務相關的活動。這類公司可能會因諸如獲得必要的許可證、獲得環境許可、符合監管標準、要求或準則之類的挑戰而遭受波動、亦或受到經濟活動的層面、天氣、自然災害、政府行為、內亂或恐怖主義行為的影響。由於集中於單一產業，這類基金與遵循多元化投資政策的基金相比，其波動性可能更高。

### 伊斯蘭身份的重新分類風險

若原符合伊斯蘭教律的證券經伊斯蘭教律監督委員會審查後重新分類成不符合伊斯蘭教律的證券時，若公告日的市值超過原始投資成本時，將立即處置該證券；然而若市值在公告日當天未超過原始投資成本，則被伊斯蘭教律監督委員會認為不合規的相關證券可持有最多不超過公告日後 90 天。基金可保留在公告日所處置不符合伊斯蘭教律的證券所產生的任何資本利得；然而若在公告日之後，以高於公告日收盤價的市價出售，其所產生的任何超額資本利得必須轉給慈善團體。

### 擔保品再投資風險

擔保品再投資敘述於本公開說明書附錄 C 第 3 點“金融衍生性商品”，此章節列示有關適用正常投資的全部風險考量因素。

### 重整公司風險

有些基金也可能投資在公司業務涉及合併、整合、清算與組織重整(包括那些涉及破產的公司)，或是存有投標或移轉開價的證券，以及可能參與這類交易；他們也可能購買進行組織改造或是財務重整的負債公司之有擔保與無擔保的受惠權或參與權。這類投資也涉及較高的信用風險。

### 交割違約風險

有些基金可能投資符合伊斯蘭教律的固定收益證券，於投資之後，在某個交割日期不再支付契約上的款項。這構成了交割違約風險。這些證券可能變成流動性不佳，或甚至不流動。

低品質證券因違約而導致之損失風險可能更大，因其通常沒有擔保，且經常被作為發行公司信用擴張的次級品。若基金投資組合中的證券其發行公司違約，則基金可能產生未實現損失，降低基金的每股淨資產價值。違約證券通常在其違約前價格就劇烈下跌。因此基金的每股淨資產價值可能在證券違約前就受影響。此外，基金在彌補違約證券本金或利息之支付時可能需要支付額外的費用。

本公司可投資於包括：債務證券或是債務的發行公司，其實體之組設及營運目的僅為重整各式各樣的證券及債務的投資特性。這些實體可能由投資銀行公司所設立組成，而收取每個實體的設立以及部署證券安置的相關費用。

## 伊斯蘭教律遵法風險

伊斯蘭教律監督委員會及伊斯蘭股票篩選供應商已獲本公司委任，以確保基金的投資符合伊斯蘭教律準則。

管理公司將按照伊斯蘭教律準則，執行各基金的投資活動。因此，這可能意味著基金表現可能會低於沒有嚴格遵守伊斯蘭投資準則的其他投資基金。在某些情況下，伊斯蘭教律準則可能要求基金處置特定投資，並且可能會禁止基金投資於不符合伊斯蘭教律但卻表現良好的證券。這些限制可能導致基金相對於其他不需要遵從伊斯蘭教律的基金，處於相對較不利的地位。

此外，對於現金部位或配息收益的“淨化”要求，可能會導致須付款給已獲得伊斯蘭教律監督委員會核准的慈善機構。如果發生這種付款，投資人的報酬將因此付款金額而減少，基金績效表現也會比有相同投資目標但卻沒有此類支付的其他基金承受不利的影響。

目前持有的符合伊斯蘭教律的證券可能會在本公司伊斯蘭教律監督委員會的定期審查中重新被分類為不符合伊斯蘭教律的證券。如果發生這種情況，則基金的價值可能會受到不利影響，投資經理公司將根據本公司伊斯蘭教律監督委員會的建議採取必要措施處置此類證券。

雖然本公司有意完全遵守伊斯蘭教律準則，但無法提供保證，因為基金投資可能會因為本公司無法控制的因素而意外違反伊斯蘭教律。本公司應在該事件發生一個月內提出報告給伊斯蘭教律監督委員會。

## 中小型公司風險

中小型公司可能在資本成長提供豐盛的機會，但是他們也涉及可觀的風險且應該被認定具投機性。在諸多價格波動較大的原因像是中小型公司較缺乏成長前景、這類證券在市場的流動性程度較低，以及中小型公司對於經濟情況變遷較為敏感。此外，中小型公司可能缺乏健全管理，無法取得為維持公司成長或發展所需的資金，且僅擁有少量的產品線，或是為支撐新產品開發或行銷服務支出所需之實際市場需求仍尚未形成、也可能永遠不會出現。若為註冊於新興市場與開發中國家或於上述地區有重要業務活動的中小型公司的股票，其風險通常會增加，尤其新興市場的上述公司的股票流動性可能比已開發國家中的同類型公司股票低很多。

## 滬港通及深港通風險

某些基金得透過滬港通以及/或深港通（合稱“**股票互通機制**”）而直接投資於某些合資格中國A股。此滬港通是由香港交易及結算所有限公司（簡稱“**HKEx**”，香港交易所）、上海證券交易所（簡稱“**SSE**”，上證所）以及中國證券登記結算有限責任公司（簡稱“**ChinaClear**”，**中國結算**）。深港通由香港交易所、深圳交易所（簡稱“**SZSE**”，深交所）以及中國結算的證券交易以及結算所連結的機制，股票互通機制旨在達到進入中國及香港互聯互通市場。



股票互通機制包含兩種北向交易聯繫，其一為上證所(SSE)與香港聯合交易所有限公司(簡稱“SEHK”，聯交所)以及另一方為深交所(SZSE)與聯交所(SEHK)之間，將允許外國投資人在上證所(SSE 證券)或深交所(SZSE 證券)(上海交易所以及深圳交易所合稱為**股票互通證券**)透過他們的香港經紀商交易合資格中國 A 股。

上證所(SSE)包括上證 180 指數的成份股、上證 380 指數的所有不時變動的成份股，以及不在上述指數成份股內但有 H 股同時在聯交所(SEHK)掛牌及於上證所(SSE)掛牌的 A 股，但下列股票除外：(i) 所有以人民幣以外貨幣報價的上證所(SSE)掛牌股票，以及(ii) 那些被實施風險警示的上證所(SSE)掛牌股票。符合條件的證券可能須經中國監管機關隨時審查核准。深交所(SZSE)包括深圳證券投資指數及深交所(SZSE)的中小型企業創業投資指標其資本總額至少為 60 億人民幣之所有不時變動的成份股，以及不在上述指數成份股內但有 H 股同時在聯交所(SEHK)掛牌及於深交所(SZSE)掛牌的 A 股，除了上述深交所(SZSE)掛牌股票，但下列除外：(i) 不以人民幣報價和交易(ii) 列入風險警示(iii) 已經深交所(SZSE)所暫停掛牌和(iv) 於準備下市期間。符合條件的證券可能須經中國監管機關隨時審查核准。

更多有關滬港通的資訊，得於

[http://www.hkex.com.hk/eng/market/sec\\_tradinfra/chinaconnect/Documents/Investor\\_Book\\_En.pdf](http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/Documents/Investor_Book_En.pdf) 網站線上查詢。

除了與中國市場關聯的風險及有關人民幣投資風險以外，透過股票互通機制的投資尚須承受更多的風險，即：額度限制、暫停風險、操作風險、前端監控對賣出的限制、合資格股票的調出、結算交割風險、中國 A 股名義持有人約定以及法規風險。

### 額度限制

此機制受到每日配額限制，其可能限制基金透過機制投資在股票互通證券的能力，特別是，一旦北向交易聯繫每日配額減少至零時，或者超過北向交易聯繫每日配額限制，則新的投資將被拒絕(雖然無論額度餘額剩餘多少，投資人將被允許售出他們的跨境證券)。

### 暫停風險

為了確保有秩序與公平的市場以及審慎地管理風險，如有必要時，聯交所(SEHK)、深交所(SZSE)和上證所(SSE)將保留暫停交易的權利，其對於相關基金進入中國市場投資的能力有著負面的影響。

### 交易日差異

股票互通僅在香港與中國雙方均開市，以及兩個市場上在相應的交割日均提供銀行服務的時間內在對方市場上交易。所以，有可能會發生當中國市場是正常交易日，但是香港投資人(例如基金)卻不夠執行任何中國 A 股交易，而造成這些基金可能需承受中國 A 股在股票互通沒有交易時的價格變動風險。

### 前端監控對賣出的限制

中國法規要求投資人賣出任何股份之前，帳戶內必須有足夠的股份；否則深交所(SZSE)以及上證所(SSE)將拒絕受理有關的賣出指示。聯交所(SEHK)對其參與者(即股票經紀

商)的中國A股賣出指示將進行交易前檢查,以確保沒有賣空的情形。

### 結算交割及存管風險

香港中央結算有限公司(簡稱“HKSCC”,香港結算,香港交易所全資附屬公司)以及中國結算建置滬港結算通,並互相成為對方的參與者以利於跨境交易的結算及交割。作為中國證券市場的國家中央交易對手,中國結算運作結算、交割及股票存管基礎建設的綜合性網絡業務。中國結算已建置風險管理架構及業經中國證券監督管理委員會(簡稱“CSRC”,中國證監會)核准及監督的管理措施。中國結算違約的機會可算是微乎其微。

萬一發生罕見的中國結算違約事件且中國結算被宣佈為失責者時,香港結算(HKSCC)將善意地尋求透過可用的法律途徑或是透過中國結算的清算從中國結算追討所欠的股票和款項。在此種情況下,相關基金可能在追討賠償過程遭受拖延牽累或是可能無法徹底地從中國結算獲得損失的彌補。

通過股票互通交易的中國A股是以無紙化形式發行,因此投資人,例如相關基金,將不會持有任何中國A股的實物股票。透過北向交易獲取股票互通證券的香港及海外投資人,例如基金,應將聯交所(SEHK)證券的擁有權保存在其經紀商或託管人參與香港結算(HKSCC)為結算在聯交所(SEHK)掛牌或交易證券而運作中央結算及交割系統的股票帳戶記錄中。更多有關股票互通託管人機構資訊得向本公司註冊辦公處垂詢。

### 操作風險

滬港通為香港及海外投資人,例如基金,提供了直接進入中國股市的一個新管道。滬港通的運作是以相關市場參與者的業務系統正常運作為前提的。市場參與者須符合一定的資訊技術能力、風險管理以及其他可能由相關交易所以及/或是結算所明訂的要求後,才能夠參與此計劃。

市場參與者應當體認到兩地市場的證券制度及法律制度有顯著不同又為了讓試驗程式運行,其可能需要一段持續的時間解決此等差異所引發的問題。

再者,在滬港通程式中的“連接性”要求跨境傳送買賣盤。這需要聯交所和交易所參與者研發新的資訊技術系統(即新的買賣盤傳送系統(“滬港通交易系統”),由聯交所構建、交易所參與者須要連接)。無法確保聯交所和市場參與者的系統將正常運行或是將根據這兩個市場的變化和發展不斷更新。在相關系統無法正常運行的情況下,通過該程式在兩個市場內進行的交易可能被迫中斷。相關基金投資於中國A股的能力(以及因此追求其投資政策)將有負面的影響。

### 中國A股名義持有人議定

香港結算(HKSCC)是海外投資人(包括相關基金)透過股票互通證券取得的“名義持有人”。中國證監會股票互通規定,根據適用的法律提供投資人(例如:基金)享有透過股票互通取得股票互通證券的權利和利益。然而,中國法院可能認為登記為股票互通證券持有人之任何名義持有人或是保管機構其擁有完整的所有權,而且即使受益人的觀念根據中國法律是被承認的,那些股票互通證券將形成該等機構的資產池其部分可供分配予此類機構的債權人以及/或是因此受益人可能絲毫沒有權利。所以,相關基金及保管機構無法在所有的情況下確保本基金在這些證券的所有權或是資格都能得到保證。

香港結算(HKSCC)依據中央結算及交割系統規定執行在聯交所(SEHK)掛牌或交易證券的結算作業，就在中國或在別處的上交所證券而言，香港結算(HKSCC)作為名義持有人將沒有責任代表投資人為了主張任何權利而採取任何的法律行動或是法院訴訟。因此，雖然相關基金的所有權可能最終是被承認的，但是這些基金主張其在中國 A 股的權利可能會遭受困難或是拖延。

香港結算(HKSCC)被視為執行透過其所持有資產的安全保護功能，惟應注意保管機構及相關基金與香港結算(HKSCC)是沒有法律關係，在基金遭受香港結算的業績或是無力償還造成損失的事件上也沒有直接的法律資源不利於香港結算(HKSCC)。

### 投資人賠償

相關基金依據滬港通透過北向交易的投資將不會受到香港投資人賠償基金的保護。建立香港投資人賠償基金是為了任何國籍投資人因為和香港交易所產品有關的許可中介機構或是授權金融機構的違約而遭受金錢虧損時得以支付損失賠償。

因為經由滬港通在北向交易的違約事件並沒有涉及在聯交所或香港期交所掛牌或交易的商品，因此香港投資人賠償基金並不涵蓋任何北向交易。另一方面，因為相關基金是透過香港證券商而非中國證券商來進行北向交易，因此香港證券商也不會受到中國的中國證券投資人保護基金的保護。

### 交易成本

除了支付交易費用以及與中國 A 股交易相關的印花稅，相關基金可能須支付新的投資組合費用、股利稅以及對股權移轉產生收益的徵稅，不過相關主管機關尚未決定該徵稅。

### 中國稅務考量

管理公司以及/或是投資經理公司保留權利提供相關基金投資於中國證券利得的稅項，因此將對相關基金的評價產生影響。中國證券的特定利得是否及如何徵稅的不確定性、在中國的法律、條例及施行細則變動的可能性及適用的稅項溯及以往的可能性，使得管理公司以及/或是投資經理公司所提撥的稅項預備款可能超出或是不足以應付來自處分中國證券利得的最終中國稅務負擔。因此，投資人可能佔優勢或是劣勢端賴該等利得將如何被徵稅、稅項預備款水準以及投資人於何時從相關基金購買以及/或是賣出其股份的最終結果。

於 2014 年 11 月 14 日，中國財政部、國家稅務總局及中國證監會聯合發佈《關於滬港股票市場交易互聯互通機制試點有關稅收政策的財稅[2014] 81 號通知》(簡稱，“**81 號通知**”)。根據 81 號通知，自 2014 年 11 月 14 日起香港及海外投資人(例如：基金)透過滬港通交易中國 A 股的利得將可獲暫免徵收公司所得稅、個人所得稅及營業稅。然而，香港及海外投資人(例如：基金)需就滬股通股票的股利以及/或是紅利股份繳納稅項，並由上市公司按照 10% 的稅率代扣所得稅並向其主管稅務機關辦理扣繳申報。

### 法規風險

中國證監會《滬港股票市場交易互聯互通機制試點若干規定》是部會層級法規在中國具有法定的效力。然而，這些法規的運用是未經考驗的，而且無法確保中國法院將承認這些法規，例如：中國公司的清算訴訟。

滬港通在性質上是嶄新的且將受到主管機關頒布的法規以及由中國及香港的證券交易所訂定的施行細則的約束。此外，主管機關可能不時會頒佈與滬港通跨境貿易有關的運作及跨境法律執行的新法規。

到目前為止這些法規是未經考驗的，且不甚確定他們將要如何運用之。再者，當前的法規是容易遭受變動。無法確保滬港通將不會被完全撤銷。相關基金得透過滬港通而投資於中國市場可能會因此受到這類變動結果的不利影響。

### 結構型商品風險

結構型商品例如：信用連結商品、股權連結商品以及類似商品為涉及交易對手而建構出的商品，其價值意圖與商品連結的特定標的證券之變動是一致的。不同於衍生性金融商品，現金將從商品的買方轉換到商品的賣方。如果標的證券的價值減少，則可能對這些工具的投資造成虧損。商品發行單位違約也是一種風險。而這類商品計畫的文件傾向高度客製化的事實產生額外的風險。結構型商品的流動性可能較其所連結商品標的證券如一般的債券或債務工具為低，對賣出部位的能力或是這類賣出交易的價格可能造成不利的影響。

### 伊斯蘭債券投資風險

伊斯蘭債券的價格變動係顯著地受資本市場利率發展所影響，而這又受宏觀經濟因素之影響。伊斯蘭債券當資本市場利率上升時遭受損失，反之當資本市場利率回落時可增加價值。價格的變化還取決於伊斯蘭債券到期期間或剩餘到期時間。一般而言，短期伊斯蘭債券相較於長期伊斯蘭債券有較低的價格風險。然而，他們通常具有較低的報酬，係由於證券投資組合到期日越頻繁，涉及到更高的再投資成本。伊斯蘭債券可以由任何公司、主權或超國家實體發行，並且可以由任何有形資產或其他資產支持或從中獲取其價值，包括房屋的貸款融資。

主權伊斯蘭債券（下稱「**主權伊斯蘭債券**」）是由政府或政府相關機構所發行或保證的伊斯蘭債券。投資由政府或其代理機構及部門（下稱「**政府實體**」）發行或擔保的主權伊斯蘭債券涉及高風險。政府實體掌控主權伊斯蘭債券的償還，可能無法或不願意償還本金以及/或由於特定的因素該債務因此到期，此包括但不限於：(i)外匯準備金，(ii)其於還款日的外匯可用金額；(iii)其未能實施政治改革，以及(iv)其與國際貨幣基金組織（IMF）相關的政策。

主權伊斯蘭債券持有者或將被主權發行人的額外限制而受到影響，可能包括：(i)義務發行者單方的改期及(ii)對發行人的有限法律追索權(如果發生遲延還款失敗)。

本基金投資在由新興或邊境市場國家的政府或政府相關機構所發行的主權伊斯蘭債券承受額外風險，連接到的這些國家的特定風險（例如貨幣波動，政治和經濟的不確定性，匯出限制等）。

由公司或超國家實體發行或擔保的伊斯蘭債券也可能面臨債務人不願意或無法按照伊斯蘭債券條款支付款項的風險。在這種情況下，對債務人的訴訟可能有限，這取決於

發行伊斯蘭債券所屬管轄區和監管的法令。

## 永續發展風險

投資經理公司認為永續發展風險與基金的報酬有關。將永續發展風險整合到投資決策過程中，可能會導致將有利的投資排除在各基金的投資範圍之外，還可能導致各基金出售將繼續表現良好的投資。

永續發展風險的投資在一定程度上為主觀的，不能保證本基金所有投資都能反映任何特定投資人的信念或價值。

隨著環境、社會或公司治理事件或情況的發生，永續發展風險可能對一項或多項投資的價值造成重大負面影響，進而對基金的報酬產生負面影響。

永續發展風險可用不同的方式呈現，例如但不限於：

- 不遵守環境、社會或公司治理標準，從而導致聲譽受損，對產品和服務的需求下降或對公司或企業集團的商機的損失，
- 法律、法規或產業規範的變化導致可能的罰款、制裁或消費者行為的變化，從而影響公司或整個企業集團的成長與發展前景，
- 法律或法規的變更，可能會產生更高的需求，因此，認為符合較高 ESG 標準的公司的證券價格會上漲過高。如果市場參與者對公司遵守 ESG 標準的看法發生變化，這類證券的價格波動可能會更加劇烈，並且
- 法律或法規的變更，可能會激勵公司提供有關其環境、社會或公司治理標準或活動的誤導性訊息。

通常考慮永續發展風險的因素分為“環境、社會及公司治理”（ESG），例如但不限於以下主題：

### 環境

- 氣候緩解
- 適應氣候變化
- 保護生物多樣性
- 可持續利用及保護水和海洋資源
- 轉型至循環經濟，避免浪費和回收
- 避免和減少環境污染
- 保護健康的生態系統
- 土地可持續利用

### 社會事務

- 遵守公認的勞動法標準（無童工和強迫勞動、無歧視）
- 遵守就業安全和健康保護
- 適當的報酬、公平的工作環境、多樣性以及培訓和發展機會
- 工會的權利和集會自由
- 保證產品安全性合適，包括健康保護
- 對供應鏈中的企業應用相同的要求

- 包容性項目或考慮社區和社會少數群體的利益

#### 公司治理

- 稅收誠實
- 反腐敗措施
- 董事會的永續發展管理
- 基於永續發展標準的董事會薪酬
- 舉報的便利性
- 員工權益保障
- 資料保密保證

永續發展風險可能導致投資標的的財務狀況、獲利能力或聲譽顯著惡化，進而可能嚴重影響其市場價格或流動性。

#### 價值型股票風險

一些基金可能採用由下而上、長期及價值取向的選股策略。在某程度上市場無法認知其期望價值時，則投資可能比其他選股策略的表現為差。

投資人應該了解所有投資皆涉及風險並且無法擔保能抵抗任何基金的投資虧損，亦無法確信基金的投資目標能夠達到。無論是本公司、管理公司、投資經理公司或是其全世界的分支附屬機構都不能擔保本公司或是任何旗下基金的績效表現或未來的任何報酬。

## 管理公司

董事會依 2013 年 12 月 6 日之管理公司服務合約，已指派富蘭克林坦伯頓國際服務有限公司為管理公司，其在董事會之監督下負責對所有基金提供日常行政、行銷、投資管理及顧問服務。管理公司已將投資經理服務授權予投資經理公司。

管理公司董事會成員已指派董事會列表所成員擔任執行長，依照 2010 年 12 月 17 日法規第 102 條之規定負責管理公司的日常管理。

管理公司係依盧森堡大公國法律成立於 1991 年 5 月 17 日且其公司章程係存放於盧森堡商業註冊處。管理公司獲准為管理公司並受 2010 年 12 月 17 日法規第 15 章節之規範。管理公司為富蘭克林坦伯頓基金集團之一部分。

管理公司之資本額為 4,605,383.00 歐元，且管理公司將隨時遵循 2010 年 12 月 17 日法規第 102 條之規定。

管理公司亦可能被指派擔任其他投資基金之管理公司，得視需求向本公司及管理公司之註冊辦公室取得該等清單。

管理公司須確保本公司遵循投資限制及監督本公司策略及投資政策的執行情形。

管理公司將收到來自投資經理公司詳述本基金之績效表現及分析其投資的定期報告。管理公司將收到來自其他服務公司提供有關其服務之相似報告。

富蘭克林坦伯頓國際服務有限公司亦擔任本公司之註冊單位、公司、戶籍以及主要行政代理人，其因此將負責處理基金股份申購、贖回及轉換程序、維護會計紀錄及其他依盧森堡大公國法律要求之行政服務。管理公司有權委任並且在營運過程中已將主要行政職能委任予第三方，如以下“行政代理機構”章節所述，但其仍受全面監督。

管理公司每季應向董事會報告並將任何本公司未遵循投資限制之情形通知董事會。

## 投資經理公司

在“行政資訊”章節提及由管理公司指派擔任基金的投資經理公司並且做為富蘭克林坦伯頓基金集團內許多分支機構的投資顧問公司，提供有關基金淨資產的投資與再投資的逐日管理以遵循隨時可能會修訂之伊斯蘭教律準則。

投資經理公司依管理公司合理要求的頻率下，須向管理公司遞交其所管理之基金的資產組成書面報告。

投資經理公司及其分支機構在許多國家對廣泛多樣的公開投資共同基金以及私人客戶提供顧問服務。富蘭克林坦伯頓基金集團進行全球化投資已超過60年並以全球客戶為基礎，包括：超過二千四百萬個股東帳戶，提供投資管理和顧問服務。富蘭克林坦伯頓投資經理公司為富蘭克林公司（“FRI”）所間接完全持有的子公司。透過其子公司，富蘭克林從事於許多不同層面的金融服務產業。有關富蘭克林坦伯頓基金集團目前所經理的資產價值資料得於 <http://www.franklintempleton.lu> 的網站查詢。

## 伊斯蘭教律監督委員會

Amanie Advisors 私人有限公司已獲本公司委任擔任本公司的伊斯蘭教律監督委員會，以監督基金遵守伊斯蘭教義準則，並由以下人士為代表：

- **Mohamed Ali Elgari 博士**：為伊斯蘭經濟學教授，曾經擔任沙烏地阿拉伯 King Abdul Az 大學伊斯蘭經濟研究中心主任。曾榮獲伊斯蘭開發銀行的銀行及金融獎且因對伊斯蘭金融的貢獻榮獲 KLIFF 伊斯蘭金融最傑出獎，Elgari 博士目前為全球多家伊斯蘭金融機構的顧問，同時也是道瓊伊斯蘭市場指數的伊斯蘭委員會成員。亦為 Islamic Fiqh 學院以及伊斯蘭金融機構伊斯蘭會計和審計組織(AAIOFI)的成員。Elgari 博士是伊斯蘭金融領域和法學領域多個學術出版物的編委會成員，《包含伊斯蘭經濟研究雜誌》（伊斯蘭開發銀行研究所）和《伊斯蘭經濟學刊》（國際伊斯蘭經濟學會），並擔任哈佛法學院伊斯蘭法系列顧問委員會成員，畢業於加州大學，取得

經濟學博士學位。

- **Mohd. Daud Bakar 博士**：為 Amanie Group、Amanie Advisors 公司的創辦人和執行主席，Amanie Advisors 為 Amanie 集團的旗艦公司，並在全球多國營運。1988 年於科威特大學取得第一份文憑，之後於 1993 年取得英國聖安德魯斯大學博士學位。2002 年，完成於馬來亞大學的法學學士學位。Bakar 博士擔任阿斯塔納國際金融伊斯蘭教法諮詢委員會主席（哈薩克）、第一阿布達比銀行（阿拉伯聯合大公國）和 Permodalan Nasional Berhad（馬來西亞）。Bakar 博士也曾擔任馬來西亞中央銀行伊斯蘭教法諮詢委員會主席和伊斯蘭教法主席、馬來西亞證券委員會的顧問。博士也是需多國際金融機構的伊斯蘭主席，包含道瓊伊斯蘭市場指數（紐約）的伊斯蘭委員會、阿曼國家銀行、法國巴黎銀行（巴林）、摩根士丹利（杜拜）、倫敦和中東銀行（倫敦）、法國外貿銀行（杜拜）、鋒裕匯理投信（法國）及 Sedco Capital（沙烏地阿拉伯及盧森堡）。
- **Muhammad Amin Ali Qattan 博士**：擁有 Al-Imam 利雅得大學的伊斯蘭經濟學學士學位及 Birmingham 大學的伊斯蘭銀行博士學位。Qattan 博士也是講師，且在伊斯蘭經濟和金融方面的有許多著作。目前為科威特大學管理卓越中心伊斯蘭經濟學部主任，博士還擔任眾多知名機構的伊斯蘭顧問，如信評機構、標準普爾伊斯蘭教指數及 Al Fajer Retakaful 保險公司等。為備受尊敬的伊斯蘭學者，現居於科威特。
- **Osama Al Dereai 博士**：為來自於卡達的伊斯蘭學者。於伊斯蘭金融領域有豐富經驗，包括教學、諮詢和研究等方面。取得知名 Madinah 伊斯蘭大學伊斯蘭聖訓系學士學位、馬來西亞國際伊斯蘭大學碩士學位，後來被授予馬來亞大學伊斯蘭交易博士學位。目前為第一租賃公司、Barwa 銀行、第一投資公司和 Ghanim Al Saad 集團等各類金融機構的伊斯蘭委員會成員。

這些伊斯蘭教律監督委員會成員目前於許多主要伊斯蘭機構的伊斯蘭委員會中任職。

本公司經管理公司同意，已委任伊斯蘭教律監督委員會負責伊斯蘭教法監督及法規遵循職能。伊斯蘭教律監督委員會將就伊斯蘭教法事宜對本公司及/或管理公司提供諮詢意見。伊斯蘭教律監督委員會將製定符合伊斯蘭教法原則的一般投資準則，並將在事前和事後確認所有潛在投資均遵守伊斯蘭教義準則。

原則上，基金將只投資於符合伊斯蘭教律監督委員會闡釋的伊斯蘭教義準則之投資項目。

投資經理人將有權完全依賴伊斯蘭教律監督委員會的建議，以確保有關建議或實際的投資有遵守伊斯蘭教法的準則。

- 具體而言，伊斯蘭教律監督委員會將分析公司的政策、準則和管理程序以確保伊斯蘭教法原則有被遵守。除其他職責外，將基於伊斯蘭教法核准以下內容：
  - 公司章程和發行文件；
  - 選擇金融產品的投資標準（以下稱“伊斯蘭產品”）；
  - 行銷文宣和報告；
  - 從伊斯蘭教教義角度認定的其他相關領域。
- 伊斯蘭教律監督委員會將針投資經理人或其委任的代理機構所選擇的眾多伊斯蘭產品，是否符合伊斯蘭規範進行事前審查及/或事後審查。



任何時候均需要符合伊斯蘭規範，本公司將不符合伊斯蘭教義原則的利息或其他收入自基金的總回報金額中扣除，此將經由投資經理人諮詢伊斯蘭教律監督委員會後決定。在每個季度末，投資經理人將根據最新的資訊計算每個被投資公司從基金淨資產值中扣除的金額。準備金(調整至有考慮到基金投資的變化)應在每一個評估日提撥並計入基金的淨值。關於提撥率的訊息可以從投資經理人那獲得。該等款項將經由伊斯蘭教律監督委員會提議並由本公司核准後不時支付給慈善機構。

## 伊斯蘭股票篩選供應商

IdealRatings 公司：提供伊斯蘭股票篩選服務，以確定(i)股票符合伊斯蘭教義準則及(ii)針對基金所持有的可轉換證券中所需要被清理/淨化的數量。伊斯蘭股票篩選供應商可能因公司和/或管理公司決定而更換。

## 保管銀行

摩根歐洲盧森堡分行 (J.P. Morgan SE, Luxembourg Branch) 已被任命為保管機構向本公司提供存託、保管、結算以及特定其他關聯的服務。

JP Morgan SE，一家根據德國法律組建的歐洲公司 (Societas Europaea)，註冊辦事處位於 Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Germany，並在法蘭克福地方法院註冊。它是一家信貸機構，受歐洲中央銀行 (ECB)、德國聯邦金融監管局 (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) 和德國中央銀行的直接審慎監管。摩根歐洲盧森堡分行(J.P. Morgan SE, Luxembourg Branch)獲得 CSSF 的授權，擔任保管機構和基金管理人。摩根歐洲盧森堡分行(J.P. Morgan SE, Luxembourg Branch)在盧森堡貿易和公司註冊(RCS)註冊，編號為 B255938，並接受上述母國監管機構的監管以及 CSSF 的當地監管。

保管機構將進一步：

- a) 確保由本公司或其代表所執行股份的發行、贖回與註銷是根據 2010 年 12 月 17 日法規及公司章程進行；
- b) 確保本公司的每股價值是依據 2010 年 12 月 17 日法規及公司章程進行計算；
- c) 執行，或是在適用的情況下使任何次保管機構或其他保管委託代表來執行，本公司或是相關投資經理公司的指示除非其與 2010 年 12 月 17 日法規或公司章程有所衝突；
- d) 確保涉及本公司資產之交易在平常時限內被提出考慮；以及
- e) 確保本公司能適用的收益是依據公司章程。

保管機構得委託所有或是部分的本公司資產，保管機構對這些次保管機構持有監管權因為其得不時由保管機構決定之。除非提出適用之法規，否則保管機構的責任將不受

在其管理下已將資產的全部或部分委託予第三方此事實的影響。

保管機構將依據如同保管機構、本公司與管理公司間簽訂之存託協議所進一步述明的適用法律來承擔其職務與責任。

#### 存託協議

本公司是依據 2023 年 7 月 10 日存託協議指派摩根歐洲盧森堡分行為保管機構，也得由管理公司參與簽訂（以下稱“存託協議”）。

保管機構將依據合格從事可轉讓證券集合投資事業指令（其已扼要述明於存託協議裡）來履行所有保管機構的職責與義務。

存託協議得由任何一方以 90 天的書面通知終止合約關係。根據適用的法規，存託協議亦得由保管機構以 30 天的書面通知終止合約關係，如果(i)由於管理公司以及/或是本公司的投資決定，保管機構無法在適用的法規下確保本公司投資所要求的保護層級；或(ii)本公司，或是代表本公司的管理公司，希望投資或繼續在任何司法管轄區進行投資，儘管事實是：(a)這類投資可能使本公司或其資產曝險於實質的國家風險，或(b)保管機構無法獲取符合要求的法律諮詢證實，除此之外，如果在該司法管轄區內的次保管機構或是其他相關機構發生破產時，持有於當地託管的本公司資產是不會為了這些次保管機構或是其他相關機構債權人的利益而用來分配或變賣。

任何此類通知期屆滿前，管理公司應提出符合 UCITS 指令要求的新保管機構，以便將本公司資產移轉至新保管機構，且其應從(原)保管機構接管擔任本公司(新)保管機構之職務。本公司及管理公司將盡最大的努力尋找合適的接管保管機構，而(原)保管機構將繼續依據存託協議履行其服務直到此類替換已被指派。

依據 UCITS 指令，保管機構將負責本公司資產的妥善保管及所有權確認、現金流量監測與監督。在履行其擔任保管機構之任務，保管機構將不受本公司與管理公司支配，並僅就本公司及其投資人的利益獨立行事。

保管機構對本公司或其投資人在由保管機構或是任何其委託代表所託管持有之金融工具的損失負有法律責任。然而，若是保管機構能夠證明已發生的損失是超出其合理控制之外部事件的結果，該事件任憑盡了所有合理的努力還是不可避免事與願違的後果，則保管機構將無須負擔法律責任。保管機構也對本公司或其投資人在保管機構依據所適用的法規合理地執行其職務時怠忽職守或是蓄意過失的結果所遭致的所有其他損失負有法律責任。

#### 利益衝突

保管機構應為股東利益誠實地、公平地、專業地、獨立地及純粹地執行其功能。

保管機構可以隨時與其他客戶、基金或其他第三方安排提供保管及相關服務，此為全球保管機構正常業務過程中的一部分。對於多重業務銀行集團，如摩根大通集團，利益衝突可能隨時於保管機構與其保管代表機構之間產生，例如，當委任代表機構為關係集團公司，且其向基金提供產品或服務，而對於該產品或服務有財務或商業上利益；

或當委任代表機構為關係集團公司，並因其所提供給基金之其他相關保管產品或服務而收取報酬，如外匯、證券借貸、定價或計價服務。當衝突或潛在利益衝突發生，保管機構將考量對本公司應盡之義務(依據適用之法律包括 UCITS 指令第 25 條規定)，且公平地對待本公司以及其他基金，只要是可行的，將確保服務提供者所訂定的契約條款不低於對本公司而言若潛在衝突並不存在時所訂的條款。這些潛在利益衝突可用其他不同方式加以辨識、管理和監控，包括但不限於層級和功能上從保管機構其他潛在衝突的存管職能中劃分，以及藉由保管機構遵循其本身之利益衝突政策。

#### 次保管機構和其他代表機構

當選擇委任次保管機構或其他代表機構，依據 UCITS 指令要求，保管機構將執行所有應盡之職責義務，以確保委託本公司之資產只由代表保管機構提供妥善標準保管之責任。保管機構與次代表機構使用之次保管機構和其他代表機構最新名單，得於 <http://www.franklintempleton.lu> 網站線上查詢，點選“Invest with Us”中的“Subcustodians”標籤。投資人也可向本公司要求取得該名單的最新版本。

此外，投資人也可透過本公司註冊辦事處以取得任何保管機構職責以及任何可能由保管機構被委託之保管職責產生的利益衝突，第三方代表名單以及任何可能由代表機構產生的利益衝突之最新訊息。

## 註冊及股務代理機構

Virtus Partners Fund Services Luxembourg S.à.r.l. 已被管理公司任命為富蘭克林坦伯頓伊斯蘭系列基金(本公司)的註冊及股務代理機構，並依據與本公司的協議執行註冊及股務代理服務。這些服務除其他外，包括：(i)本公司股東登記的維護，(ii) 新戶和認識您的客戶/洗錢防制服務，(iii)投資人和經銷商服務，(iv)交易處理，(v)現金管理、股東付款、銀行對帳股份的申購、贖回和轉換處理，(vi)佣金計算及支付，(vii)客戶變動管理，(viii)經濟合作暨發展組織共同申報標準(CRS)和遵循外國帳戶稅收遵從法案(FATCA)服務，(ix)定期報告，(x)支援本公司的投訴處理以及(xi)技術支援。

Virtus Partners Fund Services Luxembourg S.à.r.l. 為於盧森堡成立的有限責任公司，其註冊辦事處位於盧森堡艾伯特博歌特大道 8A，L-1246 盧森堡，盧森堡大公國。

在適當時，本公開說明書裡有關管理公司在本公司的股份交易相關職責的任何引述也應理解為對任何第三方引述有關管理公司已授權其註冊及股務代理行使職責。

## 行政代理機構

摩根歐洲盧森堡分行已被任命為本公司之行政代理機構，依據行政管理協議（“行政管理協議”）向本公司提供某些行政服務。這些服務包括編製與維護會計帳、記錄、稅務、財務報告，和計算本基金的資產淨值。

行政管理協議得由任何一方以 180 天的書面通知終止合約關係。

依據行政管理協議，若行政代理機構履行任何事項有盡合理注意義務，則行政代理機構對本公司承擔的任何損失或損害概不負責，除非部分行政代理機構有因疏忽、詐欺、故意違約或嚴重違反行政管理協議等之行為。本公司同意賠償行政代理機構（及其關係企業及其個別董事、管理階層、職員和代理機構）非因行政代理機構有疏忽、詐欺、故意違約或嚴重違反行政管理協議等之行為所產生的任何債務、損失、索償、成本、損害、處罰、罰款、義務或費用（包括但不限於合理的律師、會計師、顧問或專家的費用和支出）。

## 股價公告

個別基金以及股份類別的每股淨資產價值乃經由本公司登記所在地宣佈，亦可向管理公司辦公室洽詢。本公司依法要求安排相關基金之每股淨資產價值公告並由董事會間或決定採用哪些報刊登載。網址：<http://www.franklintempleton.lu> 亦有登載此訊息。本公司及管理公司對任何登載上的錯誤或延遲或是未經公告的價格不擔負任何責任義務。

## 投資人一般資訊

### 事前考量

本公司致力於提供投資人一系列符合伊斯蘭教律以全球為基礎廣泛地投資於可轉讓證券與其他合適資產並且著眼予多重投資標的之基金選擇：包括資本成長及收益以遵循伊斯蘭教律準則。投資人應該對其自身的投資目標以及個人所適用之當地法規與稅制的狀況做慎重的考量。投資人宜在投資前向財務顧問或稅務顧問諮詢。有關稅賦資訊得進一步參閱“本公司稅賦”及“投資人稅賦”章節的說明。

股份的價格及來自股份的收益可能會下跌與上漲，投資人也有可能無法回收其投資金額。投資人須更特別留意本公司的實際投資所可能引發的特定風險（於此後定義之），其在“風險考量”章節裡有更詳盡的說明。

本公開說明書的發放以及基金股份的銷售可能在某些特定的其他管轄地區有所限制。任何欲申購股份的投資人有責任了解關於本公開說明書所告知的內容，以及遵守任何相關管轄地區所適用的法律與規定。

此外，假如投資人的銀行帳戶位於居住國以外的國家，本公司以及/或管理公司保留要求投資人提供額外資訊以及/或文件的權利，這可能導致延遲處理申購以及/或任何其他交易，直到收到相關且令人滿意的資訊以及/或文件。

投資人應參照本公司有關 KID 中相關基金股份類別所適用之現行收費及歷史績效圖表。

## 股份發行

股份係透過主辦承銷商而發行銷售。主辦承銷商將不時與其他承銷商、中介機構、經紀商/交易商以及/或是專業投資人簽署契約以銷售這些股份。

在情況許可下，本公司董事會保留權利在任何時候得未經通知，並依公開說明書規定不繼續發行或銷售股份。

本公司得限制或阻止任何美國人士和/或任何人士、公司或法人的股份所有權，如果本公司認為這類持股可能會是不利於本公司或其股東、可能會導致違反任何適用的法律或法規（不論是盧森堡或外國），或可能使本公司或其股東承擔負債（尤其為政府或稅務負債和可能獲得的任何其他稅項負債，尤其是任何違反 FATCA 的要求）或除發生或遭受外，他或他們不會遭受不利益。這樣的人，公司或法人團體（包括美國人士和/或個人違反 FATCA 的要求），以下簡稱為“禁止人士”。

更具體地說，本公司有權施加其認為必要的限制，以確保任何股份不會被任何禁止人士直接或實質獲得或持有，並且可以：

- 1) 拒絕發行的股份及拒絕登記任何股份轉讓，若此類登記或轉換股份導致禁止人士為股份的實質所有權人。
- 2) 在禁止人士現為或將為此類股份之實質所有權人時，或此登記將使禁止人士為此類股份的實質所有權人的情況下，得考量決定是否為之的必要性後，隨時要求於股東名冊中任何人、或股東名冊任何人尋求登記股份轉讓時，以宣誓方式提供陳述及保證或任何資訊。
- 3) 當本公司之禁止人士，無論是單獨或與任何其他人士聯名，為股份的實質所有權人，或違反其陳述和保證，或未能及時依本公司之要求做出此類的陳述和保證，本公司可強制此類股東全部或部分贖回其持有的股份，請詳本公司章程更詳盡的規範。
- 4) 拒絕接受禁止人士在本公司股東的任何會議中的投票。

## 股份掛牌交易

董事會可決定任何類別股份在任何合適的股票交易所申請掛牌交易。

## 股份形式及幣別

所有股份是以記名方式發行。畸零的記名股份將會計算到小數點以下三位數。任何股份交易金額多於小數點三位數時將會以慣用的進位法計算到最接近的小數點以下三位數。

本公司及/或管理公司得於同一檔基金提供數種選擇性貨幣股份類別，詳如“股份類別”章節的說明。

## 交易截止時間

交易截止時間，請參照附錄 A 之說明。本公司及/或管理公司在認為適合的前提下，可能允許各地的承銷商或是橫跨不同時區之管轄區域裡的承銷商採用不同的交易截止時間。在該種情況下，適用之截止時間必須要在可適用之淨資產價值計算且公佈之前。此種不同的交易截止時間應於本公開說明書的當地補充資料、與當地的承銷商的協議或其他相關的行銷資料中揭示。

## 股價/淨資產價值的計算

個別股份用以申購、贖回或轉換的相關類別股份價格，是在個別評價日參照相關的股份類別的淨資產價值做計算，並於次一營業日公佈。

一些管轄區域在當地假日期間是不准受理投資人的交易。這些安排的細節包含在本公開說明書的當地核准版本裡。

淨資產價值的計算細節，請參照附錄 E 之說明。服務代理公司在盧森堡或由經授權的承銷商於任何交易日所適用的交易截止時間之前所收到的書面指示，將以該評價日當日所決定的每股淨資產價值處理。

所有交易指示在該評價日的每股淨資產價值判定之前將以淨資產價值未知的基礎上做處理。

## 交易、股價/淨資產價值的暫停

根據公司章程及附錄 E 上的說明，管理公司得暫停對任何基金的任何股份之淨資產價值（以及隨之發生的申購、贖回及轉換）的計算。在暫停期間所做或未完成的交易指示得撤回，但須在該暫停結束之前使管理公司收到書面的撤回通知。除非撤回，否則會以暫停結束後的第一個評價日當作收到交易指示。

## 基金清算

如果本基金股份的總價值低於美金五千萬元或約當等值此數之時，或是有關政經情況之變動適合基金進行這類清算考量，或視其是否來自有關基金股東利益的要求，董事會得決定清算並且贖回該基金的所有流通股份，同時寄發通知給記名投資人，告知此項清算。贖回價格將採此基金所有資產變現後計算出來的每股淨資產價值。更多細節，請參閱附錄 D。

## 基金暫停新投資人申購

如果就本公司及/或管理公司的看法為保障既有股東的權益而對基金封閉有必要時，基金或股份類別可能對新投資人或是對所有新增申購或轉換停止受理（但對贖回、轉出或移轉則無限制）。對適用基金封閉的情況並無限定，其一情形可能會是基金已達到市場規模的上限，以及/或是已達到投資經理公司的接受能力，因此允許進一步資金流入將會不利於基金的績效表現。任何基金或是股份類別得無須通知股東而對新投資人或是對所有新增申購或轉換停止受理。

雖然如上述，本公司及/或管理公司得在定期儲蓄計畫這些種類的流量對基金規模上限無妨礙的基礎上，依其判斷允許繼續受理來自定期儲蓄計畫的申購。一旦封閉，基金或股份類別將不再開放，直到有勝過本公司及/或管理公司認為基金軟封閉不再需要的情形發生時。股東及潛在投資人應向本公司、管理公司或是承銷商確認，或是核對載於官網之基金或股份類別的目前狀況。

## 最低投資金額

經由經銷商代表所屬投資人以其自身名義的投資除外，個別基金股份的最低首次投資金額為美金一千元（或如果轉換的最低金額為美金一千元）、1股為美金五百萬元，或是其他等值之可任意自由兌換的幣別。這類最低首次投資金額規定可被董事會或是管理公司全部或部分免除。任何基金之現存投資人對現有基金持股之最低增加申購金額為美金一千元或其他等值之可任意自由兌換之幣別。

在其他管轄區域所適用的任何特定最低首次投資金額將揭露於本基金公開說明書之當地版本。

個別基金股份的最低持有金額為美金一千元或等值幣別。

本公司及管理公司有權利拒絕不符合最低投資金額要求之申請。本公司及/或管理公司可在任何時間，決定強制所有股東贖回全部股份，就其持有少於上述或申請書上之特定最低首次投資金額，或不符合公開說明書所載之任何其他適用資格。

## 經銷商代表所屬投資人以其自身名義申購股份

當地提供的文件也許會提供相關的權限予有利於該等以代表所屬投資人以其自身名義的經銷商、交易商以及/或是當地付款代理機構所設立之帳戶來申購股份。名義代表人帳戶經銷商的名義將出現在本公司的註冊股東裡，並且代表其相關所屬投資人影響該等帳戶的申購、轉換及贖回股份。

經銷商代表所屬投資人以其自身名義申購股份自行維護紀錄，並提供相關投資人個別的持股訊息。除非當地法規另有規定，任何投資人透過以經銷商代表所屬投資人以其自身名義申購股份有權對經銷商所購買之股份主張其直接所有權

為避免疑慮，經由其他機構（或上述的次承銷商、中介機構、交易商及/或專業投資人）進行申購的投資人，本公司不會收取額外的費用。

## 第三方付款

投資人已被告知本公司政策是不做出或接受對無關註冊股東的付款。

投資人應注意如果他們的贖回指示附帶要求將出售款項支付到位於非屬投資人居住國以外國家的銀行帳戶時，本公司和/或管理公司保留延遲執行交易或釋出款項支付的權利直到本公司和/或管理公司收到更多足以提供對投資人額外保障的資訊或文件。

## 電話錄音

管理公司得使用電話錄音流程錄下任何對話。投資人被視為同意管理公司得將對話加以錄音並且該錄音資料得被管理公司及/或本公司及/或行政代理機構（若適用時）用於法律訴訟或是其他指示用途。此外，一些當地的富蘭克林坦伯頓基金集團服務辦公室可能需要記錄電話和電子通訊，以便進行教育訓練，監督的目的及/或確認投資人的指示。錄音資料將依其要求而提供（在這種情況下可能會收取費用），從錄音之日起五年內或監管機構特別要求的七年內。

## 投資人投資組合

投資人將會得到至少一組個人投資組合號碼。所有與本公司或管理公司的文書往來皆須使用此個人投資組合號碼。如果同一投資人擁有一組以上的個人投資組合號碼，則此投資人所有帳戶的任何相關請求皆應註明這些個人投資組合號碼。

## 股東通知

依據盧森堡法律，任何關於股東所投資基金(包含成交單)的通知或其他信息溝通得透過電子通訊方式傳達，股東已允許並提供電子郵件以及/或相關電子聯繫方式予管理公司以符合此目的。就股東在本公司的投資向股東發出的相關通知或其他通訊也可發佈於網站 [www.franklintempleton.lu](http://www.franklintempleton.lu)。此外，於盧森堡法律下，盧森堡法律或盧森堡主管機關要求，亦可以書面或以其他方式通知股東。尤其，股東應參考“會議及報告”章節。

於電子通訊及交易，富蘭克林坦伯頓將致力於保存及保護數據傳輸的機密性。電子通訊的接收者應注意由於多種因素包括但不限於硬體、軟體及作業系統或接收者交易富蘭克林坦伯頓基金所使用的電子平台的易破壞性，皆可能無法保證透過網路傳送電子傳輸的完整性及機密性。

## 成交單

交易執行完成之後，成交單通常將在十四（14）個營業日內遞送給投資人(除了定期定額存款計劃)。投資人應立即檢查這些成交單，以確保每次交易已被確實記載在投資人投資組合中。如果確認有差異時，投資人應立即將差異以書面方式提報管理公司或其當地之富蘭克林坦伯頓基金集團服務辦公室。如果自成交單日期起的十五（15）個營業日內未有提報，交易則被視為正確並且投資人將服膺於成交單之條款。

## 個人遭竊

本公司或管理公司發出的任何通訊資料是屬於私人性質之機密文件。為了確保您的持股安全，若與本公司或管理公司的通訊資料（或是您的身分證件/護照等）遺失或遭竊，請立即通知您當地的富蘭克林坦伯頓基金集團服務辦公室。

## 資料保密

所有包含在申請表單的投資人個人資料（下稱資料）以及任何因與本公司及/或管理公司締結業務關係所進而蒐集的個人資料，將由本公司、管理公司或其他富蘭克林坦伯



頓基金集團旗下公司依當地相關法令規定，包括：位於富蘭克林公司及其子公司與附屬機構、保管機構、行政代理機構及任何其他為其提供服務（包括但不限於印刷和郵寄服務）之第三方（其可能設立於盧森堡以及/或是歐盟之外，包括：美國及印度）所蒐集、紀錄、儲存、使用、移轉、及完成其他之處理過程（下稱**處理**）。這些資料之處理乃為了帳戶管理、發展商業服務、防制洗錢與反恐怖份子資助之確認、依據適用之遵循外國帳戶稅收遵從法案（FATCA）或相似的法令及法規（例如歐盟或 OECD 等級）之目的。為了遵循外國帳戶稅收遵從法案（FATCA）或相似的法令及法規，本公司及/或管理公司可能被要求揭露關於美國人及/或不合作金融機構之資料予盧森堡稅務主管機關，而該主管機關可能會移轉資料予美國國家稅務局（IRS）。本公司及富蘭克林坦伯頓基金集團的成員亦可將資料使用於富蘭克林坦伯頓隱私權和 Cookies 聲明（“隱私權聲明”）中記載的其他目的。

出於上述目的，本公司尋求投資人同意使用其政治觀點、宗教或哲學信仰的資訊，這些資訊可能經由進行政治敏感性人士的合規性檢查而取得。該同意書記載在申請表單中。

隱私權聲明中亦提供有關本公司和富蘭克林坦伯頓基金集團使用資料、處理資料的其他目的、處理資料所涉及的事業、資料主體的權利之更多資訊。隱私權聲明已在網站上公佈：[www.franklintempletonglobal.com/privacy](http://www.franklintempletonglobal.com/privacy)（可根據要求免費提供紙本）。如投資人希望行使其個人權利或提出有關隱私權聲明的任何問題、疑慮或申訴，可以聯繫管理公司或聯繫富蘭克林坦伯頓國際服務有限公司的资料保護長（電子郵件：[DataProtectionOfficer@franklintempleton.com](mailto:DataProtectionOfficer@franklintempleton.com)），位於盧森堡艾伯特博歇特大道 8A，L-1246 盧森堡。

投資人應注意，隱私權聲明可由管理公司和/或本公司自行決定更改。

### 洗錢防制與反恐怖份子資助之防範法令

根據 1993 年 4 月 5 日的盧森堡法律有關金融產業法案（及其增修條文）、有關金融系統用於防制洗錢或反恐怖份子資助的 2018/843/EU 指令和盧森堡法律 2004 年 11 月 12 日有關洗錢與反恐怖份子資助法令（及其增修條文）的規定（“2004 年法”），2010 年 10 月 27 日加強反洗錢和反恐融資法律框架的法律和 2012 年 12 月 14 日第 12-02 號 CSSF 條例實施了具有法律約束力的監管強化（“CSSF 條例 12-02”），以及盧森堡金融監督主管機關所頒佈的通告，（特別是 CSSF 通告 13/556、11/529、11/528、10/486 和 10/484），要求金融產業的所有專業人士有義務避免利用投資基金以達洗錢與恐怖份子資助目的。

因此，管理公司已建置對所有投資人的身分認定之程序。為符合管理公司的要求，投資人在申請表格必須檢附任何必要的身分證明文件。個人投資人須檢附護照或身分證影本，該影本必須由居住國家的授權機關確認其與正本相符無誤。法人機構投資人將須要檢附文件例如：法人資格證明、認可的股票交易所會員資格、或是公司章程/規章或是其他適用的公司組成文件。管理公司也有義務去認定任何投資的受益持有人。這些要求適用於直接向本公司申購以及接獲來自中介機構和/或經銷商名義代表人帳戶的間接申購。當被指定為受益持有人的人員變更時，在這種情況下，投資人必須立即通知管理公司或本公司，並且應確保提供給管理公司或中介機構和/或經銷商名義代表人帳戶的每個資訊及每份文件在任何時候皆保持正確且最新。

管理公司有權利在較高風險情境所需或是為了符合任何適用的法律與規定，而隨時可要求額外的資訊與文件，例如資金來源以及財富來源，萬一延遲或未能提供該資訊以及/或文件者，管理公司可能會延遲或拒絕處理申購或贖回指示，或任何其他交易。管理公司也可能延遲或暫停支付配息款項，直到收到相關足以符合要求之資訊以及/或文件。此外，管理公司保留停止支付任何佣金、阻止公司資金進一步交易的權利和/或最終終止與次級經銷商、中介機構、經紀人/交易商和/或專業投資者的業務關係，經過管理公司合理嘗試就更新的條款和條件或合約達成協議安排，取得此類要求的缺失或更新的文件（包括基礎客戶的文件），次級經銷商、中介機構、經紀人/交易商和/或專業投資者遵守適用的法律和法規，從而防止管理公司履行反洗錢和反恐怖主義融資義務。本公司或管理公司不提供或提供不完全資訊以及/或文件予次級經銷商、中介機構、經紀人/交易商和/或專業投資者，本公司及管理公司對於延遲或未能處理的交易程序並不負任何責任。

以上提供予管理公司的資訊，乃為了洗錢防制與反恐怖份子資助規定之目的而收集處理。

管理公司應確保根據盧森堡適用法律法規，以基於風險的方式對公司投資採取盡職調查措施。

## 交易政策

**短期和過度交易（“過度交易”）。**短期和過度交易包括投資人或投資團體的交易似乎遵循一種時機模式或以過於頻繁或大規模交易為其特徵。本公司不鼓勵短期以及/或過度的交易，並且試圖尋求限制或拒絕這類交易，或若是在本公司或管理公司的判斷下這類交易可能妨礙任一基金之投資組合的效率管理，可能會實質增加基金的交易成本、管理成本或稅捐，或是在其他方面不利於本公司及其投資者的權益時，則採行如下所述的行動。

**市場擇時交易。**基金所持投資組合的性質可能會使基金曝險於投資人從事市場擇時交易的型態為尋求在基金投資組合持股價值的變動與反映在基金股份的淨資產價值的變動間的可能延遲之獲利，一般所謂的“套利擇時交易”。在某些情況下，是有這類交易的可能性，若是贖回投資人獲取收益（以及申購投資人獲得股份）是基於淨資產價值尚未反映出適當公平價值的價格時，將造成基金股份價值被稀釋。當基金持有顯著部位投資於外國證券且由於某些外國市場關市時間較早於美國市場數個小時，以及當基金持有顯著部位於小型類股、非投資等級（“垃圾”）債券和其他種類投資標的而可能無法頻繁地交易時，套利擇時交易者可能利用介於基金投資組合持股價值之變動與基金股份的淨資產價值之變動間的可能延遲以尋求獲利。公司不會故意允許與擇時交易相關的交易活動，因為這種做法可能會影響全體投資人的利益。

**擇時交易和過度交易的結果。**本公司或管理公司不會故意允許任何擇時交易並採取各種措施以保護投資人的利益，包括：撤銷、拒絕、暫停或取消任何違反或似乎顯示違反本公司交易政策的買賣或交易請求。若是投資人在本公司或任一其他富蘭克林坦伯頓投資基金，或是在非富蘭克林坦伯頓投資基金的相關交易活動訊息，引起本公司或管理公司的注意，並且基於此訊息本公司、管理公司或其代理機構（包括股務代理機

構或金融中介機構）依其自身的單獨判斷，斷定這類交易可能如同擇時交易政策裡所述不利於本公司時，本公司可能暫時或是永久性禁止這位投資人以後在本公司的申購，或是選擇限制該股東以後任何申購的金額、次數或頻率，以及/或是這位投資人股東可能要求以後的申購或贖回的方法（包括在本公司以及任何其他富蘭克林坦伯頓投資基金之轉換交易所涉及的申購以及/或是贖回）。如果投資人出現已從事擇時交易及/或過度交易，本公司或管理公司有權強制贖回投資人的投資，費用和風險由該投資人自行承擔。

在評估投資人的交易活動時，本公司或管理公司會參照其他因素做考慮，包括直接或透過金融中介機構交易本公司之基金、其他的富蘭克林坦伯頓投資基金、非富蘭克林坦伯頓投資基金、或是透過共同控制或持有的帳戶而得知的投資人交易歷史。

**透過金融中介機構的擇時交易或過度交易。**所有投資人皆須遵從本交易政策，不管是直接持有本基金股份或是經由金融中介機構，例如：銀行、保險公司、投資顧問公司或是任何其他經銷商代表所屬投資人以其自身名義申購股份（透過“綜合帳戶”持有基金股份）的方式間接投資本公司之基金。管理公司將按照合約執行該交易政策，並要求金融中介機構採用積極持續的交易監測策略，以利發現並拒絕其間接投資於本公司的客戶進行的任何此類交易活動。

本公司和管理公司目前採用幾種方法來降低擇時交易及過度交易的風險。這些方法包括：

- 檢查投資人交易活動是否有擇時交易及過度交易，以及
- 編制人員選擇性檢查持續性近期交易活動，以便鑑定可能違反本公司的交易政策之交易活動。

雖然這些方法涉及固有的主觀判斷以及在實務運用上的選擇性，本公司或管理公司尋求做出的判斷和實務上的運用能夠與投資人的利益相互一致。本公司、管理公司或代理機構無法保證得以獲取任何或所有需要的訊息來探查集合帳戶裡的擇時交易及/或過度交易，特別是當投資和交易由金融中介機構所中介或是建構於綜合帳戶持股帳戶（經銷商代表所屬投資人以其自身名義申購股份），這些中介機構會彙總其所有客戶的申購、轉換和銷售。即使本公司及管理公司尋求採用適當的行動（直接探查與透過金融中介機構的協助）將可探查擇時交易及/或過度交易，這並不代表這類交易活動能夠完全地被摒除，但是不會故意允許任何此類交易活動發生。

### **定期定額存款計劃和定期提款計劃**

為投資人的利益著想，在許多國家有提供定期定額存款計劃和定期提款計劃。如果發生定期定額存款計劃在議定到期日前被終止時，相關投資人應付的首次銷售手續費金額可能會大於若按標準申購的情形，詳情請參照“銷售手續費及或有遞延銷售手續費”章節的說明。欲索取進一步訊息，敬請洽詢管理公司或是您當地的富蘭克林坦伯頓基金集團辦公處所。

有關定期定額存款計劃和定期提款計劃免除最低持股（美金一千元（或其他等值外幣））的要求。

## 優惠待遇

可能會有通知信與特定投資人進行協商，當（i）投資規模達到特定門檻時，因此可能會與目前公開說明書揭露的特定金融條件有所偏差；及/或（ii）投資人需要進行投資組合分析，包括但不限於風險分析/資產分配目的，或被要求事先揭露非公開訊息以符合監管或稽核要求。通知信的性質和範圍可能因投資人而有所不同，但基本上這些事宜主要包括（i）與特定重大投資有關的特別費用處理；或（ii）透過保密協定提早揭露非公開投資組合資料。

## 聯絡資料

管理公司的聯絡資料得於“行政資訊”章節、申購表單、交易確認單或是富蘭克林坦伯頓基金集團網址 <http://www.franklintempleton.lu> 查詢得到

# 股份類別

## 既有的股份類別

發行的或依董事會決議將發行的股份類別，詳如下表所示：

股份類別	累積	配息
A股	(Acc) 配息累積股份	(Mdis) 月配息發放股份 (Qdis) 季配息發放股份 (Bdis) 半年配息發放股份 (Ydis) 年配息發放股份
AS股		
C股		
D股		
I股		
M股		
N股		
P1股		
P2股		
S股		
W股		
X股		
Y股		
Z股		

除非於公開說明書中另有記載，否則同一種股份類別的不同形式股份，例如：配息累積股份(acc)、月配息發放股份(Mdis)、季配息發放股份(Qdis)、半年配息發放股份(Bdis)與

年配息發放股份(Ydis)的所適用的規定與條件皆相同。

股份類別主要區分在加諸於這些股份的收費結構以及配息政策的差異。股份不是配息發放股份，就是配息累積股份。本公司董事會傾向將所有收益充份發放予可分配之股份，然而未發放配息的配息累積股份，淨收入將反應在股份價值的增加。配息得為每月、每季、每半年或每年發放。詳細資料在隨後的章節以及“配息政策”章節裡說明。

基金的各種股份類別的申購款項將被投入共同投資組合證券的投資，但是每個股份類別的淨資產價格有所差異是因為不同的發行價格、費用結構及配息政策所致。

配息將依股份類別的個別計價幣別進行分配。

A 股股份在英國不再直接銷售予投資人。A 股股份在英國將持續提供予非受顧問的投資人且僅酌情銷售。

AS 股股份僅提供在新加坡中央公積金的投資人，於限定情況下，依據主辦承銷商的判斷透過承銷商、銷售平台、經紀商/交易商、專業投資人和其他投資人銷售。在這情況下，可透過在新加坡中央公積金投資計劃下的投資型保單商品提供 AS 股股份。

D 股僅應受邀在某些國家發行，且僅提供給選定的承銷商和/或經紀商/交易商。

I 股僅提供予經盧森堡金融監督主管機關所提之指南或建議事項中所定義的法人機構投資人（請參閱以下的合格法人機構投資人列表）。

M 股僅應受邀在某些國家發行，且僅提供給選定的承銷商和/或經紀商/交易商。

N 股得於特定國家以及/或是依據主辦承銷商判斷之特定的次承銷商、經紀商/交易商以及/或是專業投資人銷售。在這些情形，任何本公開說明書之當地補充資訊或包含由相關中介機構所使用之行銷資料將對申購 N 股之相關可能性及條件有所說明。

## P1 股及 P2 股

董事會擬接受法人機構投資人在限定期限內最少 1000 萬美元投資於 P1 股直到基金相關股份級別的總資產淨值（不包括種子資本）達到 1 億美金(或等值的其他貨幣)，或管理公司具體限定並揭露在富蘭克林坦伯頓網站上的其他金額。

董事會擬接受經紀商、經紀商/交易商、平台、法人機構投資人和/或其他投資人在限定期限內最少 500 萬美元投資於 P2 股直到基金相關股份級別的總資產淨值達到 2 億美元(或等值其他貨幣)，或管理公司具體限定並揭露在富蘭克林坦伯頓網站上的其他金額。

一旦股東被發行 P1 股和/或 P2 股，只要他們繼續投資於同一基金和/或股票類別，股東將有資格永久申購同一基金和/或股份類別。一旦 P1 股和 P2 股的總資產淨值達到其相關的最大總資產淨值門檻時，該基金的 P1 股和 P2 股將會停止接受新投資人的申購。

投資人應該聯絡管理公司或是查看富蘭克林坦伯頓網站上相關基金或股份級別的當前

狀況，以及基金對上述 P1 股和 P2 股的門檻與申購機會的具體例外情況。S 股僅提供給法人機構投資人、金融機構中介機構、分銷商、平台及/或經紀商/交易商，但必須符合以下條件(i)與富蘭克林坦伯頓簽訂的管理資產水準(或透過意向書承諾提高管理的資產水準)超過 50 億美元(或等值的其他貨幣)；(ii)富蘭克林坦伯頓歐盟註冊傘型基金的總管理的資產水平超過 10 億美元(或等值的其他貨幣)；(iii)管理資產水平(或透過意向書承諾提高管理的資產水準)超過 5000 萬美元(或等值的其他貨幣) 在相關基金的 S 股，其中：

- 由於適用的當地法律及/或監管限制（在歐盟，這些限制至少適用於全權委託投資組合管理及/或在歐盟金融工具市場規則(MiFID)下提供獨立的建議），而無法接收和保留任何追蹤、佣金、回扣或其他類似費用（稱為勸誘），或者
- 與其客戶持有個別費用合約以支付非獨立諮詢服務的費用，而無法接收和保留勸誘，或者
- 依據其客戶持有個別費用合約，在歐盟以外區域進行行銷活動，以提供投資諮詢。管理公司可以依其決定就某些非歐盟轄區的中介機構免除個別費用合約要求。

W 股得透過中介機構、承銷商、銷售平台以及/或是經紀商/交易商提供

- 由於適用的當地法律及/或監管限制（在歐盟，這些限制至少適用於全權委託投資組合管理及/或在歐盟金融工具市場規則(MiFID)下提供獨立的建議），而無法接收和保留任何追蹤、佣金、回扣或其他類似費用（稱為勸誘），或者
- 與其客戶持有個別費用合約以支付非獨立諮詢服務的費用，而無法接收和保留勸誘，或者
- 依據其客戶持有個別費用合約，在歐盟以外區域進行行銷活動，以提供投資諮詢。依據管理公司的決定，亞洲的中介機構可以免除個別費用合約要求

X 股僅可能提供予經盧森堡金融監督主管機關所提之指南或建議事項中所定義的法人機構投資人（請參閱以下的合格法人機構投資人列表），在有限的特定情況下，依據投資經理公司及/或共同投資經理公司與其關係企業之判斷。

X 股是在其他股份之外為提供選擇性收費架構而設計，憑藉涵蓋投資經理費用之收費如「投資經理費用」章節所詳述，係由管理公司從投資人是富蘭克林坦伯頓基金集團的客戶以及與管理公司訂立特定的協議者直接收取。因此，相關基金之 X 股無須自其淨資產中再支付這些費用。

然而，X 股將依股份比例分擔其他適用之費用，例如：註冊、股務、公司、指定及行政費用、保管費用、簽證及法規費用及其他適用之稅賦，並請參酌於「管理公司報酬」以及「其他公司收費及費用」章節所提及之其他收費與費用。

Y 股僅可能提供予經盧森堡金融監督主管機關所提之指南或建議事項中所定義的法人機構投資人（請參閱以下的合格法人機構投資人列表），在有限的特定情況下，依據投資經理公司及/或共同投資經理公司與其關係企業之判斷。

Y 股是在其他股份之外為提供選擇性收費架構而設計，憑藉涵蓋投資經理費用、註冊、股務、公司、指定及行政費用之收費如「管理公司報酬」以及「投資經理費用」章節所詳述，係由管理公司從投資人是富蘭克林坦伯頓基金集團的客戶以及與管理公司訂立特定的協議者直接收取。因此，相關基金之 Y 股無須自其淨資產中再支付這些費用。

然而，Y股將依股份比例分擔其他適用之費用，例如：保管費用、簽證及法規費用及其他適用之稅賦，並請參酌於「其他公司收費及費用」章節所提及之其他收費與費用。

Z股得透過中介機構、承銷商、銷售平台以及/或是經紀商/交易商提供：

- 由於適用的當地法律及/或監管限制（在歐盟，這些限制至少適用於全權委託投資組合管理及/或在歐盟金融工具市場規則(MiFID)下提供獨立的建議），而無法接收和保留任何追蹤、佣金、回扣或其他類似費用（稱為勸誘），或者
- 與其客戶持有個別費用合約以支付非獨立諮詢服務的費用，而無法接收和保留勸誘，或者
- 在歐盟以外區域進行行銷活動。

投資人被視為不符合上述資格要求時，本公司及管理公司將不會發行、執行轉換或轉讓股份予任何投資人。如果在任何時間點確認，一個或數個上述股份級別的持有人不符合，或不再符合條件，本公司或管理公司將依照載明於公司章程的條件與程序，可能隨時決定強制贖回該股份。

既有股份類別的完整列表得於以下富蘭克林坦伯頓基金集團網站查詢 <http://www.franklintempleton.lu> 或是向本公司或管理公司註冊辦公室索取。

## 合格法人機構投資人列表

- 法人機構投資人，狹義來看，如銀行及其他受管控之專業金融機構、保險及再保險公司、社會保障機構及退休基金、慈善機構、工業、商業及金融集團公司，其皆以自己名義做申購，並且為自行管理其資產結構的機構投資人。
- 信貸機構及其他受管控之專業金融機構以自己名義代表上述定義之法人機構投資人進行投資。
- 設立於盧森堡或國外的信貸機構及其他受管控之專業金融機構以自己名義代表其專戶管理的非法人機構投資人進行投資。
- 設立於盧森堡或是國外的集合投資事業。
- 控股公司或是類似企業實體，無論設籍於盧森堡與否，其股東為前述之法人機構投資人。
- 控股公司或是類似企業實體，無論設籍於盧森堡與否，其股東／受益所有人為極度富有的個人且得以合理視為精明投資人，而其持有控股公司的目的係為個人或家族持有重要的財務利益。
- 控股公司或是類似企業實體，無論設籍於盧森堡與否，其對公司的結構和活動的決議有實權且持有重要的財務利益／投資。

## 股份之選擇性貨幣類別

股份類別將以下列幣別提供選擇性股份類別：

歐元（縮寫為EUR）

新加坡幣（縮寫為SGD）

美元（縮寫為USD）  
加拿大幣（縮寫為CAD）

或是其他自由轉換的幣別。

選擇性貨幣股份類別其基金淨資產價值將以選擇性貨幣類別計算並公告，投資人的申購款及付給投資人的贖回款皆以選擇性貨幣類別做收付，除非本公開說明書另有核准。除了避險股份以外，本公司目前不傾向於趨避上述股份類別的貨幣風險。

適用於選擇性貨幣各股份類別的條件與限制同樣適用於以基本貨幣計價的相同股份類別。

董事會得決定除上述股份類別以外另行增加新的選擇性貨幣股份，於此情形下，本公開說明書將會一併更新。

## 避險股份

有關避險股份，基金的基礎貨幣曝險可能被避險至該避險股份之選擇性貨幣以降低匯率波動或報酬波動。避險股份將以 H1 為縮寫命名。

適用於避險股份的條件與限制同樣適用於以基本貨幣計價的股份類別，唯一的不同是基金基準貨幣避險至避險級別的幣別差異可能歸屬至該級別。

貨幣避險策略可運用於股份類別層級。如此，投資經理公司將限制避險於相關避險股份所選定貨幣曝險範圍。針對選定的貨幣曝險進行避險，超額避險部位通常不會超過相關避險股份淨資產價值之 105%，而未足額避險部位通常不會低於相關避險股份淨資產價值之 95%。投資經理公司將持續審查避險部位，以確認超額避險或未足額避險部位不會超過/低於上述允許的水準。倘避險股份的避險超過因市場變動或認購/贖回股份而產生的允許容忍度，則投資經理公司須適當調整該避險。

股東亦應注意，股份類別間一般並無隔離資產及負債，因此如避險股份的資產不足以履行其負債，避險股份的衍生性保證金的對手方可追索相關基金的其他股份類別資產。雖然本公司已採取措施確認減少股份類別間的風險擴及，以確認經由使用衍生性保證金所帶來的基金額外風險僅由相關股份類別的股東承擔，但無法完全消除此風險。

## 銷售手續費及或有遞延銷售手續費

### A 股

#### ● 銷售手續費

A 股是以每股淨資產價值加上以投資總額為計算基礎的銷售手續費來提供申購，該銷售手續費依資產類別不同列示如下：

- 股票型基金、另類型基金、平衡型基金及多重資產基金：不超過投資總額 5.75%
- 固定收益型基金：不超過投資總額 5.00%
- 多元資產基金：不超過投資總額 5.75%



主辦承銷商由此收取的手續費支付予次承銷商、中介機構、經紀商/交易商以及/或是專業投資人，可能包含富蘭克林坦伯頓基金集團的分支機構。銷售手續費可能由主辦承銷商全數或部份減免予個別投資人或特殊投資團體。減免銷售手續費後的投資餘額將視為相關基金的股份申購。

若在任何提供股份的國家，因當地法令或實務需求或許可，採較前述為低的銷售手續費或不同的最高收費予任何個別申購交易，主辦承銷商可能在銷售 A 股時，並可能授權次承銷商、中介機構、經紀商/交易商以及/或是專業投資人銷售 A 股時，遵循這些國家的法令或實務狀況所許可的金額，提供較前述適用價格為低的價格。

- **美金一百萬或以上的合格投資**

有關在 A 股的美金一百萬元或以上的合格投資，銷售手續費可能被減免，並且投資人在每一次投資後的十八個月之內贖回即適用收取 1.00% 的或有遞延銷售手續費（“CDSC”）以彌補發出予次承銷商、中介機構、交易商以及/或是專業投資人的佣金，該費用為股份（轉入再投資配息發放除外）總成本的 1.00%，而且為主辦承銷商保留。此種計算將在“或有遞延銷售手續費的計算”章節更詳細敘述。

合格的投資包括以單筆申購或透過投資人、配偶、未滿十八歲之子女及/或孫子女名義的累積申購。為了適用合格投資規則，投資人其他富蘭克林坦伯頓全球投資系列中投資基金之持股可以在投資人之要求下合併。關於哪些基金股份可以被合併，以及適用之流程、期間及條件等細節，可向管理公司索取相關說明。

採用或有遞延銷售手續費的股份，將不得轉換股份到其他股份類別。

## **AS 股**

AS 股份類別的價格將以每股淨資產價值提供申購。主辦承銷商不對購買 AS 股之投資人收取銷售手續費。

## **D 股**

D 股的價格將以每股淨資產價值提供。D 股在申購後五年內贖回股份，則收取 0.50% 的或有遞延銷售手續費，收費的計算方式將在“或有遞延銷售手續費的計算”章節更詳細敘述。

## **C 股**

C 股的價格將以每股淨資產價值提供。申購 C 股不收取銷售手續費。然而，C 股在申購後一年內贖回股份，則收取 1.00% 的或有遞延銷售手續費，收費的計算方式將在“或有遞延銷售手續費的計算”章節更詳細敘述。

## **I, M, P1, P2, S, W, X, Y 和 Z 股**

I, M, P1, P2, S, W, Y 和 Z 股的價格將以每股淨資產價值提供。申購 I, M, P1, P2, S, W, Y 和 Z 股時，主辦承銷商不收取銷售手續費也不收取或有遞延銷售手續費。

為符合適用的法令、法規及市場慣例，銷售S、W、X、Y和Z股的中介機構或經銷商可以自行收取銷售費用。投資人應諮詢其中介機構、經銷商或自己的財務顧問，以了解有關這類費用的更多資訊（對於W股和Z股，這類費用不應超過投資總額的5.75%）。

## N 股

### ● 銷售手續費

N 股的價格將以每股淨資產價值加上不超過投資總額 3.00% 的銷售手續費提供申購。此申購手續費將適用於所有不同的資產類別。主辦承銷商由此收取的手續費支付予次承銷商、中介機構、經紀商/交易商以及/或是專業投資人，可能包含富蘭克林坦伯頓基金集團的分支機構。銷售手續費可能由主辦承銷商全數或部份減免予個別投資人或特殊投資團體。減免銷售手續費後的投資餘額將視為相關基金的股份申購。

若在任何提供股份的國家，因當地法令或實務需求或許可，採較前述為低的銷售手續費或不同的最高收費予任何個別申購交易，主辦承銷商可能在銷售 N 股時，並可能授權次承銷商、中介機構、經紀商/交易商以及/或是專業投資人銷售 N 股時，遵循這些國家的法令或實務狀況所許可的金額，提供較前述適用價格為低的價格。

## 或有遞延銷售手續費的計算

合格 A 股之或有遞延銷售手續費是以申購之淨資產價值為主。或有遞延銷售手續費之計算是根據所售出股份的相關幣別為計算基礎。透過再投資金額所獲得的股份是不適用或有遞延銷售手續費。為了讓或有遞延銷售手續費盡可能保持低，每一次售出股份的要求一旦提出，帳戶中不須支付或有遞延銷售手續費的股份將先行售出。若股份不是以符合該要求，額外的股份必須被售出。或有遞延銷售手續費金額是以本公開說明書附錄 F 表格所示的費率酌計算依所適用之股份採贖回股份的淨資產價值或申購時的淨資產價值。

為了適用或有遞延銷售手續費持有期間的目的，特定基金股份由另一基金的同類股份轉換而來時，對該股份的持有期間是以最初由其他基金所獲得股份起算。

所估算的或有遞延銷售手續費的金額將支付予主辦承銷商或其他相關單位，本公司得隨時指定支付由主辦承銷商或其他相關單位所產生的銷售成本。或有遞延銷售手續費可能由主辦承銷商或其他相關單位根據研判全數或部份減免，以提供予個別投資人或特殊投資團體。本公司已承諾支付主辦承銷商或其他相關第三人扣除任何稅款的或有遞延銷售手續費淨額。若上述款項中有任何應付稅款，則可能調升或有遞延銷售手續費（費率如本公開說明書之附錄 E）的金額以確保該項協議的款項能以淨額支付給主辦承銷商或其他相關第三人。截至本公開說明書之日期為止，本公司董事會並無理由相信有任何稅款應由或有遞延銷售手續費中徵收。

## 股份類別的具體特點

股份類別的具體特點如下表所示：

投資人種類	個人投資人/法人機構投資人			法人機構投資人		
股份類別總覽	A股、AS股、C股、D股、M股、N股、W股以及Z股	S股	P2股	P1股	I股	X股以及Y股

最低首次投資金額	美金一千元	詳細資料得於本公司或管理公司索取	美金五百萬	美金一千萬	美金五百萬元	詳細資料得於本公司或管理公司索取
最低追加投資金額	美金一千元	詳細資料得於本公司或管理公司索取	美金一千元	美金一千元	美金一千元	詳細資料得於本公司或管理公司索取

## 如何申購股份

### 如何申請

欲申購股份的投資人須填妥申購表格所涵蓋的資料並檢附適當的身分證明文件（已詳細載於申請表格）寄到股務代理機構以便首次申購基金股份。若管理公司可允許，申請書也可以藉由電話、傳真或電子請求方式為之。管理公司或股務代理機構得要求寄達原始書面簽名確認的申請表格以及身分證明文件，在此狀況下可能會為了收到該請求的書面確認及文件而延誤處理。基於董事會或管理公司的判斷，接受股份的申購。

由相關股份承銷商收到之申請書，唯有在已被轉抵股務代理機構或已被充分書面授權的承銷商時，始可被處理。

投資人也應提供洗錢防制與恐怖份子資助防範所要求的文件。“洗錢防制與恐怖份子資助之防範法令”章節中有更詳盡的敘述。

此外，假如投資人的銀行帳戶位於居住國以外的國家，本公司以及/或管理公司保留要求投資人提供額外資訊以及/或文件的權利，這可能導致延遲處理申購以及/或任何其他交易，直到收到相關且令人滿意的資訊以及/或文件。

本公司或管理公司保留向大量申購 C 股之投資人索取額外資訊的權利，此舉可能會導致延遲處理投資交易直到收到所需的資訊/確認書。法人機構擔任經銷商代表所屬投資人以其自身名義必須提供其已獲得管理公司的明確事先許可並已採行適合的監控股份年齡程序，才得以其自身名義代表投資人購買 C 股。

於申購 I 股、X 股及 Y 股時，投資人代表須向本公司和管理公司提出符合上列一種或數種法人機構投資人的資格，並且同意賠償本公司、管理公司及或富蘭克林坦伯頓基金集團的任何其他公司於違反前揭善意代表申購情事所產生之任何及所有損害、損失、成本及其他費用。

每個投資人將會得到個人投資組合號碼。所有與本公司及/或股務代理機構的文書往來皆須使用此個人帳號。

### 申購指示

基金股份的首次申購必須以標準申購表格為之。在既有的投資人投資組合所為之後續申購，並不須要再次填寫申購表格。然而，個人投資人非透過經紀商/交易商而直接指示富蘭克林坦伯頓基金集團者，將須要填寫及簽署標準申購表格（可自我們網站或依要求取得）。若股務代理機構可允許，任何股份之後續申購也可以藉由電話、傳真或電

子請求方式為之。管理公司得要求後續申購指示的書面簽名確認，在此狀況下可能會為了收到該請求的書面確認而延誤處理。基於董事會或管理公司的判斷，接受股份的後續申購。

在投資人購買股份之前，應收到並詳閱相關 KID。在適用之情形下，經紀商/交易商有責任提供適當的 KID 予投資人。請於購買股份前經常與您的經紀商/交易商保持連繫。若您沒有經紀商/交易商，您可連絡管理公司或是當地的富蘭克林坦伯頓基金集團辦公室，其將提供相關 KID 之電子或書面資料予您參閱。

後續的股份申購指示必須填具下列事項並正式簽署：

- (a.) 述明基金名稱、股份類別、股份的國際證券識別編碼（得於以下富蘭克林坦伯頓基金集團網站查詢 <http://www.franklintempleton.lu>）以及投資基金之股數（應以數字及文字兩者載明）或投資（應涵蓋任何適用的銷售手續費的規定）金額（以數字及文字載明）；以及
- (b.) 述明已經或即將如何支付款項。
- (c.) 確認已提供相關 KID。

如果申購書中的基金名稱、基金股份類別、基金股份的國際證券識別編碼、或基金股份之計價幣別不符合，則該次申購將以基金股份的國際證券識別編碼為準。

本公司及/或管理公司有權利因任何原因接受或拒絕受理任何全部或部份申購。如果任何申購有全部或部份不被受理，則申購款項將退回投資人並由投資人自行承擔風險及成本。

除非正值本公司暫時停止計算資產的期間（請參照附錄 E），否則投資人不得取消申購請求。在這類情形下，只有在管理公司和/或服務代理機構於暫時停止計算資產期間結束之前收到書面通知，此申購撤銷方為有效。在此狀況下，申購款項將退回投資人。

對於任何申請人或投資人因其採行寄送任何申購書或是申購指示未被收悉（包括未收到的傳真申購書）所造成的損失，皆與本公司暨管理公司無關。

## 申購價格

在基金成立日，基金股份是總投資金額（加上任何適用的銷售手續費）以美金 10 元或是等值外幣提供申購。從成立日起，交易指示必須在任何交易日所適用的交易截止時間之前被服務代理機構收到並受理（詳見本基金公開說明附錄 A 之說明），以便股份可以交易日當天的基金淨值來交易（加上任何適用的銷售手續費）。申購價款必須在處理申購指示前被服務代理機構或是相關的承銷商以清楚的資金收到。在這類情形時，當資金被服務代理機構收到（加上任何適用的銷售手續費）時，則會以評價日判定的每股淨資產價值為基礎做處理申購指示。

除非公開說明書當地版本、提供給投資人的當地特定資訊文件、申請書或行銷文件另有說明，完整的基金股份申購指示是在交易日所適用的交易截止時間之後被服務代理機構或被正式授權的承銷商收到並受理時，則會以下一個評價日判定的每股淨資產價值為基礎做處理（加上任何適用的銷售手續費）。

每股淨資產價值將會被計算，請參照附錄E“股份淨資產價值的判定”之詳細說明。

本公司及/或服務代理機構或管理公司將在成交單通知記名投資人其所申購股份之價格（參照“成交單”章節）。

## 如何付款

款項應經由銀行匯款匯到由主辦承銷商所設立之銀行帳戶（詳細資料載於申購書）。款項得以股份類別之計價幣別支付。然而，在特殊情況下，款項可能經管理公司同意下以任何其他自由兌換貨幣，經必要的外匯交換作業由投資人付費並代表投資人做以上安排以支付。投資人以任何其他自由兌換貨幣付款時，會被特地告知此投資因通貨轉換之故，可能須延遲到次一評價日才能處理申購。

以盧森堡法令規定所適用的條款，本公司董事會也被授權接受全部或部份以實物形式接受申購。若投資人無法對資產提出清楚的所有權時，本公司有權對違約投資人採取行動。

股份的分配取決於是否已收到申購價金（包括任何適用的銷售手續費），以及必須於評價日的三（3）個銀行營業日（或當地基金相關文件或適用交易準則中規定的其他時限）之內支付，除非董事會有要求在申購被接受時或之前須收到申購價金。直到支付全額交割款項，其股份申請人得持有該等股份的合法所有權，凡股份申請人未能在截止日期，支付申購交割款項或提供完整的申請表（適用於初始申請），本公司及/或管理公司可以決定其贖回相關股份之申請人或他/她的分銷商成本。股份申請人可能被要求賠償本公司或委託經銷商因申請人的違約交割所導致的直接或間接成本或費用之任何損失，或在到期日之前，提交所需的文件。

當款項以電匯或是銀行轉帳時，管理公司對於價金匯款交易所發生的問題或有任何因轉帳指示的明細不充分或不正確所造成的結果，並無協解的責任。與電匯有關的銀行手續費得由匯款銀行、通匯銀行、代理機構或次代理機構從轉帳款項中扣除，並且收款銀行也得於該款項中扣除銀行手續費。

# 如何贖回股份

## 贖回指示

在任何基金任何類別的股份可在任何交易日贖回。股份贖回交易指示應以書面通知服務代理機構，或是若經許可得透過傳真、電話或電子方式確認。如果是聯名投資人投資組合其所有指示應由所有投資人簽名，除非被准予以唯一簽名授權方式或是已用授權書方式向管理公司或/和服務代理機構溝通。若贖回請求非以書面為之，管理公司得要求書面並簽名確認該交易指示，在此狀況下可能會為了收到該請求的書面確認而延誤處理。

於公司章程中規定範圍內，其包含的限制有當公司注意到股東(A)為美國人或持有該帳戶股份或受益的美國人；(B)持有股份違反任何法律或法規或可能對公司在監管上、稅

收、金錢或造成重大管理不利因素或其他重大不利或負面的影響，其股東或代表積極從事公司的投資管理及諮詢；(C)無法提供任何資訊或公司要求聲明，公司將(i)指示贖回該等股東持有的股份或轉換相關股份至其他具有資格或有權擁有或持有該股份之人或(ii)贖回相關股份。

贖回指示必須包含投資人個人投資組合號碼的明細、基金名稱、股份類別包括股份的國際證券識別編碼（得於以下富蘭克林坦伯頓基金集團網站查詢 <http://www.franklintempleton.lu>）、贖回股數/價值、結算幣別以及銀行帳號資料。如果贖回指示中的基金名稱、基金股份類別、基金股份的國際證券識別編碼、或基金股份之計價幣別不符合，則該次贖回將以基金股份的國際證券識別編碼為準。

任何涉及前次的股份贖回交易必須完成而且結算完畢，否則無法執行任何的股份贖回要求。

若因贖回要求而造成持股餘額低於美金一千元（或其他等值外幣）的情形時，則本公司及/或管理公司得將該持股餘額全數贖回，並將款項支付予投資人。

本公司有權不接受任一交易日超過任何基金 10% 的股份價值的贖回或轉換。在這些情況下，董事會可能宣佈延遲部份或所有這類股份的贖回，但不超過十個盧森堡銀行營業日，而相關之每股基金淨值將在股份贖回當天交易日評價。

對於任何申請人或投資人因其採行寄送任何贖回要求或是贖回指示未被收悉（包括未收到的傳真申購書）所造成的損失，本公司暨管理公司皆無須負責。

除非正值本公司暫時停止計算資產的期間（請參照附錄 E），否則投資人不得取消贖回請求。在這類情形下，只有在股務代理機構於暫時停止計算資產期間結束之前收到書面通知，此贖回撤銷方為有效。在此狀況下，申購款項將退回投資人。

## 贖回價格

完整的基金股份贖回指示必須在任何交易日所適用的交易截止時間之前被股務代理機構收到並受理（詳見本基金公開說明附錄 A 之說明），以便股份可以交易日當天的每股淨資產價值為基礎做處理（扣掉任何適用的或有遞延銷售手續費）。

除非公開說明書當地版本、提供給投資人的當地特定資訊文件、申請書或行銷文件另有說明，完整的基金股份贖回指示是在交易日所適用的交易截止時間之後被股務代理機構收到並受理時（詳見本基金公開說明附錄 A 之說明），則會以下一個評價日判定的每股淨資產價值為基礎做處理（扣掉任何適用的或有遞延銷售手續費）。

每股淨資產價值將會被計算，請參照附錄 E“股份淨資產價值的判定”之詳細說明。

## 贖回收益款項

支付贖回股份的款項將於股務代理機構收到有效的贖回指示並受理之後，不遲於五(5)個交易日（或當地基金相關文件或適用交易準則中規定的其他時限）之內付清，通常是以股份計價幣別將款項以匯款方式支付，除非另有指示。本公司及/或管理公司，經過仔細的盡職調查後，不負責任何收款銀行或交割結算系統所產生的任何延誤或費

用，也不負責可能由於某些國家或透過某些銀行，本地代理銀行，付款經銷商或其它經銷商因當地處理所需的時間而發生之交割延遲。如果在指示內要求，款項亦得以可自由兌換的貨幣支付，且由投資人負擔成本與風險予以完成。

假設有如附錄 E 所述的特殊情形，相關基金變現有困難，而無法將贖回收益依約於有效通知贖回要求後的從相關的評價日開始的五（5）個交易日（或當地基金相關文件或適用交易準則中規定的其他時限）之內支付，亦會將此款項儘快於合理的時日，以無收益償付。

本公司董事會亦被授權延長贖回款的支付期間，但其期間不超過三十（30）個盧森堡營業日，（在某些法律管轄區適用的時間可能較短），這是由於基金的大部份資產所投資國家之金融市場的交割與其他的限制，尤其是因基金投資目標與政策的規定，投資在開發中國家發行股權證券的基金。

所有款項支付將由投資人承擔一切風險，一切與股份承銷商、投資經理公司、管理公司及/或本公司無關。

### 銷售費用及手續費

如果股份購買後特定年期之內將股份贖回，則其贖回收益可能要收取或有遞延銷售手續費。或有遞延銷售手續費細節，敬請參考“股份類別”章節以及本公開說明書附錄 F 之說明。

### 以實物方式贖回

在事先取得相關投資人的同意以及基於股東平等待遇之原則，董事會可能同意對贖回收益款項之全數或部份以實物方式支付，藉由分配給贖回投資人的相關基金所持有投資組合證券其價值同等於贖回股份之淨資產價值。

## 如何轉換股份

轉換股份交易是指將投資人的持股轉換至同一基金的另一類別股份，或是轉換到另一基金的同類別股份或其他類別股份。投資人的持股需確保既有的及新增的基金或股份類別兩者皆符合最低投資的要求，則在原始股份類別做贖回隨即在新的股份類別做申購的交易才會被執行。

投資人在特定狀況下可能將本公司股份轉換到銷售手續費架構包括贖回所適用或有遞延銷售手續費費率類似的某些富蘭克林坦伯頓基金集團之其他基金的股份或單位。相關轉換資料如：哪些投資基金股份可提供轉換、流程細節、以及轉換規定與要件等資訊，請洽管理公司索取。

### A 股

在此單元並未針對特定股份類別有所限制，A 股得轉換到任何其他的基金或股份類別只要其符合該股份類別的投資人資格標準。

A 股採行或有遞延銷售手續費只能轉換到採用相同或有遞延銷售手續費之 A 股。股份的持有期間將繼續由新的股份類別承接，且該次的轉換交易並不須支付或有遞延銷售手續費。

## AS 股

AS 股只能轉換至持續提供相同幣別的其他基金之 AS 股，並依新加坡中央公積金局不時所規定的條件。

## C 股

C 股只能轉換至持續提供相同幣別及採用相同或有遞延銷售手續費的其他基金之 C 股。股份的持有期間將繼續由新的股份類別承接，且該次的轉換交易並不須支付或有遞延銷售手續費。任何其他股份類別不得轉換其股份至 C 股。

投資人須注意到此限制將可能侷限藉由轉換方式獲得其他基金股份的可能性，因為並非所有基金都提供 C 股，而且任一基金的 C 股可能隨時經董事會決議暫停提供。

## D 股

D 股只能轉換至持續提供相同幣別及採用相同或有遞延銷售手續費的其他基金之 D 股。股份的持有期間將繼續由新的股份類別承接，且該次的轉換交易並不須支付或有遞延銷售手續費。任何其他股份類別不得轉換其股份至 D 股。

投資人須注意到此限制將可能侷限藉由轉換方式獲得其他基金股份的可能性，因為並非所有基金都提供 D 股，而且任一基金的 D 股可能隨時經董事會決議暫停提供。

## I 股

在此單元並未針對特定股份類別有所限制，I 股得轉換到任何其他的基金或股份類別。只有法人機構投資人可以轉換其股份至 I 股。

## M 股

在此單元並未針對特定股份類別有所限制，M 股得轉換到任何其他的基金或股份類別只要其符合該股份類別的投資人資格標準。

## N 股

在此單元並未針對特定股份類別有所限制，N 股得轉換到任何其他的基金或股份類別只要其符合該股份類別的投資人資格標準。

## P1 股

在此單元並未針對特定股份類別有所限制的情況下，P1 股得轉換到任何其他的基金或股份類別。只有法人機構投資人可以轉換其股份至 P1 股。

## P2 股

在此單元並未針對特定股份類別有所限制的情況下，P2 股得轉換到任何其他的基金或股份類別只要其符合該股份類別的投資人資格標準。只有符合“股份類別”P2 股資格



要求條件的分銷商、經紀商/交易商、平台、法人機構投資人及/或其他投資人才允許轉換為 P2 股。

## S 股

依據本章所訂定之個別股份級別相關限制，S 股得轉換至任何基金或股份，惟持有相關股份之投資人必須符合相關股份類別的資格要求。投資人轉換股份成為 S 股，只能經由特定的分銷商、經紀商/交易商和/或專業投資人辦理，且該等機構必須符合 S 股相關資格要求，該等機構資格要求請參閱“股份類別”章節。

## W 股

在此單元並未針對特定股份類別有所限制，W 股得轉換到任何其他的基金或股份類別只要其符合該股份類別的投資人資格標準。只有投資人其為透過符合 W 股資格要求的中介機構、承銷商、銷售平台、以及/或經紀商/交易商來配銷可以轉換其股份至 W 股，該等機構資格要求請參閱“股份類別”章節。

## X 股

在此單元並未針對特定股份類別有所限制，X 股得轉換到任何其他的基金或股份類別只要其符合該股份類別的投資人資格標準。只有法人機構投資人可以轉換其股份至 X 股，且須符合載於“股份類別”章節的條件。

## Y 股

在此單元並未針對特定股份類別有所限制，Y 股得轉換到任何其他的基金或股份類別只要其符合該股份類別的投資人資格標準。只有法人機構投資人可以轉換其股份至 Y 股，且須符合載於“股份類別”章節的條件。

## Z 股

在此單元並未針對特定股份類別有所限制，Z 股得轉換到任何其他的基金或股份類別只要其符合該股份類別的投資人資格標準。只有同意透過中介機構、承銷商、銷售平台、以及/或經紀商/交易商來配銷可以轉換其股份至 Z 股，該等機構資格要求請參閱“股份類別”章節。

## 轉換指示

股份轉換交易指示應以書面通知股務代理機構，或是若經許可得透過傳真、電話或電子方式確認。如果是聯名投資人投資組合其所有指示應由所有投資人簽名，除非被准予以唯一簽名授權方式或是已用授權書方式向管理公司溝通。若轉換請求非以書面為之，管理公司和/或股務代理機構得要求書面並簽名確認該交易指示，在此狀況下可能會為了收到該請求的書面確認而延誤處理。

轉換股份無須申請表格。然而，個人投資人非透過經紀商/交易商而直接指示富蘭克林坦伯頓基金集團者，將須要填寫及簽署標準轉換表格（可自我們網站或依要求取得）。在投資人轉換股份之前，相關 KID 應提供予其參考。在適用之情形下，經紀商/交易商有責任提供適當的 KID 予投資人。請於轉換股份前經常與您的經紀商/交易商保持連繫。若您沒有經紀商/交易商，您可連絡管理公司或是當地的富蘭克林坦伯頓基金集團辦公室，其將提供相關 KID 之電子或書面資料予您參閱。

轉換指示必須包含投資人個人投資組合號碼的明細、轉換股份的股數/價值以及涉及的二支基金的基金名稱及股份類別包括股份的國際證券識別編碼（得於以下富蘭克林坦伯頓基金集團網站查詢 <http://www.franklintempleton.lu>）以及確認已提供相關 KID。如果轉換指示中的基金名稱、基金股份類別、基金股份的國際證券識別編碼、或基金股份之計價幣別不符合，則該次轉換將以基金股份的國際證券識別編碼為準。投資人得以於任何交易日申請股份轉換。

轉換至新基金的最低投資金額為美金一千元（或等值外幣）。任何指示導致持股餘額低於美金一千元（或等值外幣），則轉換不會被執行。

任何涉及前次的股份轉換交易必須完成而且結算完畢，否則無法執行任何的股份轉換要求。當申購之前的贖回被結算時，贖回收益將存放在本公司的收款銀行帳戶直到申購的結算。並無收益孳生使投資人受益。

任何不同基金計價幣別的任何轉換交易指示將在同一評價日完成。然而，在例外情況下，本公司或管理公司可能基於其判斷需要多一（1）個盧森堡銀行營業日來處理其幣別之轉換。本公司有權不接受任一評價日超過任何基金 10% 的股份價值的轉換。在這些情況下，轉換交易得被延遲不超過十（10）個盧森堡銀行營業日。這些轉換交易將優先以後續指示執行之。

在有限的特定狀況下，為了在特定的國家以及/或是透過特定的次承銷商以及/或是專業投資人銷售股份，本公司或管理公司可能要求多一（1）個盧森堡銀行營業日來處理轉換交易。在作業上可能要求多一日的的原因是當幣別轉換是必需時。

投資人不得撤銷其股份轉換交易指示，除非有發生本公司暫停資產評價的事件（敬請詳見附錄 E）。在此類事件，只有股務代理機構在暫停期間終止前收到投資人書面通知，則股份轉換交易指示的撤銷才會成立。如果股份轉換交易指示沒有被撤銷，則將會在暫停終止後的下一個評價日執行股份轉換。

## 轉換價格

完整的基金股份轉換指示必須在任何交易日所適用的交易截止時間之前被股務代理機構收到並受理（詳見本基金公開說明附錄 A 之說明），以便股份可以交易日當天的每股淨資產價值為基礎做處理。

完整的基金股份轉換指示是在交易日所適用的交易截止時間之後被股務代理機構收到並受理時，則會以下一個評價日判定的每股淨資產價值為基礎做處理。

轉換而得的股數將依據此相關轉換兩支基金或股份類別在轉換請求相關評價日的股份淨資產價值而予以計算。

## 轉換費用及手續費

轉換手續費採行收取不超出擬轉換基金價值的 1.00%，得適用在特定的國家以及/或是透過特定的承銷商以及/或是專業投資人銷售股份。如果適用此項收費，詳細資料已在本公開說明書或行銷資料的當地補充資料中說明。該類費用將於本公司計算股數後，支付款項時自動扣除。

在某些情形之下，從任何一支基金或股份類別做轉換會因兩種基金不同銷售手續費標準而須要補足收費差額，除非投資人可提出證明其於轉換之前已付清銷售手續費率的差額，即可免付此項費用支出。目前上述轉換費用或手續費差額將被支付給主辦承銷商，而主辦承銷商可能支付部分的差額給承銷商、中介機構、經紀商/交易商、以及/或是專業投資人。然而，本公司及/或管理公司也可能依其判斷決定豁免此項差額。

## 如何移轉股份

移轉股份交易的目的是將投資人的持股移轉給另一位投資人。

將移轉指示或已簽署之股份移轉表格交付給股務代理機構，則股份移轉方為有效。移轉指示必須由移轉人註明日期並簽署，若本公司或管理公司有需要，受移轉人或有權代理執行的人士也要在該移轉指示上簽署。

管理公司和/或股務代理機構受理移轉交易將按照移轉人所持有本公司接受的申請書，以及符合所有基金及股份類別的合格要求。

任何移轉股份的要求只有在所涉及股份的前次移轉交易已完成而且對收到的股份結算完畢後，才會被執行。

若因移轉指示而造成持股餘額低於美金一千元（或其他等值外幣）的情形時，則本公司及/或管理公司得將該持股餘額全數贖回，並將款項支付予投資人。

本公司的股份可自由轉讓。但依章程規定，董事會可以在其認為有以下必要狀況時作出轉讓限制：(a) 避免基金股份被違反任何國家或政府之相關法令的個人所持有、或 (b) 依董事會的意見，該人士持有基金股份可能導致本公司負擔任何稅賦責任或遭受任何不利。

股份移轉可能須遵從特定的條件，包含或有遞延銷售手續費。投資人須確保知悉所有適用於該股份的特定條件。

## 配息政策

有關所有發行配息股份的基金，本公司董事會企圖將所有可歸屬的收益實質地分配到配息股份。依據任何法律或是條例規定，配息也可能從這些基金的資本中支付。依據任何法律或是條例規定，董事會保有權利提出新的股份類別其可能保留並轉投資淨收益。

個別基金分別在年度受益人大會裡宣佈年配息。

有關任何基金的期中股份配息則視董事會及/或管理公司的決議來支付。

此外，在一般正常狀況下所預定的配息時間表如下表所示：

股份類別	股份名稱	配息頻率
配息 累積股份	A (acc), AS (acc), C (acc), D (acc), I (acc), M (acc), N (acc), P1 (acc), P2 (acc), S (acc), W (acc), X (acc), Y (acc) and Z (acc)	本類別不會發放配息，但其可分配的淨收益將反映在股份淨值的增加。
配息 發放股份	A (Mdis), AS (Mdis), C (Mdis), D (Mdis), I (Mdis), M (Mdis), N (Mdis), P1 (Mdis), P2 (Mdis), S (Mdis), W (Mdis), X (Mdis), Y (Mdis) and Z (Mdis)	在正常狀況下，本類別預計將每月發放配息（在每個月結束之後）。
	A (Qdis), AS (Qdis), C (Qdis), D (Qdis), I (Qdis), M (Qdis), N (Qdis), P1 (Qdis), P2 (Qdis), S (Qdis), W (Qdis), X (Qdis), Y (Qdis) and Z (Qdis)	在正常狀況下，本類別預計將每季發放配息（在每個基金財務季結束之後）。
	A (Bdis), AS (Bdis), C (Bdis), D (Bdis), I (Bdis), M (Bdis), N (Bdis), P1 (Bdis), P2 (Bdis), S (Bdis), W (Bdis), X (Bdis), Y (Bdis) and Z (Bdis)	在正常狀況下，本類別預計將每半年發放配息（正常在每年的 11 月及 5 月）。
	A (Ydis), AS (Ydis), C (Ydis), D (Ydis), I (Ydis), M (Ydis), N (Ydis), P1 (Ydis), P2 (Ydis), S (Ydis), W (Ydis), X (Ydis), Y (Ydis) and Z (Ydis)	在正常狀況下，本類別預計將每年發放配息（正常在每年的 11 月）

投資人必須在本公司訂定的過戶基準日當天列名在股東名冊上做為股利發放的對象，才能獲得配息。

除非申購書另有規定，記名配息股份之配息將正常地以轉投資方式申購基金的配息股份及類別。此配息轉投資之股份將於除息日發行。而配息轉投資時價格之計算方式與該基金其他發行股份在評價日當天之除息價格計算方式相同。畸零的股份將會計算到小數點以下三位數。配息轉投資時不加計任何手續費。不選擇配息轉投資方式之投資人只須在申請表之適當位置註明即可。若配息以現金發放，則此配息將以匯款或郵寄支票至登記地址方式發放給記名配息股份之持有者。股利配發所產生之任何費用將由投資人負擔。

若美金二百五十元（或等值貨幣）以下之配息由於資料遺失或支票未被如期兌現之故無法發放給記名投資人，本公司或管理公司保留自動將此配息與其日後附帶的配息轉投資之權利，直到收到該投資人充分之指示為止。

若配息已被宣佈但五（5）年內未被領取，則本基金依據盧森堡法律有權宣佈沒收配息，並將未付之配息歸為該基金之收益。

任何基金配息之宣佈，本公司董事會及/或管理公司有權決定，所發放之收益乃取決於已實現或未實現資本利得以及就基金由首次認繳資本中分派未扣減費用之收益，與資本損失之增加或減少無關，亦可能為部分之發行股份或再申購股份所獲得之投資所得和資本利得。

配息發放並非是保證的，本公司基金不支付利息且基金的價格及其獲利皆會上下波動，任何配息發放會因發放之額度而降低基金股份之價值，未來之報酬及投資表現受到許多因素的影響，包括匯率改變，並非本公司、公司董事會、管理階層、管理公司或其他任何人所能控制。本公司或其董事、管理階層、管理公司、富蘭克林坦伯頓基金集團、或任何海外分公司或其董事、管理階層、職員皆無法保證未來之績效表現及報酬。

## 收益平準

本公司基金採用平準原則之會計處理方式，一部分收益來自股份申購及贖回成本，相當於在交易當天，以每股為基礎之未分配投資所得金額。因此，每股未分配投資所得並未受到股份之申購或贖回的影響。然而，關於任何基金只提供累計股數，董事會及/或管理公司則保留不適用平準原則之權利。

## 管理公司報酬

管理公司基於其提供之管理公司和輔助服務，將向本公司收取相關股份之淨資產價值的最高0.20%年度費用、加上一個依相關股份類別於超過一（1）年期間的投資人戶數計算的額外費用金額（由固定及變動組成項目組合）。管理公司和輔助服務包括但不限於為本公司提供投資風險管理和治理服務（包括但不限於監督基金委託活動的執行情況、合規與法律服務、洗錢防制、監管、內部稽核、公司、註冊和行政職能）。這些報酬將由本公司每日計算並按月支付之。該年度費用包括支付給(i)摩根歐洲盧森堡分行擔任行政代理機構向本公司提供服務的任何報酬，以及(ii)支付Virtus Partners Fund Services Luxembourg S.à r.l對本公司提供註冊及服務代理機構的服務。

根據2010年12月17日法令第111bis條，管理公司已建立並適用一致的薪酬政策，並促進健全及有效的風險管理。這些政策及實務上並不鼓勵風險承擔與風險承受度、公開說明書或公司章程不一致，並且不得有違管理公司之作為需為公司最佳利益的職責。

薪酬要求之規定適用於員工的類別，包括資深管理階層、風險承擔者、控制功能單位、以及任何員工收受報酬總額與資深管理階層和風險承擔者均納入相同的之考量，該等人員其專業活動對管理公司或本公司之風險承受產生重大影響。薪酬包括固定（主要是基本薪資）和變動（年度獎金）部分。年度獎金（得以現金，股票獎勵或兩者的組合來支付）其依賴於整體富蘭克林公司（“FRI”）企業表現，是由薪酬委員會批准，並且參考相關個人的實際表現予以發放。獎金的顯著部分可遞延至少三年，並受支付獎金的追索性條款規範。

最新的薪酬政策，包括但不限於，描述薪酬福利的細節如何計算、與永續發展風險整合如何一致，給予薪酬及福利的權責人員，包括薪酬委員會組成之人員身份，得於<http://www.franklintempleton.lu> 網站線上查詢，點選“Our Company”中的“Regulatory Information”標籤（可要求免費提供紙本）。

## 投資經理費用

管理公司在整年度內可從本公司按月收取相當於個別基金每日調整後淨資產的特定年率百分比的投資管理費用。投資管理費用明細，請詳見附錄F。投資經理公司將由管理公司給予其自本公司所收取之投資管理費用以為報酬。

在特定的公司相關文件以及/或是電子媒體，為方便於行政管理/比較起見，上述的相關投資管理費用加上個別股份類別所適用的維護費用得被聯合起來以“年度管理費用”表示。

管理公司及/或投資經理公司有時可能支付部分的投資管理費用給不同的次顧問公司、次承銷商、中介機構、交易商，專業投資人以及/或是相似單位（其可能是富蘭克林坦伯頓基金集團的一部分或者可能不是）。此類付款的用意是為了補償前述次承銷商、交易商或中介機構所提供之銷售服務或其他投資人服務（包含但不限於與投資人持續進行的溝通資訊、交易執行及/或其他投資人行政服務的改善）。若有任何對前述付款之進一步資訊的需求，應由投資人向其相關中介機構提出。

為獲得最好的投資執行效果，投資經理公司可能支付投資組合交易費用給經紀商，作為其提供投資研究與執行的報酬。這些研究資訊可以作為投資經理公司自己所作的研究之補充並提供其他機構的研究觀點。這些服務並不包括投資經理公司支付的旅遊、住宿、娛樂、行政用品或服務、辦公設備或場所、會員費、員工薪資、或其他直接費用。

在對本公司與投資經理公司之客戶有直接且顯著的利益、投資經理公司相信支付上述交易相關費用是基於誠信基礎、嚴格遵循適用的法令規定且對本公司有最大利益時，投資經理公司得與非個人的經紀商機構簽訂上述費用的軟酬傭契約。任何這類契約必須由投資經理公司以符合最佳市場慣例的條件簽訂。對上述費用的使用應揭露於定期報告中。

## 其他公司收費及費用

主辦承銷商可能收取任何適用的銷售手續費，以不超過總投資金額的5.75%為上限。銷售手續費不能超過任何股份出售國家的法律、條例或施行慣例所允許的上限規定。

主辦承銷商可與不同的次承銷商、中介機構、經紀商/交易商以及/或是專業投資人簽訂合約以將股份分銷到美國境外。支付給各次承銷商、交易商或其他中介機構的費用或手續費款項得自維護手續費或其他通常是支付給主辦承銷商的相關類似費用中支付。此類付款的用意是為了提升銷售或其他提供給投資人之服務（包含但不限於與投資人持續進行的溝通資訊、交易執行及/或其他投資人行政服務的改善）的品質。

伊斯蘭教律監督委員會有權就所提供各基金的伊斯蘭教律諮詢服務，從各基金的費用

中收取每檔基金 15,000 美元的年費。

IdealRatings, Inc. 以伊斯蘭股票篩選供應商的身份收取年度費用 10,000 美元，並額外加收相當於本公司管理的股票型基金總資產 0.05% 的金額。

為本公司提供保管服務的摩根歐洲盧森堡銀行將依照各基金投資屬性的不同而收取年度保管費，費率範圍為各基金之淨資產價值的 0.001% 至 0.005% 之間，有些基金的年度保管費率可能較高係因其投資目標及政策係涉及投資於開發中國家的股權證券，詳細資料可參考基金年報相關之總費用比率。保管費乃由本公司每日計算並按月支付。

以上費用不包括銀行、經紀商、本公司資產與負債交易相關費用、其他各種本公司合理的費用、以及隨時可能發生的本公司應支付的各項服務費用。已支付的各種費用將登記於本公司的財務報表上。

本公司負擔的其他營運成本包括（但不限於）下列各項費用：如證券買賣的成本、政府與法定收費、法律顧問和查帳費用、報告與公告支出、郵資、電話及傳真等費用，每日於估計及計算各基金的資產淨值之時計算之。本公司可能隨時支付一定金額的費用給管理公司使其分配予次承銷商、中介機構、交易商以及/或是專業投資人，作為在銷售平台上廣為銷售某些基金的報酬。這些成本可能由在這些銷售平台上銷售的基金來分攤。

依據上述的所有手續費及費用不包括增值稅及其他應課徵之稅項，其應由基金視要求而做支付。

## 分銷及維護費用

### 分銷費用

分銷費用的適用端賴所投資的股份類別而定。該費用適用於平均淨資產價值，並支付予主辦承銷商以及/或是其他相關單位，以彌補主辦承銷商以及/或是其他單位有關銷售股份以及處理或有遞延銷售手續費產生的任何財務成本及費用。這項費用每日計算且按月扣除並支付予主辦承銷商以及/或是其他相關單位。

本公司已承諾以載於附錄 F 的費率支付主辦承銷商或其他相關第三方扣除任何稅款的分銷費用淨額。若上述款項中有任何應付稅款，則可能調升分銷費用的金額以確保該項協議的款項能以淨額支付給主辦承銷商或其他相關第三方。截至本公開說明書之日期為止，董事會並無理由相信有任何稅款應由分銷費用中徵收。

分銷費用明細，請詳見附錄 F。

### 維護費用

每年平均淨資產價值的一定比例的維護費用，將被扣除或支付予主辦承銷商，以補償主辦承銷商對股份所做有關股份持有人之連繫與行政事務所衍生的費用以及處理或有

遞延銷售手續費。這項費用每日計算且按月扣除並支付予主辦承銷商。

主辦承銷商可能將部份或全部的維護費用給付給不同的次承銷商、中介機構、經紀商/交易商、投資人或特定投資團體。也能依本身的單獨判斷，將全部或部份的維護費用支付予滿足特定條件的機構投資人包括最小投資金額。

維護費用明細，請詳見附錄 F。

## 本公司稅賦

以下資訊是基於盧森堡大公國現行的法律、法規、決定和實務及其中甚或有追溯效力可能性的變動。本摘要並非旨在全面介紹可能與投資決定、擁有、持有或出售股份相關之盧森堡稅法及盧森堡稅務考量，且並非企圖對任何特定投資人或潛在的投資人提供稅務意見。本摘要並沒有敘述除了盧森堡大公國以外的任何國家、地區或其他稅務管轄區之法律所產生的任何稅務後果。投資人應自行了解，並在適當的時候向專業顧問諮詢依據其國家對公民、居民、設籍者或公司的法律規定，對於有關申購、買回、持有或是處置股份的可能稅務結果。

本基金的利潤或收入無需支付盧森堡的稅捐及不受盧森堡大公國法律淨財富稅之規範。

然而，本基金每年必須繳納淨資產價值的 0.05% 給盧森堡作為稅捐，此筆稅捐應以每月曆季的季終資產淨值計算，分季納稅。這個稅捐並不適用於基金其他已繳納該稅捐的投資部位。若此股份類別的所有投資人個別皆為機構投資人，則 I 股、X 股及 Y 股基金也可能符合調降稅率 0.01% 的條件。

本基金所發行的股份，無需支付盧森堡印花稅及其他稅捐。於公司成立或本公司章程修訂時需支付 75 歐元之註冊費用。

依據目前法令規定和實務，在盧森堡無需繳納本公司已實現或未實現資本增值的稅捐。

本公司已在盧森堡作增值稅的登記並依據相關法規負擔增值稅。

本基金自不同來源所獲的投資收入或資本增值可能以其來源國家之稅務規定。依各種稅率納稅，本公司可能自盧森堡與其他國家所訂的雙重課稅條例中受到優惠。

## 預扣稅

本公司之配息在盧森堡大公國無須支付預扣稅。



## 投資人稅賦

投資人應注意某些股份類別得分派資本、已實現和未實現淨資本利得，以及未扣減費用之收益。此可能導致投資人收取高於其原應收取的股息，因此投資人可能須承受較高的所得稅負擔。此外，在一些情況下，此可能意味著基金是從資本屬性而非收益屬性來分派股息。這類股息就稅務目的可能仍被視為落入投資人手裡的收益分派（取決於當地的稅務法規規定）。投資人應就此尋求專業稅務諮詢。

### 盧森堡

投資人目前無須在盧森堡繳納資本利得、收益、代扣稅、贈禮、房地產、繼承或其他稅捐（於盧森堡有永久居留權、盧森堡居民、或在盧森堡有常設機構的人士除外）。

### 金融帳戶資訊自動交換

2014 年 10 月 29 日，盧森堡大公國簽署有關實施自動交換金融帳戶資料全球標準的「多邊主管當局協定（Multilateral Competent Authority Agreement，或稱做“多邊協議”）。透過簽署多邊協議，盧森堡同意實施有關規定，以實現與其他多邊協議簽署國自動交換資料。

2014 年 12 月 9 日，歐洲理事會通過了第 2014/107/EU 號稅收領域行政合作指令。第 2014/107/EU 號令訂明了有關**歐盟成員國**之間的帳戶資料自動交換事宜，有關 2016 曆年所持帳戶的報告已於 2017 年開始。在透過 2015 年 12 月 18 日盧森堡法律（稱做“2015 年法令”）有關金融帳戶資料自動交換的稅務事項規定，第 2014/107/EU 號令已然實行且其自 2016 年 1 月 1 日起生效。

投資人應注意本公司依盧森堡法律規定須就居住於歐盟成員國或簽署多邊協議的司法管轄區的帳戶持有人之特定帳戶的詳細資料作出申報。根據第 2014/107/EU 號令及多邊協議，盧森堡稅務局可與其他歐盟成員國及簽署多邊協議的司法管轄區（視乎帳戶持有人的稅務居住地）的稅務局共享該等帳戶資訊。可能作出申報的資訊包括：以個人為例，得申報個人的姓名、地址、稅籍編號、出生日期及出生地、帳戶餘額以及相關申報期間的帳戶支出或收入的總額。

前述事項僅為第 2014/107/EU 號指令、“多邊協議”和“2015 年法令”涵義的摘要，係依據截至目前為止的解釋，且並不表示已涵蓋該法規的全貌。前文並非投資或稅務建議，投資人應該尋求財務或稅務的諮詢以了解該第 2014/107/EU 號指令、“多邊協議”和“2015 年法令”的完整解釋。

## 外國帳戶稅收遵從法（簡稱 FATCA）

外國帳戶稅收遵從法（以下簡稱 FATCA）是美國國稅法的修訂法案，在 2010 年被頒布，而許多的施行細則將於 2014 年 7 月 1 日起開始生效。基本上，FATCA 要求美國境外的金融機構（“外國金融機構”或“FFIs”）提供美國內地稅務局（“IRS”）關於特定美國人所直接或間接持有的金融帳戶資訊。特定種類的美國來源收益在支付給沒有符合 FATCA 規定的外國金融機構時，將被課徵 30% 的預扣稅款。於 2014 年 3 月 28 日，盧森堡大公國已與美國簽訂 Model 1 模式的跨政府合作協議（IGA）及其備忘錄。當實施為了遵守 FATCA 細則的 2015 年 7 月 24 日有關於 FATCA 的法令（“FATCA 法令”）的盧森堡法律而非直接遵守美國財政部執行 FATCA 的規範時，本公司將因此而必須遵守此盧森堡 IGA。在 FATCA 法令及盧森堡 IGA 規範下，基於 FATCA 目的，本公司將被要求收集足資辨識其直接與間接股東是美國人的資訊（“應申報帳戶”）。任何提供予本公司的此類應申報帳戶資訊將被盧森堡稅務機關所分享，而依據 1996 年 4 月 3 日在盧森堡由美國政府與盧森堡大公國政府對有關收益及資本的賦稅之雙重課稅的避免與財政逃稅的預防所簽訂兩國間慣例第 28 條規定，盧森堡稅務機關基於前揭規定自動地交換該資訊給美國政府。本公司打算遵守於盧森堡法令下施行的 FATCA 法令以及盧森堡 IGA 的細則，成為視同符合 FATCA 規定，因此有關本公司股份其緣於本公司實際以及視同美國資產的任何此類款項支付將無須受 30% 預扣稅之拘束。本公司會持續地評估 FATCA、尤其是於盧森堡法令下施行的盧森堡 IGA 對本公司所定要件的範圍。

富蘭克林坦伯頓國際服務有限公司擔任本公司管理公司的職責下，為確保本公司遵循前述之 FATCA、FATCA 法令及盧森堡 IGA 規範，得：

- a. 要求資訊或文件，包括：W-8 申報表格、全球中間機構識別碼（若適用時），或是任何其他股東與美國內地稅務局（IRS）的 FATCA 註冊有效證明或是相應的豁免文件，以便查明這類股東的 FATCA 身分；
- b. 向盧森堡稅務主管機關申報關於股東及其持有於本公司的帳戶之資訊，如果這類帳戶在 FATCA 法令以及盧森堡 IGA 規範下視為美國應申報帳戶；以及
- c. 向盧森堡稅務主管機關申報關於款項支付予具有未參與外國金融機構 FATCA 身分之帳戶持有人的資訊。

### 英國

本公司所發行的特定股份類別打算符合具備有關境外基金就英國稅收立法目的之“申報”資格的條件。在英國網站：<http://www.franklintempleton.co.uk> 將提供此年度報告供投資人參閱。適用的基金股份類別清單可在本公司的註冊辦公室取得。此資訊亦可在前揭網站取得或是向本公司的註冊辦公室索取。

## 會議及報告

每年的 3 月 31 日在本公司註冊營業處所舉行年度會議，若是這天非盧森堡銀行營業日，則為 3 月 31 日往後推的盧森堡銀行營業日。一般會議通知和其他通知（其中應包括會

議的地點和時間、准予出席情況、議程，法定人數和投票要求）須遵循盧森堡法令。所有會議之出席人數、法定人數以及多數表決的要求訂定於本公司章程裡。董事會得根據本公司章程和適用法令及法規決定於另一日期、時間或地點舉行年度大會，並以通知信方式通知股東。

已審核年報及未審核半年報將可於以下富蘭克林坦伯頓網址取得：<http://www.franklintempleton.lu>，或是向本公司或管理公司註冊營業處所索取；並於當地法規有此要求時發送給登記股東。完整的已審核年報及未審核半年報可至本公司或管理公司註冊營業處所索取。本公司之會計年度截止日為每年的10月31日。

## 投資人投票權

在任何本公司的股東大會，每位股東所持有的每一完整股份皆享有一票，不管什麼股份並且與股份類別的每股淨資產價值無關。

任何特定基金或股份類別的股東享有在該特定基金或股份類別所召開的任何不同的股東會為其所持有的每一完整股份投一票，不管什麼股份並且與股份類別的每股淨資產價值無關。

如果是聯名股東時，只有第一記名股東得投票，其為本公司得視為所有聯名股東的代表，除非另有股東已被所有聯名股東明確地提名或是已給予書面授權書。

本公司及管理公司提醒投資人注意，任何投資人僅能夠直接向本公司行使其投資人權利，特別是如果投資人自己登記參加股東大會並以本公司股東名字登記。如果投資人透過中介機構以其名義投資本公司而不是代表投資人的名義投資本公司，投資人不可能總是能直接對本公司行使特定股東權利。建議投資人就其權利提供建議。

## 查驗文件備取

在本公司或管理公司註冊營業處所可索取文件副本。

## 附錄 A—標準交易截止時間

除非在當地的公開說明書補充資料中有特別揭露，否則任何協議書或行銷資料、基金申購請求、贖回或轉換（以上稱為「交易」）在下表所列評價日的適當的交易截止時間之前被富蘭克林坦伯頓基金集團各地辦公室所收到的交易，將可以該交易日所計算的基金股份淨值來交易。

### 標準交易方式

（如果管理公司明確允許，則採用書面、電話、傳真或電子請求（包括電子郵件））

#### 盧森堡辦公室

主要涵蓋國家及地區	相關股份計價幣別交易截止時間	相關股份之其他可接受幣別交易截止時間	避險股份交易截止時間
本公司已註冊銷售的國家皆涵蓋在內，但不包含下列的其他當地富蘭克林坦伯頓基金集團辦公室	18:00 CET	18:00 CET	18:00 CET

#### 法蘭克福辦公室

主要涵蓋國家及地區	相關股份計價幣別交易截止時間	相關股份之其他可接受幣別交易截止時間	避險股份交易截止時間
● 奧地利	16:00 CET	16:00 CET	16:00 CET
● 德國			
● 瑞士			
● 荷蘭	18:00 CET	18:00 CET	18:00 CET

#### 新加坡辦公室

主要涵蓋國家及地區	相關股份計價幣別交易截止時間	相關股份之其他可接受幣別交易截止時間	避險股份交易截止時間
● 香港	16:00SGT	16:00 SGT	16:00 SGT
● 澳門			
● 新加坡			
● 南韓			

### 美洲辦公室

主要涵蓋國家及地區	相關股份計價幣別交易截止時間	相關股份之其他可接受幣別交易截止時間	避險股份交易截止時間
加勒比海地區 拉丁美洲	16:00 EST	12:00 EST	12:00 EST

### 電子交易

（SWIFT、與富蘭克林坦伯頓基金集團的直接電子連線或透過富蘭克林坦伯頓基金集團的電子服務（如果管理公司允許））

主要涵蓋國家及地區	相關股份計價幣別交易截止時間	相關股份之其他可接受幣別交易截止時間	避險股份交易截止時間
任何可銷售本公司股份的地區以及/或有電子服務的地方	22:00 CET	22:00 CET	18:00 CET

若投資人所在的國家與地區不在上表中，但其所在國家與地區依據相關法令是可以交易本公司基金者，應與其最近的富蘭克林坦伯頓基金集團辦公室的客戶交易服務代表聯繫。該資訊可以在以下網址查閱：<http://www.franklintempleton.lu>。

### 時區縮寫定義：

CET（Central Europe Time）：中部歐洲時間

EST（Eastern Standard Time (USA)）：美國東部標準時間

SGT（Singapore Standard Time）：新加坡標準時間

## 附錄 B—伊斯蘭教義準則

除了附錄 C 中規定的投資限制外，基金的業務應隨時根據以下準則進行管理。一般而言，符合伊斯蘭教義的投資乃指符合伊斯蘭教的合約和投資準則（該準則應由伊斯蘭教律監督委員會決定）。在投資目標和政策的限制下，基金只能投資於經伊斯蘭認可公司(Halal)之可轉讓證券，不得投資於以下被禁止的部門(Haram)：

- 製造或分銷酒精或煙草產品；
- 遊戲或賭博；
- 透過任何媒介型式製作或發布純粹為娛樂目的之內容；
- 製造或分銷武器和國防相關產品；
- 生產、加工、包裝或其他活動與豬肉或豬肉產品相關，及其他未被伊斯蘭教義明確定義為可接受的肉類和家禽相關業務活動；
- 傳統的銀行業務、保險或任何其他利息相關的金融服務活動；
- 製作或發行淫穢宣傳品。

### 符合伊斯蘭教義的篩選

#### 1. 股票及不動產投資信託篩選

符合伊斯蘭教義的股票及不動產投資信託篩選將僅適用於公司旗下的股票型基金。

股票篩選供應商 IdealRatings 將會執行對伊斯蘭股票篩選。公司未來有可能與伊斯蘭教律監督委員會協商後，於適當時機更換伊斯蘭股票篩選供應商。

IdealRatings 已同意依公司的伊斯蘭教律監督委員會的要求及如下文所述的標準，每季提供公司篩選名單，並接受本公司伊斯蘭教律監督委員會適時的建議。

經同意的股票及不動產投資信託（REITs）篩選標準包括以下內容：

#### 商業活動篩選：

對於以下活動產生的營業收入佔總收入 5% 以上的公司或不動產投資信託所產生的收益不得投資(累積計算所有以下活動)。這些活動被認為是“禁止的活動”。伊斯蘭金融機構從金融服務中獲得的收益不會被視為禁止活動的收益。伊斯蘭金融機構將不受以下財務審查範圍內。

#### 禁止的活動：

酒精：釀酒商，酒商和酒精飲料生產商，包括啤酒和麥芽酒生產商，酒吧和酒館的所

有者和經營者。

煙草：香菸和其他煙草產品製造商和零售商。

賭博/賭場：賭場和賭博設施的所有者和經營者，包括提供彩券和賭博服務的公司。

音樂：音樂的製作者和發行者，無線電廣播系統的所有者和經營者。

電影院：從事電影和電視節目製作、發行和放映的公司，電視廣播系統的所有者和經營者以及有線或衛星電視服務提供商。

國防/武器：軍事航空和國防設備、零件或產品的製造商，包括國防電子和太空設備。

豬肉相關產品：涉及豬肉產品製造和零售的公司。

傳統金融服務：商業銀行涉及零售銀行、企業貸款和投資銀行業務；涉及抵押和抵押貸款相關服務的公司；金融服務提供者，包括保險、資本市場和特殊金融；信貸機構；證券交易所；專營店；消費金融服務，包括個人信貸、信用卡、租賃融資，與旅行有關的金錢服務和典當行；主要從事投資管理，相關保管和證券收費服務的金融機構；公司從事共同基金、封閉式基金和單位投資信託基金；主要從事投資銀行和經紀服務的金融機構，包括股權和債務承銷、兼併和收購；證券借貸和顧問服務機構；以及保險和再保險經紀公司，包括提供財產、傷亡、生命、殘疾、補償性或補充性健康保險的公司。

成人娛樂：成人娛樂產品及其活動的所有者和經營者。

如適當，本公司保有在徵得伊斯蘭教律監督委員會建議和同意的情況下調整上述業務活動篩選標準的權利。

#### 財務條件篩選：

伊斯蘭教投資原則不允許投資於因利息或過度槓桿而產生顯著收益的公司(超過 5%)。對於不動產投資信託，傳統投資產生的付息收入總和不得超過淨收入的 5% 或過度槓桿的定義如下：

- (a) 傳統債務總額佔總資產不得超過 33.33%；
- (b) 公司現金及付息證券佔總資產不得超過 33.33%；
- (c) 公司應收帳款和現金佔總資產不得超過 33.33%。

沒有一個財務比率可以超過上述閾值。如果有任何財務比率超過上述閾值，證券將被視為不符合財務條件篩選。

對於不動產投資信託：傳統債務總額不得超過不動產投資信託的財務報告所揭露由獨立第三方評估的資產市場價值的 33%。如果無法獲得獨立第三方提供的資產市場價值，或資產的市場價值低於帳面價值的資產，則以帳面價值進行篩選。對於美國、加拿大和日本的不動產投資信託，不動產投資信託的資產評價採用企業價值 (EV)，計算公式如下： $EV = \text{平均過去 12 個月普通股} + \text{特別股} + \text{負債} + \text{少數股東權益} - \text{現金的市場價}$

值。

不允許固定收益特別股投資。

本公司有權根據本公司伊斯蘭教律監督委員會的意見和同意，適當調整上述財務比率。

#### 其他被允許的投資

- 1) 伊斯蘭貨幣市場工具
- 2) 符合伊斯蘭教義的 UCITS 的單位或股份
- 3) 任何信貸機構的伊斯蘭存款 - 如果沒有伊斯蘭存款帳戶，那麼基金的現金必須存入無息帳戶
- 4) 符合伊斯蘭教義的金融衍生性工具 - 僅限用於避險目的

附註：以上列表並不意味詳細無漏。由於伊斯蘭金融市場持續演進，若有新種投資工具被伊斯蘭教法監事會(SSB)視為符合伊斯蘭教義，基金經理人即可被允許投資該工具。

## 2. 伊斯蘭債券篩選

選擇伊斯蘭債券的特定標準主要乃遵循伊斯蘭金融機構會計和審計組織(AAOIFI)伊斯蘭教義的準則。這些標準將符合波灣合作委員會(GCC)和馬來西亞伊斯蘭證委會諮詢委員會之規範。

此外，被伊斯蘭教律監督委員會選擇篩選伊斯蘭債券的提供商是 IdealRatings, Inc.。本公司可能會與伊斯蘭教律監督委員會協商後，酌情選擇在未來更改其伊斯蘭教教義篩選提供商或伊斯蘭債券規則手冊。

如果伊斯蘭教律監督委員會要求修改伊斯蘭準則，應給予公司和投資經理人一段合理時間，更改公開說明書以符合任何法律和法規的規範。

### 被禁止收入的淨化

伊斯蘭教律監督委員會將不定時發布準則，以統計基金收入中每年應該捐贈給慈善機構的金額，投資應依據公開說明書所載的投資目標、政策及限制所規範，若是從事不符合伊斯蘭準則或並非伊斯蘭教義限制所篩選出來的活動，其金額將根據淨化比率按年計算，並以每個目標公司的股息支付百分比呈現。這些金額將會被捐給慈善機構，並於公司的年報中詳細列示。任何此類(禁止收入項目)金額將於被實際判定時予以扣除，並不會有預期應收的款項發生。

### 慈善捐款 Zakat



這是指穆斯林通過支付慈善捐款(Zakat)來淨化資產。本基金不代表穆斯林投資者支付慈善捐款(Zakat)。每個穆斯林投資者應負責支付其各自的資產淨化。

## 附錄 C—投資限制規定

### 投資限制規定

各基金的資產應按照以下投資限制和政策進行管理，假如是為了本公司之最佳利益，這些限制與政策得隨時由董事會修改，在此情形下公開說明書亦將隨之更新。

各基金必須遵循由盧森堡法律所制定的投資限制，在以下第 1.e)段落中所述的這類限制亦整體適用於本公司。

然而，董事會、管理公司及投資經理公司（根據伊斯蘭教律監督委員會的建議）已決定，額外投資限制將隨時適用於本公司各基金，詳見附錄 B 之伊斯蘭教義準則，並隨時可能修改。

#### 1. 對可轉讓證券與流動性資產的投資

a) 本公司將投資於：

- (i) 2004年4月21日的歐盟議會和理事會的金融市場工具指令 2004/39/EC 在受管轄市場的定義範圍內所認可或交易之可轉讓證券以及貨幣市場工具，及/或；
- (ii) 在成員國之其他受管轄、運作合乎伊斯蘭教律且被認可的公開市場交易中交易的可轉讓證券以及貨幣市場工具；
- (iii) 於其他非成員國被認可的證券交易所受允許公開上市或是在非成員國之其他受管轄、運作合乎規律且被認可的公開市場交易中交易的可轉讓證券以及貨幣市場工具；
- (iv) 最近發行之證券以及貨幣市場工具，其發行條件中保證將取得於證券交易所或其他受管轄市場上市交易之核准，或是於其他如 (i)、(ii)、(iii) 項所列之國家或地區的受管轄、運作合乎規律且被認可的公開市場的交易核准，此核准須於申購一年內取得；
- (v) UCITS 的單位或/及其他 UCIs，無論其是否為在成員國境內，只要符合以下條件：
  - 此其他 UCIs 經任何成員國家法律授權，或遵循其他法律者，惟該法律須規定他們係受到經盧森堡主管機關認為具有相當於歐盟法律所規範的監管效力且完全確保其主管機關間的合作，
  - 此其他 UCIs 對股東的保護程度與 UCITS 提供給股東的保護程度相等，特別是關於資產分隔、借、貸、可轉讓證券以及貨幣市場工具

之無擔保銷售的規則須與2009年7月13日的歐盟議會和理事會指令2009/65/EC的要求相當，

- 此其他UCIs的業務將在半年報或年報中做出報告，提供在報告期間資產及負債、收入及營運的估計，
- 收購完畢之UCITs或其他UCIs，依其組織文件規定，可集合投資於其他UCITs或其他UCIs的資產不得超過10%；

為了這個限制的目的和下列1.f)中所述的限制，以下定義適用：

“UCITs”是指依照歐盟議會指令2009/65/EC和2009年7月13日理事會修訂指令所授予得合格從事可轉讓證券的集合投資事業；

“其他UCI”是指依照歐盟議會指令2009/65/EC中章節1第二段a)及b)點和2009年7月13日理事會修訂指令所定義之集合投資事業。

- (vi) 在信用機構的存款，在需要時可以返還或有提款的權利，且於12個月內到期，惟該信用機構是在成員國有註冊辦公室，或其註冊辦公室雖在非成員國家，但其遵守盧森堡主管機關所認可之相當於歐盟法的嚴謹的規則；
- (vii) 在以上(i)到(iv)點中之受管轄市場交易的金融衍生性商品，包括約當現金結算工具，或在櫃檯買賣市場交易的金融衍生性商品（櫃檯買賣市場衍生性商品），只要：
  - 連結之標的包含本附註1.a)金融指數、匯率或貨幣，基金依照其投資目標得投資之標的，
  - 櫃檯買賣市場衍生性金融商品的交易對手為嚴謹監督之機構，並屬於經盧森堡主管機關核准之類別，
  - 櫃檯買賣市場衍生性金融商品經過可靠且可鑑別的每日評價，且可隨時由本公司主動依公平市價賣出、清償、或平倉，及/或
- (viii) 非在受管轄市場交易且為1.(a)中之之合乎伊斯蘭教律的貨幣市場工具，然而該投資工具之發行或發行者接受保護投資人及儲蓄之規範，且此工具為：
  - 由中央、地區或地方當局、歐盟會員國之中央銀行、歐洲央行、歐盟或歐洲投資銀行、非結盟國家（若為聯邦政府，須是組成聯邦的成員之一）、有一個以上會員國參與之公開國際組織發行或提供保證，或
  - 經已在上述受管轄市場交易之證券為標的之約定發行，或
  - 經嚴謹監督遵守歐盟法之機構，或遵守經盧森堡當局認定與歐盟法同等嚴格之規則之機構，提供發行或保證，或
  - 由盧森堡監督當局核准之其他團體發行，惟該投資工具符合等同保護投資人之規章第一條、第二條或第三條之規定，且該發行公司資本額及準備金至少1千萬歐元，且依據78/660/EEC第四命令發布年報，並且參與一家或多家公司、且至少有一家專精於受益於銀行流動額度的融通債權工具的公司團體。

- b) 本公司得投資 10% 以下之基金淨資產於符合上述資格以外之可轉讓證券及合乎伊斯蘭教律的貨幣市場交易的工具、
- c) 各基金可持有少量流動資產、
- d) (i) 不得將超過 10% 的淨資產投資於同一家公司的證券及合乎伊斯蘭教律的貨幣市場工具。本公司之個別基金不得投資超過淨資產價值 20% 以上於同一公司所發行之存款。基金公司在櫃檯買賣市場衍生性金融商品中對同一交易對手之曝險總額，若該交易對手為 1. a)(vi) 項提及之信用機構，則不得超過資產價值 10%，若為其他機構，則不得超過資產價值 5%。
- (ii) 該基金持股超過其淨資產價值 5% 以上的各個發行公司持有的可轉讓證券及合乎伊斯蘭教律的貨幣市場工具總值不得超過該基金淨資產價值的 40%。該限制不適用於嚴謹規範的金融機構發行之存款及櫃檯買賣市場衍生性金融商品交易。

雖然 1. d)(i) 段落提及個別限制，基金不得同時含有：

- 投資於單一公司發行之可轉讓證券或合乎伊斯蘭教律的貨幣市場工具、
- 單一公司之存款、及/或
- 單一公司發行之櫃檯買賣市場衍生性金融商品交易之曝險部位。

上述三個項目合計不得超過基金淨資產的 20%。

- (iii) 當此證券或合乎伊斯蘭教律的貨幣市場工具是由成員國的地方政府或非成員國或包含一個或多個成員國的國際組織發行或擔保，上述 1. d)(i) 限制則提高至 35%。
- (iv) 段落 1. d)(i) 中第一句提到之限制，應為 25%，1. 擔保債券為根據 2019 年 11 月 27 日歐洲議會和理事會指令(EU) 2019/2162 第 3 條第 1 點定義關於擔保債券的發行和擔保債券的公眾監督以及修訂指令 2009/65/EC 和 2014/59/EU（以下簡稱“指令(EU) 2019/2162”），以及 2. 對於在 2022 年 7 月 8 日前發行的某些債券其在歐盟成員國有註冊辦公室之信用機構，並依法服從保護債券投資人之特殊公開監督機構之規範。特別是 2022 年 7 月 8 日前發行這些債券的總和必須依資產法規定投資於在債券存在期間內都能夠立刻變現以符合債券之贖回要求，且在發行公司破產時享有本金及利息優先順位支付之資產。

若基金投資超過淨資產 5% 於上述種類且為同一發行公司之債券中，該投資金額不得超過基金資產 80%。

- (v) 於以上 1. d) (iii) 及 1. d) (iv) 中提到的可轉讓證券與合乎伊斯蘭教律的貨幣市場工具不包含在以上 1. d) (ii) 中所述之 40% 的計算限制中。

以上 1. d)(i), (ii), (iii) 及 (iv) 項之限制不得合併，因此，投資在相同發行公司發行

之可轉讓證券及合乎伊斯蘭教律的貨幣市場工具，符合 1. d) (i), (ii), (iii) 及 (iv) 項之要求，無論是存款或衍生性金融商品，皆不得超過基金淨資產 35%。

依 83/349/EEC 命令，或公認國際會計規則之定義為合併帳戶而包含在相同集團之公司，在計算 1. d) 項中限制時被視為單一個體。基金最高可投資其淨資產 20% 於同一集團之可轉讓證券及貨幣市場工具。

(vi) 在不損及以下(e)段落中所述之投資限制的狀況下，當一個基金的投資政策目標為複製一個經盧森堡主管機關認可之特定的股票或債券指數時，本段落 d) 中就單一公司所發行的股份及/或債券所規範的限制為 20%，只要：

- 該指數的成分股組合充分的分散、
- 該指數表現出其參考市場的適當指標、
- 該指數以適當的方式公佈。

若證實前述限制將依特定可轉讓證券或合乎伊斯蘭教律的貨幣市場工具之主要交易場所之受管轄市場之特定例外市場狀況調整，則前述限制可調整為 35%，惟該 35% 的限制僅限允許一個單一發行公司。

(vii) 基於風險分散的原則，基金可將其淨資產投資於由任何成員國、其地方政府、有一個或一個以上歐盟的成員國或 OECD 之任何其他成員國、或新加坡、巴西、俄羅斯、印尼以及南非或任何 G20 的成員參加的國際性組織或經濟合作組織成員國發行或擔保的可轉讓證券以及合乎伊斯蘭教律的貨幣市場工具，本公司得投資任何基金之 100% 的資產於前述證券，惟該基金最少得投資於六項不同之證券，且每項證券持有比例不得多於該基金之淨資產的 30%。

e) 本公司及公司的任何基金不可投資於有投票權，且可藉此對發行公司的管理階層產生相當之影響力之股份，且基金得投資於下述有價證券的比例不得超過以下限制(i)不得投資單一發行機構所發行 10% 之不具投票權股份，(ii) 單一發行單位發行之債權證券的 10%，(iii) 單一集合投資事業所發行單位之 25%，(iv) 任何單一發行機構發行之貨幣市場工具的 10%。然而，若在購買之時其債券或合乎伊斯蘭教律的貨幣市場工具之淨值無法估計，則(ii)(iii)(iv)項的限制得予以省略。

e) 項限制並不適用於(i)成員國、地方政府或任一包含歐盟成員國之國際組織發行或擔保之可轉讓證券或合乎伊斯蘭教律的貨幣市場工具。(ii) 若被投資之公司雖非予歐盟成員國註冊，但其資產大多投資於在歐盟成員國中註冊登記之發行機構所發行之股份，而當地法令規定，本公司在符合 43 及 46 條款和 2010 年 12 月 17 日法規之 48 條款中的第一及第二段的情況一，上述之方式為投資該國唯一的方式。

f) (i) 除非特定基金投資政策允許，否則每一基金不得投資超過淨資產 10% 於 UCITs 及其他 UCIs。

(ii) 若特定基金不適用於前述 f) (i) 中的限制，則依其投資政策規定，該基金可

購買 1.a)(v)段落中提及之 UCITs 或其他 UCIs 之單位，惟不超過基金淨資產 20%投資在單一 UCITs 或其他 UCIs。

基於施行此投資限制之目的，UCITs 之每一個個別區隔及/或其他具有多重區隔的 UCIs 都將被視為是分離的發行者，惟需確認不同區隔之義務分離原則。

(iii) 對 UCITs 或其他 UCIs 單位所作之累積投資不得超過基金淨資產 30%。

(iv) 當基金投資於連結到由本公司所管理或控制的 UCITs 或其他 UCIs 單位時，或是被本公司大量的直接或非直接的持有持有時，不能向公司帳戶收取投資 UCITs 或其他 UCIs 之申購或贖回手續費。

當基金投資於如上一段所述之 UCITs 或其他 UCIs 時，其管理費（不包含任何可能有的績效費）及 UCITs 或其他 UCIs 之相關費用不得超過該相關投資的 2%。本公司將會把相關期間內該基金與該 UCITs 或其他 UCIs 的總管理費記載於年報中。

(v) 基金可購買不超過 UCITs 或其他 UCIs 25%之單位。若購買時其發行單位之總金額無法計算，則可忽略此限制。若該 UCITs 或其他 UCIs 有多重間隔，此限制適用於該 UCITs 或其他 UCIs 之所有間隔的單位。

(vi) 基金投資之 UCITs 或其他 UCIs，其所屬的單位資產不須列入 1. d)項之限制的考慮。

(vii) 基金(“**投資基金**”)得認購、取得及/或持有由一個或多個基金(“**目標基金**”)將發行或已發行的股份，須遵循下列條件：

- 目標基金不會反向投資於該目標基金之投資基金；及
- 目標基金其自可轉讓證券集合投資計畫及/或其他集合投資計畫取得之單位不超過 10%之資產；及
- 投資基金不得投資超過單一目標基金單位淨資產的 20%；及
- 只要投資基金持有這些股份，依 2010 年 12 月 17 日法律中核實淨資產最低門檻之目的，其價值將不納入本基金淨資產之計算；及
- 基金投資於目標基金，將不重複收取管理/認購或買回費。

g) 本公司不得：(i)為任何基金的利益購入任何僅部分付款或尚未付款或涉及債務（或有債務或其他債務）的證券，但依該證券的發行條件或依據持有者的選擇權可於購入後一年內免除該等債務者例外，及(ii)為任何基金擔任其他發行人的承銷商或次承銷商。

h) 本公司不得申購或買入任何持有者須負擔無限債務的投資。

i) 本公司不得申購由投資經理公司、或任何關係人、或管理公司所發行的證券或債權工具。為了投資限制的目的，關係人一詞指的是任何被富蘭克林公司(“FRI”)所直接或間接擁有的關係公司或子公司。

- j) 除非本公司得維持期貨或選擇權交易的期初保證金的水準，否則本公司不得以保證金購買有價證券（除非是依據第 2. e) 的規定，利用短期信用額度在必要時做有價證券買賣的清算）或做可轉讓證券、合乎伊斯蘭教律的貨幣市場工具、或以上其他金融工具的無擔保賣出。

## 2. 其他資產的投資

- a) 本公司不得購買任何不動產及買入相關的選擇權、權益或利益，惟本公司得為任何基金投資於以不動產或其利益擔保的證券或不動產投資公司所發行的證券。
- b) 本公司不得投資於貴重金屬或代表該等貴重金屬的憑證。
- c) 本公司不得進行直接商品交易或商品契約。然而，本公司得為避險目的使用金融衍生性商品，在伊斯蘭教律準則所訂的限制內，透過金融指數曝險於商品，並須遵循以下 3. 所述之限制。
- d) 本公司不得借款予其他人士、為第三者擔保、或背書、或以其他方式直接承擔債務或是或有債務、或涉及任何責任與負債或涉及借款的任何人士。
- e) 本公司不得為任何基金的帳戶尋求融資，惟不超出其淨資產之 10% 的款項則例外，且僅得為暫時性措施。
- f) 本公司不得將任何基金所持證券或其他資產質借、擔保、抵押、或以任何其他方式成為債務的擔保品，惟第 e) 條提及之有必要的融資除外。然而，基於當發行時（When-issued）交易或延遲交割的基礎所做的證券買賣、為進行選擇權或期貨買賣交易所做的抵押等，並不視為資產抵押。

## 3. 金融衍生性商品

依據上述第 1.a)(vii) 中所述之限制範圍，基金得為避險的目的而使用符合伊斯蘭教律的金融衍生性商品。

本公司應確保各基金有關金融衍生性商品的總曝險部位不得超過該基金之總淨資產。因此該基金之整體風險曝露不得超過其總淨資產的 200%。此外，如有暫時性借款時，則該基金因暫時性借款而致之整體風險曝露不得增加超過 10%（如第 2. e) 中所述）。因此，無論在任何情況下，任何基金之整體風險曝露皆不得超過 210%。

本公司代表相關基金可選擇經由董事會選取之第一類別金融機構的 swap counterparties，且此受限於由 CSSF 為櫃檯買賣市場衍生性交易及專門歸類於此類交易之目的所核可之所屬類別及謹慎監管者。

如其情形適用，個別基金有關櫃檯買賣市場衍生性交易收取之擔保品可能抵銷交易對手之淨曝險，假如其符合 CSSF 不定期發布的適用法令、法規以及函令的規定，特別是流動性、價值、發行者信用品質、相關性、與擔保品管理有關的風險以及可執行性，進一步說明如下。擔保品主要由現金及高評等之主權債券所組成。

擔保品價值被擔保價值的短期波動降低比例(下稱“抵減率”haircut)。淨曝險由交易對手每日計算且受限於合約條款，包括最低轉換數額、擔保程度或將取決於市場曝險變動在基金與交易對手之間波動。收取之非現金擔保不出售、再投資或抵押。現金擔保之再投資或將以確立在國際互換交易與衍生性金融商品協會主契約（下稱“ISDA 主契約”）之信用擔保附約（“CSA”）條款一致之方式，與在附錄 B 投資限制之相關交易對手及多變風險要求併同實施：(a)依據歐洲貨幣市場基金的一般定義，避險準則裡規範之由短期貨幣市場所發行以供集體投資之用的股份或單位。(b)註冊於會員國之金融機構的存款，若是非會員國之金融機構，則該國的金融監管規範須經由盧森堡金融管理當局 (CSSF) 的認可，認定該國的標準與歐盟的法律相當。(c) 依據國際互換及衍生性金融商品協會之主契約 (ISDA Master Agreement) 中的信用擔保附約 (CSA)的高品質政府公債。(d) 與金融監管健全的金融機構所進行的附賣回交易，且該交易可隨時以本金加上攤銷利息全額地要求金融機構賣回。在投資政策中，規範基金對於擔保品的再投資（特別是禁止投資衍生性商品或隱含槓桿之其他投資工具），以避免影響全球曝險的計算。

所持有資產之現行價值、交易對手風險、可預期的市場變動以及得以出清部位的時間須一併計入有關金融衍生性商品的全球總曝險部位。

各基金得依據第 1. a) (vii)中所述之限制範圍內投資於金融衍生性商品，但其標的資產的曝險部位合計不得超過第 1. d) (i)至(v)項中所述的投資限制。當一個基金投資於以指數為基礎的金融衍生性商品時，該等投資無須被合併計入第 1. d)條所述的限制中。當一個可轉讓證券或貨幣市場工具結合了衍生性商品時，則後者必須計算在內以符合本項限制的要求。

基金得為避險目的而使用金融衍生性商品，並遵循 2010 年 12 月 17 日法規以及伊斯蘭教律準則的限制。在任何情形下皆不得因金融衍生性商品的使用而導致基金偏離其投資政策。

若適用，基金得使用風險價值法 (Value-at-Risk, 簡稱 VaR) 或是承諾法 (Commitment Approach) 來計算總曝險部位。

若一個基金的投資目標指出一項指數可能用來比較其績效時，用來計算其整體風險曝露的方式得考慮使用一項不同於該基金之投資目標中所述之用來作績效或波動比較的指數。

### **總報酬互換交易**

只有在符合附錄 B 中所述的伊斯蘭教義準則的範圍內，才允許基金投資於總報酬互換交易。

基金根據其投資政策被授權可投資於總報酬互換交易，若於本公開說明書日期前尚未進行此類交易者，可進行總報酬互換交易，但其前提是不得超過該基金淨資產的 20%，且該個別基金相關部位會在下一個可用機會時進行相應的更新。在這種情況下，交易對手將會由管理公司或投資經理批准並監督。交易的對手方對於基金投資組合的組成或管理或是對於總報酬互換的標的均無裁量權。儘管在選擇

交易對手時沒有預定的法律地位或地理標準，但在選擇的過程中通常會考慮這些因素。基金在總報酬互換中的實際交易揭露於公司所有基金的財務報表中。

以下資產類別可進行總報酬互換交易：貨幣或商品指數，以及固定收益證券或指數、最常見的本國貨幣計價之國庫證券、非投資等級公司債曝險商品。

交易對手違約風險及對投資者報酬的影響在“風險考量”章節中有更完整的描述。

截至目前公開說明書基金從事總報酬互換交易，基金預期的淨資產總報酬互換交易比例，以使用之衍生性金融商品名目本金總額計算，並規定在本基金“基金資訊、目標及投資政策”章節。假如當基金從事總報酬互換交易，是為了通過相關參考資產的價值變化和接收參考資產產生的任何收入產生額外資本和/或通過對相關參考資產持有空頭部位來降低投資組合內的投資風險。

所有自總報酬互換交易中產生的收入都將退還給相關基金，且除了“投資經理費用”章節中之相關基金投資經理費外，管理公司將不會從這些收入中扣除任何費用或成本。

#### 4. 使用與可轉讓證券和合乎伊斯蘭教律的貨幣市場工具相關的技術與工具

截至本公開說明書日期，沒有基金被授權參與附買回協議、附賣回協議或是證券融資交易和再利用（“SFTR”）的透明度條例（EU/2015/2365）所涵蓋的其他交易，除了伊斯蘭債券基金（**本基金之配息來源可能為本金**）得投資於符合伊斯蘭教律的總報酬互換交易，詳見該基金相關附錄。如果其他基金在未來使用任何此類交易，公開說明書將會根據 SFTR 進行修訂。

#### 5. 其他當地限制

- a) 如果或只要依據第 65 條，本基金已獲得南非金融業行為管理局核准的外國集體投資計劃並且在其地註冊，衍生性金融工具將僅能被用於避險目的，不允許使用槓桿及/或保證金操作。
- b) 如果基金接受中央公積金(CPF)的投資，新加坡中央公積金委員會發布的中央公積金投資準則將不時修訂，亦應跟進調整適用：  
(略)
- c) 如果本公司的基金接受由富蘭克林坦伯頓 GSC 資產管理私人有限公司管理的任何馬來西亞註冊連結基金的投資，基金在國外市場的投資應受限於(i)市場需為監管機構是國際證券委員會組織(IOSCO)的基本或附屬會員和(ii)證券和工具需由超國際組織所發行。
- d) 如果或只要本公司的基金已受台灣金融監督管理委員會證期局（以下稱“證期局”）所核准，則應遵循以下規定：



- (i) 其衍生性商品所產生之承諾總額，於任何時候不得超出該基金淨資產之 40%（但經證期局核准者除外），而且為了避險目的不得超出該基金淨資產之 100%，以及；
  - (ii) 基金投資大陸地區證券市場之有價證券總金額(包括在中國銀行間債券市場（CIBM）流通的債券)不得超過該基金淨資產價值之 20%，經證期局核准者除外。
  - (iii) 投資台灣證券的基金總額不得超過該基金淨資產之 50%或台灣主管機構可能決定的其他百分比。
- e) 為確保居住在德國的投資人股票型基金的部分免稅資格，下列基金將依德國投資稅法第 2 章節第 8 段所定義，將投資資產超過 50%於股票證券：
- 1) (略)
- 如果本基金投資於其他投資基金，依德國投資稅法的規定，這些投資基金可被視為股權證券，取決於這些基金在每個評價日公布的權益比率範圍，或者是取決於每檔基金投資政策規定的最低權益比率的範圍。

## 風險管理

管理公司採用風險管理程序以確保投資經理公司隨時監控及衡量風險部位，且其對各個投資組合的整體風險範疇有所貢獻。管理公司或投資經理公司將為櫃檯買賣市場衍生性金融商品執行準確且獨立的評價。

依投資人的要求，管理公司將提供各基金所採用的風險管理數值限制相關補充資料，其中包含所選擇的方式以及最近對於主要類型工具的風險與收益之評估。

## 附錄 D-補充資訊

1. 本公司是依照盧森堡大公國法律所組成的有限責任投資公司之法人組織（société anonyme），並且為合法的投資公司（société d'investissement à capital variable ("SICAV")）。在永續經營前提下，本公司於 2012 年 7 月 3 日在盧森堡組織成立。本公司已註冊登記於盧森堡商業登記處，註冊號碼為 B-169.965。本公司增修章程之影本可於盧森堡商業登記處以及本公司及管理公司註冊營業處所索取檢核。
2. 本公司最低資本額為歐元 1,250,000 或等值之美元。
3. 本公司可能在特別股東會決議解散公司。若本公司資本跌落到最低資本額的三分之二以下，董事會必須向股東會提出本公司解散的議題，股東會沒有法定出席人數之規定並且由出席股東的絕大多數意見做決議。若本公司資本跌落到最低資本額的四分之一以下，董事會必須向股東會提出本公司解散的議題，股東會沒有法定出席人數之規定並且由出席股東四分之一的持股即可做成本公司解散的決議。若本公司被清算，則應按照盧森堡大公國法律規定所指明採行的步驟執行清算，使股東能夠參與清算分配以及存放在 Caisse de Consignation 之股東尚未立即要求清算的金額。依照盧森堡大公國法律規定，股東未在時效期間內向 Caisse de Consignation 提出任何清算金額請求，即喪失權利。由於移轉至 Caisse de Consignation 的任何金額都要依照納稅記錄（taxe de consignation），結果期初金額可能不能償還。
4. 董事會可決定清算基金，如果基金的淨資產低於 5 千萬美元將會被清算，或基金有關的經濟或政治局勢發生變化到足以判定可被清算，或基於基金股東利益的要求。清算基金的決定將在清算前由本公司公佈或通知，並且公佈和/或通知指出清算的原因和操作流程。除非董事會基於股東利益或平等待遇，否則有關基金的股東可要求出售或轉換其股份。在基金清算期結束後無法分配給受益人的資產將存入盧森堡信託辦事處(Caisse de Consignation) 以代表其受益人。轉入盧森堡信託辦事處(Caisse de Consignation)的任何金額均須繳納“委託費”，因此可能不會償還到初始的金額。

基金與本公司其他的基金或其他的 UCITS 併購，應當由董事會決定，除非董事會決定提交此合併的決定給基金的股東會。就後者的情況，該會議沒有法定人數的要求，而由所投票數中採簡單多數決即可。如果合併一個或多個基金的結果為暫停或退出，儘管有上述規定，則需由股東會決議，並依據法定人數和多數決來修改條款。

與上述第一段所述的相同情況下，董事會可決定關閉基金級別使其轉至另一基金或 UCITS，其乃依據 2010 年 12 月 17 日法律第一部分規定。該決定將同上述以相同的方式發佈，此外，公告還將包含有關集體投資的其他相關訊息。公告將於合併生效日期前一個月內發佈，以使股東可要求出售或轉換其股份(免費用)，於 2010 年 12 月 17 日法律第一部分規範的併入其他基金或其他 UCITS 相關作業生效之前。

董事會考量到有關股東利益所要求，或基金有關的經濟或政治局勢變化到足以判定重組是合理時，可以決定重組任何基金或分拆基金至兩個或多個基金，該決定的發佈將與上述相同，此外，公告將包含有關重組產生的兩個或多個各別基金的訊息。公告將於重組生效日期前一個月內發佈，使股東可於重組生效之前能要求出售或轉換其股份(免費用)。

當董事會沒有被授權，或者董事會決定應該提交股東會批准時的情況，包括清算或重組基金或合併基金的決定可能由基金的股東會決定，而非由董事會所決定。在基金股份會議上，無法定人數的要求，然而清算、合併或重組的決定必須得到出席或代表股份的簡單多數決以通過。該公告須於股東可要求出售或免費轉換最後一日之前的至少 30 天前發佈，以使股東可於基金被清算、合併或重組生效前之前能夠出售或轉換其股份(免費用)。

5. 就政策面，管理公司的目標為行使可能與其所投資的各種可轉讓證券有關的投票權。代理投票紀錄得於本公司及管理公司的註冊辦事處免費索取。

## 附錄 E—股份淨資產價值的判定

### 淨資產價值的計算方式

各基金股份類別的每股淨值應以該相關基金或相關股份類別之計價貨幣計算，並應以任何交易日本公司各基金之各股份類別的淨資產計算基金股份淨值，即用本公司各基金的資產價值減除各基金之負債除以流通在外的基金股數，且董事會得決定捨去或進位到小數點後二位數。

### 計價

本公司的資產應包括下列各項：

- (a) 所有手頭上及存於帳戶的現金，所生之利息亦包含在內；
- (b) 所有帳單，即期票據及應收帳款，（包括已出售，但尚未交付之證券收益）；
- (c) 所有本公司所擁有或簽約的固定收益證券、伊斯蘭債券、股份、股票、承購權、認股權證、選擇權及其他投資和證券；
- (d) 所有本公司應收的證券、股息、現金股息和現金分配（本公司得因應由證券前期股息、權益的交易或其他類似交易所導致的證券市值波動而作調整）；
- (e) 本公司所擁有的任何分紅(Hibah)/收益證券所產生的所有利息，但不包括利息或反應已計入本金總額之證券；
- (f) 本公司的初期費用而至今尚未攤銷者；以及
- (g) 各類型的其他資產，包括預付費用在內。

總負債包括下列各項：

- (a) 所有帳單及應付帳款；
- (b) 所有已發生的行政費用及應付的行政費用（包括投資經理及/或顧問費、保管費及公司經紀人費用）；
- (c) 所有已知的負債，即目前及未來會發生的，包括所有現金或資產之應償付之到期的債務，和業經本基金宣佈但尚未支付之股息（指於交易日適逢記錄日之時，應付而未予以支付之股息）；
- (d) 經由本公司不定期決定的準備稅額，此乃依據相關交易日的資本及利得計算以備日後繳稅之需，至於其他準備額，若有的話，則需經由董事會授權及核准，適用於負債清償費用內；
- (e) 本公司除以上所列之其他各類型的負債，為便於決定上述負債，本公司應將所有的應付費用計算在內，列有設立費用、帳戶費用、應付給管理公司的各種服務績效費用、投資顧問、投資經理公司、伊斯蘭教律監督委員會、伊斯蘭股票篩選供應商所

支付的費用，還有保管機構與當地金融服務代理公司、註冊地常在代表以及在不同國家取得及維護註冊作業所產生的費用，以及任何其他本公司所僱用的各代理業，設施服務費、公司秘書服務費、還有法律及查帳費用、保險金、推廣、印刷、報告及發行費用，此類費用包括廣告費及準備和印刷此公開說明書所需的支出、註釋備忘錄、KID 或登記聲明、投資研究費用、稅金或政府或監管費用、在不同國家獲得和維持註冊所產生的成本，以及所有的營業支出，其包括有買進賣出資產所需的各項支出，如利息、銀行收費、經紀佣金、郵資、電話、傳真訊息及傳真費用。本公司及/或行政代理機構（若適用時）得每年或每隔一段時日先行預估管理費用及其他費用，且得依此數據平均推算此期間的分攤額。

這些資產的價值確定如下：

- 1) 任何現金或存款、帳單和即期票據以及應收賬款、預付費用、現金股息、現金分配和前述應計但尚未收到的利息的價值應視為全部金額，除非在任何情況下同樣的情況不太可能全額支付或收取，在這種情況下，其價值應在本公司認為適當的折扣後達到，以反映其真實價值。
- 2) 可轉讓證券、貨幣市場工具和金融衍生性商品的價值是根據相關證券交易所或受監管市場關閉時的最後一個可用價格來計算的，這些證券或資產可被交易或是被允許交易。在一個或多個證券交易所或受監管市場上進行此類證券或其他資產的報價或交易時，董事會應對該等證券交易所或其他受監管市場應用於證券或資產的價格的優先順序訂出規則。
- 3) 如果可轉讓證券或貨幣市場工具在任何官方證券交易所或受監管市場不能交易或允許，或者在可轉讓證券或貨幣市場工具可交易或允許的情況下，最後一個可用價格不代表其公平市場價值，董事會應根據其合理可預見的銷售價格進行評價，並應謹慎和真誠地予以評價。
- 4) 未在任何官方證券交易所上市或在任何其他受監管市場上交易的金融衍生性商品將根據市場慣例進行評價。
- 5) 集合投資事業的單位或者股份，包括基金，應當按照其事業報告的最後可用淨資產價值進行評價。
- 6) 流動資產和貨幣市場工具的價值可以按名目價值加任何應計利息或以攤銷成本計算。在實務允許的情況下，所有其他資產得以同樣的方式進行評價。
- 7) 如果上述評價原則中的任何一項不能反映特定市場中常用的評價方法，或者如果任何此類評價原則對於確認公司的資產價值似乎不精準，董事會得按照公認的評價原則和程序依誠信原則修正不同的評價原則。
- 8) 各基金基準貨幣以外的其他貨幣資產或負債，將使用銀行或其他認可金融機構所報的相關即期匯率進行兌換。

伊斯蘭外匯避險工具（包括 Wa'd(單方承諾)結構型外匯互換交易）為了避險股份的利益，可能會運用外幣兌換的避險措施。因此，上述避險措施所產生的負債 / 利益應僅屬於避

險股份。所以上述的相關成本、負債或利益將僅反映在避險股份的淨資產價值。該相關基金避險股份的貨幣曝險部位不會影響到其他的股份類別。外幣兌換的避險措施不得用於投機目的。本公司的定期性報告中將揭露本公司如何運用避險措施。

董事會或管理公司可能會調整淨資產價值，當其認為可適當反映（除其他事項外）任何交易費用，包括交易利差，財務費用及股東交易帶來的潛在市場影響。

於決定基金淨值時，管理公司及/或行政代理機構將可實現金額的現金與應收帳款來計算，利息則以累計利息來記錄，配息則計算到前一個配息日為止。管理公司及/或行政代理機構通常使用二種獨立的定價服務以輔助確認目前每個證券的市價。當掛牌於證券交易所進行交易的證券市場報價（分別為最新的報價或其當天的收盤價）已可取得時，管理公司及/或行政代理機構依該報價評估其價值；如果沒有成交價，則以最近期的買價與賣價的範圍來定價。於有組織的市場進行交易之證券，將儘可能取其最接近之價值作評估。管理公司及/或行政代理機構對於基金所持有符合前面附錄 B 和附錄 C 所述投資限制下櫃檯交易證券，以其最近期的買價與賣價的範圍來評估價值。如果所持有的證券同時在櫃檯買賣市場及證券交易所進行交易，管理公司及/或行政代理機構則依董事會決定以所涵蓋範圍最具廣度和代表性之市場報價評估其價值。

一般而言，伊斯蘭公司債、政府債券或是貨幣市場工具會於每日紐約證券交易市場收盤前的不同時段完成交易。用來計算基金淨值的上述有價證券的價值即是以上述交易完成時的價值來決定。有時候，介於證券的價值已被確定且紐約證券交易市場收盤前發生影響這些證券價值之事件，此部份將不予以計入基金淨值的計算。此時管理公司及/或行政代理機構將仰賴由第三價格供應商來監控該等事件在這段期間對該證券的實質影響性。如有事件發生，第三價格供應商將提供修正後的證券價值給管理公司及/或行政代理機構。如證券價值非為證券交易所或有組織的市場進行報價或交易時，及雖為如此報價或交易，卻無法取得報價或是其報價無法呈現公平市場價格時，則應由董事會決定或依其判斷決定。非在受管轄的交易所交易的可轉讓短天期債權證券以及貨幣市場工具通常以攤銷成本基礎來決定價值。

本公司在符合前面附錄 C 所述投資限制下得投資於交易受限制、尚未上市、交易罕見、顯少交易或相對而言流動性較差的證券，因此可能有某一個或數個前述證券之最新可取得的市價與本公司計算淨值時所用的證券價格之間有差異的情形。管理公司及/或行政代理機構在這些證券與其他資產的市價尚無法取得（例如某些受限制證券、未上市證券、與私募證券）或其價格可能無法信賴（例如某些證券之交易的暫停或中止、某些外國市場對證券價格漲跌幅的限制、或某些證券的交易量極小或無法流通）時，即採用公平價值定價程序來定價。這些證券的評價方法可能包括：基本面分析（例如複合收益）、矩陣定價、相類似證券之市價的折價，或依據證券處置限制的性質及期限所適用之折價。

公平價格機制的應用即是依據（前述）特定評價方法，忠實呈現標的之公平價值。但無法保證在接近管理公司及/或行政代理機構計算每股淨值時就能夠取得當時所出售某證券之已決定的公平價值。

在外國證券交易所及櫃檯買賣市場（例如歐洲及亞洲）的證券交易通常可能在紐約證交所交易日收盤時間之前就已完成交易。在歐洲或遠東地區，或某幾個特定國家，未必在每個評價日都會交易。此外，在非評價日時，有幾個外國市場可能仍在交易而沒有證券淨值。因此，基金股份淨資產價值的計算並不會與投資組合中證券計價同時發生，若發生足以影響這些外國證券價格的事件，將由管理公司依誠信原則決定或判斷並核准該證券之公平價格。

## 擺動定價調整

基金可能因為投資人的申購、贖回、以及/或是自基金的轉入或轉出的價格，沒有反映到投資經理公司為了提供現金淨流入或淨流出所執行該基金投資組合交易所關聯的交易成本，而遭受每股淨資產價值的減少。

為了因應此稀釋衝擊以及保護股東的權益，本公司可能採行擺動定價機制做為其評價政策的一部分。

當基金的資金活動(流入及流出合計)超過預設之門檻值時，基金啟動擺動定價機制，而門檻值依該基金在評價日的淨資產規模之比率評估。當門檻值設定為零時，基金可執行完全擺動定價機制，或當門檻值超過零時採取局部擺動定價機制。

通常，這類調整的特色是當基金有淨流入時將調增每股淨資產價值，而當基金有淨流出時將調降每股淨資產價值。基金個別股份類別的每股淨資產價值是分別獨立計算，但是若有任何調整將以同一百分比來影響基金個別股份類別的每股淨資產價值。擺動定價無法解決每一個別投資人交易的具體情形。

這些調整將尋求反映基金申購和贖回資產的預期價格以及預估交易成本。投資人被告知基金在啟動擺動定價之後，其淨資產價值的波動可能不是反映真實的投資組合表現。

調整影響的程度取決於不同因素，例如交易量，投資的申購或贖回價格以及計算此基金投資價值的評價方法等。

遍及所有本公司的基金皆採行擺動定價機制。價格調整程度將由本公司定期重設以便反映當下交易及其他成本的近似值。這類調整在不同基金間可能有所不同，並且在正常狀況下，將不會超過原始每股淨資產價值的百分之二。通常在大股東交易活動以及若認為有利於股東權益的特殊情形下，董事會可核准增加此限額。

管理公司授權擺動定價監督委員會執行定期的審查及有關擺動定價的營運決策。委員會負責有關擺動定價的決定以及浮動因子的持續核准，這些構成事先決定標準指示的基礎。

價格調整資訊可視需求於管理公司之註冊辦公室取得。

特定股份類別在適用的情況下，管理公司可收取績效費，該費用將依未擺動之淨資產

價值收取（即適用擺動定價機制前之資產淨值）。

有關擺動定價之更多資訊可參閱下列網址：

<https://www.franklintempleton.lu/investor/resources/investor-tools/swing-pricing>.

## 暫停資產淨值計算

1. 於下列所述的期間本公司得暫停任何特定基金的股份淨值，發行及贖回，和股票轉換等事項的決策：
  - (a) 於本公司之歸屬於特定基金的大量投資之隨時報價的主要證券交易所或市場關閉或其交易被限制或暫停時；
  - (b) 因國家事件而造成緊急狀況，導致本公司歸屬於特定基金資產無法評價或處分時；
  - (c) 於通常藉以決定任何特定基金的任何投資之價值或價格或任何股市或交易市場的目前價格或價值之通訊設施中斷或有所限制時，
  - (d) 於任何期間，在本公司無法送回資金以便支付到期的股份贖回款時；或是依董事會之見，無法以正常匯率計算投資買賣或股份贖回之資金的轉換時，或是
  - (e) 於任何期間，本公司之任何基金的淨資產價值可能無法準確決定時，或
  - (f) 於任何期間，當董事會認為對投資者繼續買賣任何基金股份存在無用或不公平的情況下，或在未能這樣做可能會導致股東或基金承擔任何稅務責任、或遭受其他金錢損失、或股東或基金可能遭受其他損害的情形；
  - (g) 如果本公司或基金或股份類別正在或可能被清算，或該日期將由董事會決議，或股東大會通知已提案本公司或基金或股份類別清算；
  - (h) 在合併的情況下，如果董事會認為這是合理的保障股東；
  - (i) 暫停計算一個或幾個投資標的基金的淨資產價值佔基金大部份的投資資產部位的。

根據 2010 年 12 月 17 日法規，以下情形的股份發行和贖回將會被禁止：

- (i) 在本公司無基金保管機構的期間；及
  - (ii) 當保管機構進入清算或宣告破產或尋求與債權人達成協議、暫停付款或受控管處理或處於類似程序的情況下。
2. 任何的暫停決議皆應由本公司公告，同時通知在本公司申報不可撤銷之書面申請時要求申購、贖回或轉換的股東。

## 資產與負債的攤派

董事會應以下列方式為各基金的股份建立資產組合：

1. (a) 本基金發行股份的收益應列入本公司為此基金所建立的資產組合帳內，同時資產負債和收入支出亦應列入此資產組合帳內；
- (b) 若有資產自其他資產而來，則此資產應同其所屬之資產項目的資產組合，同樣



記入本公司的帳內，至於價值的增減部份亦應入帳相關資產組合之內；

- (c) 於本公司產生與特定組合的資產有關連的負債時，或是與特定組合所為有關的負債發生時，應將此負債攤派於相關資產組合；然而，不論何種組合的負債，應經由債權人同意，由本公司予以整體具結。
  - (d) 若有本公司的資產或負債無法歸屬任一特定組合之時，則應將之平均攤派於所有組合之內，或是依據其總數作調整並依比例分配到相關組合的資產淨值之內；
  - (e) 於紀錄當日，若有任何人有應得之股息，則不論任何基金股份的資產，皆應扣除該應得股息的金額。
2. 若一支基金有二種或多種不同股份類別，則以上的攤派原則也適用於這些股份類別，並為該股份類別作適當的調整。
  3. 為便於計算資產淨值，前述的評估和攤派，而至贖回的股份，應視同存在而予以入帳，直至交易日收盤之後即刻停止入帳。而且應視作本公司負債，直至付債為止；本公司所有的投資，現金平衡和其他資產，其非以相關基金的計價貨幣，而以其他貨幣代表者，應於決定股份資產淨值當時的市場匯率或交易匯率予以估價，再行入帳；再於合約指定之交易日予以買進或賣出證券，以達到實際的功效。

# 附錄 F—富蘭克林坦伯頓伊斯蘭系列基金收費及費用

## 1. 本公司收費與費用

### i. 管理公司費用

管理公司基於其提供之管理公司和輔助服務，將向本公司收取相關股份之淨資產價值的最高 0.20% 年度費用、加上一個依相關股份類別於超過一（1）年期間的投資人戶數計算的額外費用金額（由固定及變動組成項目組合）。管理公司和輔助服務包括但不限於為本公司提供投資風險管理和治理服務（包括但不限於監督基金委託活動的執行情況、合規與法律服務、洗錢防制、監管、內部稽核、公司、註冊和行政職能）。這些報酬將由本公司每日計算並按月支付之。該年度費用包括支付給(i)摩根歐洲盧森堡分行擔任行政代理機構提供本公司服務的任何報酬，以及(ii)支付 Virtus Partners Fund Services Luxembourg S.à r.l.對本公司提供註冊及股務代理機構的服務。

根據 2010 年 12 月 17 日法令第 111bis 條，管理公司已建立並適用一致的薪酬政策，並促進健全及有效的風險管理。這些政策及實務上並不鼓勵風險承擔與風險承受度、公開說明書或公司章程不一致，並且不得有違管理公司之作為需為公司最佳利益的職責。

薪酬政策要求之規定適用於員工的類別，包括資深管理階層、風險承擔者、控制功能單位、以及任何員工收受報酬總額與資深管理階層和風險承擔者均納入相同的之考量，該等人員其專業活動對管理公司或本公司之風險承受產生重大影響。薪酬包括固定（主要是基本薪資）和變動（年度獎金）部分。年度獎金（得以現金，股票獎勵或兩者的組合來支付）其依賴於整體富蘭克林公司（“FRI”）企業表現，是由薪酬委員會批准，並且參考相關個人的實際表現予以發放。獎金的顯著部分可遞延至少三年，並受支付獎金的追索性條款規範。

最新的薪酬政策，包括但不限於，描述薪酬福利的細節如何計算，如何與永續發展風險的整合維持一致，給予薪酬及福利的權責人員，包括薪酬委員會組成之人員身份，得於 <http://www.franklintempleton.lu> 網站線上查詢，點選” Our Company” 中的” Regulatory Information” 標籤（可要求免費提供紙本）。

### ii. 主辦承銷商費用

主辦承銷商可能收取任何適用的銷售手續費，以不超過總投資金額的 5.75% 為上限。銷售手續費不能超過任何股份出售國家的法律、條例或施行慣例所允許的上限規定。

主辦承銷商可與不同的次承銷商、中介機構、經紀商/交易商以及/或是專業投資人簽訂合約以將股份分銷到美國境外。支付給各次承銷商、交易商或其他中介機構的費用或手續費款項得自年度管理費、分銷費用或其他通常是支付給主辦承銷商的相關類似費

用中支付。此類付款的用意是為了提升銷售或其他提供給投資人之服務（包含但不限於與投資人持續進行的溝通資訊、交易執行及/或其他投資人行政服務的改善）的品質。

**iii. 伊斯蘭教律監督委員會費用**

伊斯蘭教律監督委員會有權向各個與基金相關的伊斯蘭教律諮詢服務收取每個基金15,000美元的年費，該費用將從各個基金的費用中支付。

**iv. 伊斯蘭股票篩選供應商費用**

IdealRatings, Inc. 做為伊斯蘭股票篩選供應商，將從每個基金收取10,000美元的年費，外加不超過管理機構所管理相關基金總資產的0.05%之費用。

**v. 保管銀行費用**

為本公司提供保管服務的摩根歐洲盧森堡銀行將依照各基金投資屬性的不同而收取年度保管費，費率範圍為各基金之淨資產價值的0.001%至0.005%之間，本公司有些基金的年度保管費率可能較高係因其投資目標及政策係涉及投資於開發中國家的股權證券，詳細資料可參考基金年報相關之總費用比率。保管費乃由本公司每日計算並按月支付。

以上費用不包括銀行、經紀商、本公司資產與負債交易相關費用、其他各種本公司合理的費用、以及隨時可能發生的本公司應支付的各項服務費用。已支付的各種費用將登記於本公司的財務報表上。

**vi. 其他費用**

本公司負擔的其他營運成本包括（但不限於）下列各項費用：如證券買賣的成本、政府與法定收費、法律顧問和查帳費用、保險費、利息支出、報告與公告支出、郵資、電話及傳真等費用，每日於估計及計算各基金的資產淨值之時計算之。本公司可能隨時支付一定金額的費用給管理公司使其分配予次承銷商、中介機構、交易商以及/或是專業投資人，作為在銷售平台上廣為銷售某些基金的報酬。這些成本可能由在這些銷售平台上銷售的基金來分攤。

依據上述的所有手續費及費用不包括增值稅及其他應課徵之稅項，其應由基金視要求而做支付。

## 2. 銷售手續費及或有遞延銷售手續費

### 銷售手續費

股份類別總覽	A股	AS股	C股	D股*	I股	M股	N股	W股 <sup>3</sup>	X股	Y股	Z股 <sup>4</sup>	P2股S股	P1股
投資人類別	個人投資及法人機構投資人	個人投資及法人機構投資人	個人投資及法人機構投資人	個人投資及法人機構投資人	法人機構投資人	個人投資及法人機構投資人	個人投資及法人機構投資人	個人投資及法人機構投資人	法人機構投資人	法人機構投資人	個人投資及法人機構投資人	個人投資人	法人機構投資人
銷售手續費—股票型基金及多元資產基金	不超過5.75% 參照以下或有遞延銷售手續費列表	無	參照以下或有遞延銷售手續費列表	無	無	無	不超過3.00%	無	無	無	無	無	無
銷售手續費—固定收益型基金	不超過5.00% 參照以下或有遞延銷售手續費列表	無	參照以下或有遞延銷售手續費列表	參照以下或有遞延銷售手續費列表	無	無	不超過3.00%	無	無	無	無	無	無

\*銷售D股的中介機構或經銷商可以自行收取銷售費用，但不得超過3.00%。

<sup>3,45</sup>銷售W股或Z股的中介機構或經銷商可以自行收取銷售費用，但不得超過5.75%。

### 或有遞延銷售手續費

或有遞延銷售手續費金額的計算依其適用之股份採贖回股份的淨資產價值或申購時的淨資產價值孰低乘上所適用或有遞延銷售手續費費率如下表。

在A股的美金一百萬元或以上的合格投資之或有遞延銷售手續費費率級距表		C股之或有遞延銷售手續費費率級距表	
自購買日起持有年份	或有遞延銷售手續費	自購買日起持有年份	或有遞延銷售手續費
低於十八個月	不超過1%	低於十二個月	1%
等於或多於十八個月	0%	等於或多於十二個月	0%

### D股之或有遞延銷售手續費費率級距表

自購買日起持有年份	或有遞延銷售手續費
低於一年	0.48%
等於或多於一年，但低於兩年	0.36%
等於或多於兩年，但低於三年	0.24%
等於或多於三年，但低於四年	0.12%
等於或多於四年	0%

## 2. 投資經理費用(年率)

由於 Y 股是在其他股份之外為提供選擇性收費架構而設計，憑藉著投資人是富蘭克林坦伯頓基金集團的客戶，投資人將直接被富蘭克林坦伯頓基金集團收取年度管理費用，相關基金的 Y 股無須自淨資產中再支付年度管理費用。

以下為各基金股份所分別適用的投資經理費用列表：

基金名稱	A股, AS股, C股, N股, Z股	D股	P1股	P2股	S股	I股	M股	W股
伊斯蘭債券基金(本基金之配息來源可能為本金)	1.00%	無	不超過 0.70%	不超過 0.30%	不超過 0.70%	0.70%	- 從0至1億美元 : 0.45% - 從1億至2.5億美元 : 0.40% - 2.5億美元以上 : 0.35%	0.70%

## 3. 維護費用

以下為各基金的 A 股、AS 股、C 股、D 股、M 股以及 N 股所分別適用的維護費用列表：

基金名稱	A股*	AS股	C股	D股	P1、P2及S股	M股	N股*
伊斯蘭債券基金(本基金之配息來源可能為本金)	不超過 0.30%	0.40%	1.08%	無	無	1.23%	不超過 1.25%

\* 該維護費用年率會扣除適用於該股份類別的平均淨資產價值作為維護費用。

## 4. 分銷費用

## D 股

每年會扣除適用於 D 股的平均淨資產價值的 0.125%（年率）作為分銷費用。

## 附錄 G—基金績效指標揭露

### - 伊斯蘭債券基金(本基金之配息來源可能為本金)

富蘭克林坦伯頓伊斯蘭債券基金之基金績效指標為道瓊伊斯蘭債指數。該基金績效指標僅供投資人與基金績效進行比較時作參考，且其既不限制基金投組的構建方式，也不作為基金績效超越的目標。該基金採主動式管理。

## 風險聲明

- 各基金經金融監督管理委員會核准或同意生效，惟不表示本基金絕無風險。境外基金管理機構以往之績效不保證基金之最低收益。
- 境外基金係以外幣計價，投資人須承擔取得收益分配或買回價金時轉換回新臺幣可能產生之匯率風險。若轉換當時之新臺幣兌換外幣匯率相較於原始投資日之匯率升值時，投資人將承受匯兌損失。
- 高收益債券基金較適合投資屬性中風險承受度較高之投資人，投資人投資高收益債券基金不宜占其投資組合過高之比重。由於高收益債券之信用評等未達投資等級或未經信用評等，且對利率變動的敏感度甚高，故本基金可能會因利率上升、市場流動性下降，或債券發行機構違約不支付本金、利息或破產而蒙受虧損。本基金不適合無法承擔相關風險之投資人。
- 配息涉及本金之基金的配息可能由基金的收益或本金中支付。任何涉及由本金支出的部份，可能導致原始投資金額減損。基金進行配息前未先扣應負擔之費用。由本金支付配息之相關資料已揭露於本公司網站(<http://www.franklin.com.tw>)，投資人可至本公司網站查閱。
- 基金配息率不代表基金報酬率，且過去配息率不代表未來配息率；基金淨值可能因市場因素而上下波動，投資人於獲配息時，宜一併注意基金淨值之變動。
- 基金持有新興市場之投資標的者，其主要投資風險除包含一般股票型基金之投資組合跌價與匯率風險外，與成熟市場相比須承受較高之政治與金融管理風險，而因市值及制度性因素，流動性風險也相對較高，新興市場投資組合波動性普遍高於成熟市場。基金投資均涉及風險且不負任何抵抗投資虧損之擔保。基金並非完全投資於大陸地區之有價證券，依規定，基金投資大陸地區證券市場之有價證券不得超過基金淨資產價值之20%，投資香港地區紅籌股及H股無限制，投資人須留意中國市場特定政治、經濟與市場之投資風險。投資風險之詳細資料請參閱基金公開說明書。
- 投資經理公司以往之經理績效，並不代表未來之基金投資收益。投資管理服務與多項投資工具相關，其價值均會波動，管理的投資組合價值亦可能有上下起伏，故無法保證投資可以保本。不同投資工具的投資風險並不相同，若投資為受匯兌影響者，相較於其它特定投資組合，匯率的變動將會影響其價值，結果必然影響到基金淨值的漲跌。若為波動性較高的基金，當基金淨值突然大幅滑落時，則變現或贖回所發生的虧損有可能很高(包含投資的所有損失)。
- 投資基金所應承擔之相關風險及應負擔之費用(含分銷費用)已揭露於基金公開說明書及投資人須知中，投資人可至境外基金資訊觀測站([www.fundclear.com.tw](http://www.fundclear.com.tw))下載，或逕向本公司網站([www.Franklin.com.tw](http://www.Franklin.com.tw))查閱。
- 本公司所提供之資料及訊息，僅供此訊息接收人之參考用途。本公司當盡力提供正確之資訊，所載資料均來自或本諸我們相信可靠之來源，但對其完整性、即時性和正確性不做任何擔保，如有錯漏或疏忽，本公司或關係企業與其任何董事或受僱人，並不負任何法律責任。基金過去的績效不代表未來的表現，基金價格可能上揚或下跌。投資共同基金有投資風險(包括但不限於價格、匯率、政治之風險)，亦可能發生本金之損失。任何人因信賴此等資料而做出或改變投資決策，須自行承擔結果。

富蘭克林證券投資顧問股份有限公司

電話：(02) 2781-0088 傳真：(02) 2781-7788 台北市忠孝東路四段 87 號 8 樓

富蘭克林基金專線：0800-885-888 富蘭克林基金理財網：<http://www.Franklin.com.tw>

主管機關核准之營業執照字號：101 年金管投顧新字第 025 號

【富蘭克林證券投顧獨立經營管理】



# FRANKLIN TEMPLETON SHARIAH FUNDS

PROSPECTUS

SOCIÉTÉ D'INVESTISSEMENT

À CAPITAL VARIABLE

INCORPORATED IN LUXEMBOURG

DATED JANUARY 2024

VISA 2024/175397-7566-0-PC

L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité  
Luxembourg, le 2024-01-25  
Commission de Surveillance du Secteur Financier

**FRANKLIN TEMPLETON SHARIAH FUNDS**  
Société d'investissement à capital variable  
Registered office: 8A, rue Albert Borschette, L-1246 Luxembourg  
Grand Duchy of Luxembourg  
R.C.S. Luxembourg B-169.965

**OFFER**

of separate classes of shares of no par value of Franklin Templeton Shariah Funds (the "**Company**"), each linked to one of the following sub-funds (the "**Funds**") of the Company, at the published offer price for the Shares of the relevant Fund:

1. **Franklin Global Sukuk Fund**
2. **Franklin Shariah Global Multi-Asset Income Fund**
3. **Franklin Shariah Technology Fund**
4. **Templeton Shariah Global Equity Fund**

## **FRANKLIN TEMPLETON SHARIAH FUNDS – IMPORTANT INFORMATION**

If you are in any doubt about the contents of this prospectus (the "**Prospectus**"), you should consult your bank, stockbroker, solicitor, accountant, financial or other Shariah adviser. No one is authorised to give any information other than that contained in this Prospectus or in any of the documents referred to herein.

**Investors should be aware that the Funds will be managed in accordance with the Shariah Guidelines as determined by the Shariah Supervisory Board.**

### **The Company**

The Company is incorporated in Luxembourg under the laws of the Grand Duchy of Luxembourg as a *société anonyme* and qualifies as a *société d'investissement à capital variable* ("**SICAV**").

The Company is registered on the official list of undertakings for collective investment in transferable securities pursuant to Part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time (the "**Law of 17 December 2010**"). The Company qualifies as an Undertaking for Collective Investment in Transferable Securities ("**UCITS**") under Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended.

The Company has appointed Franklin Templeton International Services S.à r.l., *société à responsabilité limitée* with its registered office at 8A, rue Albert Borschette, L-1246 Luxembourg, Grand-Duchy of Luxembourg as management company to provide investment management, administration and marketing services to the Company with the possibility to delegate part or all of such services to third-parties.

The Company has obtained recognition for marketing its Shares in certain European countries (in addition to the Grand Duchy of Luxembourg): Austria, France, Germany, Spain and the United Kingdom. The registration of the Shares of the Company in any jurisdiction does not require any authority to approve or disapprove the adequacy or accuracy of this Prospectus or the securities portfolios held by the Company. Any statement to the contrary is unauthorised and unlawful.

Facilities to investors according to Art.92(1) b) to e) of the Directive 2009/65/EC (as amended by Directive (EU) 2019/1160) are available at <https://www.eifs.lu/franklintempleton> for certain EEA countries

The distribution of this Prospectus and the offering of the Shares may be restricted in certain other jurisdictions. It is the responsibility of any persons wishing to make an application for Shares pursuant to this Prospectus to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdictions. Attention of Investors is also drawn to the fixed amount which may be levied on transactions by Distributors, local paying agents and Correspondent Banks established in certain jurisdictions such as Italy. Prospective subscribers for Shares should make themselves aware of the legal requirements with respect to such application and of any applicable taxes in the countries of their respective citizenship, residence or domicile.

This Prospectus relates to Funds which are not subject to any form of regulation or approval by the Dubai Financial Services Authority ("**DFSA**") and is not directed to "retail clients" as defined by the DFSA (except for public distribution of funds through intermediaries in accordance with applicable laws). The DFSA has no responsibility for reviewing or verifying this Prospectus or other documents in connection with the Funds. Accordingly, the DFSA has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus, and has no responsibility for it. The offering of the Shares may be subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the Shares and should consult an authorised financial advisers if they do not understand the contents of this Prospectus.

The Company may apply for registration of the Shares in various other legal jurisdictions worldwide.

The Company does not have any debentures, loans, borrowings or indebtedness in the nature of liabilities under acceptances or acceptance credits, mortgage hire purchase commitments, guarantees or other material contingent liabilities.

The Company is not registered in the United States of America under the Investment Company Act of 1940. The Shares of the Company have not been registered in the United States of America under the Securities Act of 1933. The Shares made available under this offer may not be directly or indirectly offered or sold in the United States of America or any of its territories or possessions or areas subject to its jurisdiction or to or for the benefit of nationals or residents thereof, unless pursuant to an exemption from registration requirements available under US law, any applicable statute, rule or interpretation. Persons located (domiciled) in the US or other US Persons (as defined from time to time by Regulation S of the United States Securities Act of 1933) (collectively, "**US Persons**") are not eligible to purchase Shares in the Company. Prospective Investors shall be required to declare that they are not a US Person and are not applying for Shares on behalf of any US Person. In the absence of written notice to the Company to the contrary, the provision by a potential investor of a non-US address on the application form for investment in the Company, will be deemed to be a representation and warranty from such investor that he/she/it is not a US Person and that such investor will continue to be a non-US Person unless and until the Company is otherwise notified of a change in the investor's US Person status.

The term "US Person" shall mean any person that is a United States person within the meaning of Regulation S under the United States Securities Act of 1933 or as defined by the U.S. Commodity Futures Trading Commission for this purpose, as the definition of such term may be changed from time to time by legislation, rules, regulations or judicial or administrative agency interpretations.

The Company is not registered in any provincial or territorial jurisdiction in Canada and Shares of the Company have not been qualified for sale in any Canadian jurisdiction under applicable securities laws. The Shares made available under this offer may not be directly or indirectly offered or sold in any provincial or territorial jurisdiction in Canada or to or for the benefit of residents thereof, unless such Canadian resident is, and will remain at all times during their investment, a "permitted client" as that term is defined in Canadian securities legislation. Prospective Investors may be required to declare that they are not a Canadian resident and are not applying for Shares on behalf of any Canadian residents. If an Investor becomes a Canadian resident after purchasing Shares of the Company, the Investor will not be able to purchase any additional Shares of the Company.

Statements made in this Prospectus are based on the laws and practice currently in force in the Grand Duchy of Luxembourg, and are subject to changes in those laws and practice.

This Prospectus does not constitute an offer to anyone or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so.

The price of Shares in the Company and the income from them may go down as well as up and an Investor may not get back the amount invested. Attention of Investors is more specifically drawn to the fact that investment by the Company, as defined hereafter, may trigger specific risks, as more fully described under the section "Risk Consideration".

The most recent audited annual and unaudited semi-annual reports of the Company which are available free of charge and upon request at the registered office of the Company and the Management Company, form an integral part of this Prospectus.

Investors desiring to receive further information regarding the Company (including the procedures relating to complaints handling, the strategy followed for the exercise of the voting rights of the Company, the policy for placing orders to deal on behalf of the Company with other entities, the best execution policy as well as the arrangements relating to the fee, commission or non-monetary benefit in relation with the investment management and administration of the Company) or wishing to make a complaint about the operation of the Company should contact the Management Company client service department, 8A, rue Albert Borschette, L-1246 Luxembourg or their local servicing office.

The Company and the Management Company draw the Investors' attention to the fact that any Investor will only be able to fully exercise her/his Investor's rights directly against the Company, notably the right to participate in general meetings of the Shareholders, if the Investor is registered himself and in his own name in the register of Shareholders of the Company.

If an Investor invests in the Company through an intermediary investing in the Company in his own name but on behalf of the Investor, it may not always be possible for the Investor to exercise certain Shareholder rights directly against the Company. Investors are advised to take advice on their rights. The Management Company, acting as principal distributor of the Company (the "**Principal Distributor**"), will also organise and oversee the marketing and distribution of the Shares. The Principal Distributor may engage sub-distributors, intermediaries, brokers and/or professional investors (who may be affiliates of Franklin Templeton and who may receive part of the maintenance charges or other similar fees).

Moreover, the Management Company decided that, when required by the relevant legal, regulatory and/or tax environment applicable to some particular countries where the Shares of the Company are or will be offered, the duties of organising and overseeing the marketing and distribution of Shares, or the distribution of Shares itself, currently dedicated on a worldwide basis to the Principal Distributor, may be allocated to such other entities (who may be affiliates of Franklin Templeton) directly appointed by the Management Company from time to time.

Subject to the provisions of the agreements in place with the Management Company, such other parties may in turn engage sub-distributors, intermediaries, brokers and/or professional investors (who may be affiliates of Franklin Templeton). Notwithstanding the foregoing, the Management Company will also monitor the appointment and activities of the sub-distributors, intermediaries, brokers and/or professional investors as part of its activity as Principal Distributor.

Distributors, sub-distributors, intermediaries and brokers/dealers engaged in the activity of marketing and distributing the Shares shall abide by and enforce all the terms of this Prospectus including, where applicable, the terms of any mandatory provisions of Luxembourg laws and regulations relating to the distribution of the Shares. They shall also abide by the terms of any laws and regulations applicable to them in the country where their activity takes place, including, in particular, any relevant requirements to identify and know their clients. They must not act in any way that would be damaging or onerous on the Company and/or the Management Company in particular by submitting the Company and/or the Management Company to regulatory, fiscal or reporting information it would otherwise not have been subject to. They must not hold themselves out as representing the Company.

For the avoidance of doubt, Investors buying Shares or investing through such other parties (or through sub-distributors, intermediaries, brokers/dealers and/or professional investors appointed by such other parties) will not be charged additional fees and expenses by the Company or the Management Company.

Whenever applicable, all references in this Prospectus relating to the Principal Distributor should therefore also read as references to such other parties appointed by the Management Company.

The Directors of the Company, whose names appear in the section "Administration Information", are responsible for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Board of Directors accepts responsibility accordingly.

#### **Board of Directors' Powers**

The Board of Directors is responsible for the Company's management and administration and has delegated its day-to-day management and administration to the Management Company in accordance with the Articles and the Management Company services agreement.

The Board of Directors is responsible for the overall investment policy, objectives and management of the Company and its Funds. The Board of Directors may authorise the creation of additional Funds in the future with different investment objectives, subject to the amendment of this Prospectus.

The Board of Directors may decide to offer or issue in any Fund any of the existing Share Class which terms and conditions are more fully described in the section "Share Classes" and "Investment Management Fees", including Alternative Currency Classes, Hedged Share Classes as well as Share Classes with different dividend policies. Investors will be informed of the issue of such Shares upon publication of the Net Asset Value per Share of such Share Class as described in the section "Publication of Share Prices".

If the total value of the Shares of any Fund is at any time below USD 50 million, or the equivalent thereof in the currency of the relevant Fund, or if a change in the economic or political situation relating to the Fund concerned would justify such liquidation or if it is required by the interests of the Shareholders of the Fund concerned, the Board of Directors may decide to redeem all the Shares outstanding of such Fund. Notice of such redemption will be sent to the registered Investors by mail. The price at which Shares will be redeemed will be based on the net asset value per Share of such Fund determined upon realisation of all assets attributable to such Fund. Further details are provided in Appendix E.

The Board of Directors reserves the right at any time, without notice, to discontinue the issue or sale of Shares pursuant to this Prospectus.

Shares offered or in issue in the various Funds, classes and currencies are more fully described in the section "Share Classes".

The assets of each Fund are exclusively available to satisfy the rights of Shareholders and of creditors which have arisen in connection with the creation, operation or liquidation of that Fund. For the purpose of the relations as between Shareholders, each Fund will be deemed to be a separate entity.

The determination of the prices of Shares of each Fund may be suspended during a period when trading on a relevant stock exchange is substantially restricted or when other specified circumstances exist which make it impracticable to dispose of or value any of the Company's investments (see Appendix E). No Share may be issued, redeemed or switched during a period of suspension. A notice of any suspension shall be published, if appropriate, in such newspapers as the Board of Directors and/or the Management Company may from time to time determine.

The distribution of this Prospectus in some jurisdictions may require the translation of this Prospectus into the languages specified by the regulatory authorities of those jurisdictions. In case of inconsistency between the translated and the English version of this Prospectus, the English version shall prevail.

The Prospectus shall be kept up-to-date and shall be made available on the Internet site: <http://www.franklintempleton.lu>, may be found in the Internet site of the Franklin Templeton' Distributors or can be obtained free of charge and upon request at the registered office of the Company and the Management Company.

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## DEFINITIONS

"Accumulation Share"	a Share which accumulates the income attributable to a Share so that it is reflected in the increased value of that Share
"Administrative Agent"	J.P. Morgan SE, Luxembourg Branch (the Legal successor of J.P. Morgan Bank Luxembourg S.A.), to whom the Management Company has delegated some of the administrative agency services in relation to the Company
"Alternative Currency Class"	a Share Class in an alternative currency to the base currency of the Fund
"Annual General Meeting"	the annual general meeting of Shareholders of the Company
"Articles"	the articles of incorporation of the Company as amended from time to time
"Board of Directors"	the board of directors of the Company
"Broker/Dealer"	financial intermediary or adviser
"Business Day"	a day on which the banks in the relevant jurisdiction(s) are normally open for business
"Commitment Approach"	an approach for measuring risk or " <b>Global Exposure</b> " that factors in the market risk of the investments held in a UCITS sub-fund, including risk associated with any financial derivatives instruments held by converting the financial derivatives into equivalent positions in the underlying assets of those derivatives (sometimes referred to as " <b>notional exposure</b> "), after netting and hedging arrangements where the market value of underlying security positions may be offset by other commitments related to the same underlying positions. Global Exposure using the Commitment Approach is expressed as an absolute percentage of total net assets. Under Luxembourg Law, global exposure related solely to financial derivatives may not exceed 100% of total net assets, and global exposure overall (including market risk associated with the sub-funds' underlying investments, which by definition make up 100% of total net assets) may not exceed 200% of total net assets (excluding the 10% that a UCITS may borrow on a temporary basis for short-term liquidity)
"Company"	Franklin Templeton Shariah Funds
"Contingent Deferred Sales Charge" or "CDSC"	a fee imposed when shares are sold, typically during the first few years of ownership
"Contract Note"	see sub-section " <b>Contract Note</b> " under section Investor General Information
"CPF"	Central Provident Fund
"Covered Bonds"	Covered bonds are debt obligations issued by credit institutions and secured by a ring-fenced pool of assets (the " <b>cover pool</b> " or " <b>cover assets</b> ") which bondholders have direct recourse to as preferred creditors. Bondholders remain at the same time entitled to a claim against the issuing entity or an affiliated entity of the issuer as ordinary creditors for any residual amounts not fully settled with the liquidation of the cover assets, giving them effectively a double claim or " <b>dual recourse</b> "
"CPF Board"	Central Provident Fund Board, a statutory body incorporated in Singapore and constituted under the Central Provident Fund Act
"CPF Investor"	a purchaser of Shares in the Company using his CPF savings, subject to such terms and conditions set out in the Singapore prospectus and terms and conditions as may be imposed by the CPF Board from time to time
"CSSF"	<i>Commission de Surveillance du Secteur Financier</i> – the regulatory and supervisory authority of the Company in Luxembourg

<b>"Data Protection Officer"</b>	a person appointed by the Management Company as a data protection officer in accordance with the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC
<b>"Depository Bank"</b>	J.P. Morgan SE, Luxembourg Branch (the Legal successor of J.P. Morgan Bank Luxembourg S.A.), a Luxembourg-based bank, has been appointed by the Company as the Company's depository bank.
<b>"Dealing Cut-Off Time"</b>	the time prior to which a transaction instruction must be received in order for the transaction to be processed at the current day's NAV as further described in Appendix A of this Prospectus
<b>"Dealing Day"</b>	any Valuation Day which is also a Business Day. Dealing Day restrictions in any jurisdiction may be obtained upon request
<b>"Directors"</b>	the members of the Board of Directors
<b>"Distributor"</b>	an entity or person duly appointed by the Management Company, acting as Principal Distributor, to distribute or arrange for the distribution of Shares
<b>"Distribution Share"</b>	a Share which normally distributes its net investment income, unless otherwise stated in the relevant Fund policy
<b>"Emerging Markets"</b>	countries whose economy, stock market, political situation and regulatory framework are not fully developed
<b>"Equity Fund"</b>	an Equity Fund's assets are mainly or solely invested in or exposed on equity securities issued by companies which are listed and traded on stock exchanges (equities). Equity Funds can either invest globally (global equity Funds) or be concentrated on specific countries (country-specific Funds), geographic regions (regional Funds) or sectors (sector-specific Funds)
<b>"ETC"</b>	Exchange Traded Commodity
<b>"ETF"</b>	Exchange Traded Fund
<b>"EU"</b>	European Union
<b>"FATCA"</b>	Foreign Account Tax Compliance Act
<b>"Fatwa"</b>	a ruling concerning Shariah as issued by the Shariah Supervisory Board
<b>"FFI"</b>	a Foreign Financial Institution as defined in FATCA
<b>"Fixed Income Fund"</b>	a Fixed Income Fund's assets are mainly or solely invested in or exposed to debt securities (including, but not limited to, Sukuk) which pay a fixed or variable return and which may be issued by companies, national or local governments and/or international organizations which are supported by several governments (such as the World Bank). Fixed Income Funds may invest globally or focus on a geographic region or country and may invest in Sukuk issued by different types of issuer or focus on just one (such as governments). The performance of Fixed Income Funds is often linked to broad economic factors and particularly any changes in interest rates
<b>"Franklin Templeton"</b>	FRI and its subsidiaries and affiliates world-wide
<b>"FRI"</b>	Franklin Resources Inc, One Franklin Parkway, San Mateo, California
<b>"Fund"</b>	a distinct pool of assets and liabilities within the Company, distinguished mainly by its specific investment policy and objective as created from time to time



<b>"Global Exposure"</b>	refers to a measure of the risk exposure for a UCITS sub-fund that factors in the market risk exposure of underlying investments, as well as the incremental market risk exposure and implied leverage associated with financial derivative instruments if and where held in the portfolio. Under Luxembourg regulation, UCITS are required to measure such risk exposure using either a "Commitment Approach" or a "Value-at-Risk (VaR) Approach" – see separate definitions for these terms
<b>"Hibah"</b>	a gift or donation. Transfer of a determinate property without any material consideration
<b>"Holding"</b>	shares held in a single Share Class within the Investor's Portfolio
<b>"Ijara"</b>	Shariah-compliant leasing
<b>"Institutional Investor"</b>	as defined from time to time by the guidelines or recommendations of the competent Luxembourg financial supervisory authority within the meaning of article 174 of the Law of 17 December 2010. Please refer to the section "Share Classes" for the list of qualifying Institutional Investors
<b>"Investment Fund(s)"</b>	a UCITS or other UCI in which the Funds may invest, as determined in the investment restrictions described in Appendix C
<b>"Investment Managers"</b>	companies appointed by the Management Company and which provide day-to-day management in respect of the investment and re-investment of the assets of the Funds
<b>"Investor"</b>	a purchaser of Shares in the Company either directly or through a distributor subscribing for Shares in its own name and on behalf of the relevant underlying purchaser of Shares in the Company
<b>"Investor Portfolio" or sometimes referred to as "Portfolio"</b>	a portfolio of Holdings in the name of the registered Investor(s)
<b>"Investor Portfolio Number"</b>	personal number attributed to an Investor Portfolio upon acceptance of an application
<b>"ISIN Code"</b>	International Securities Identification Number that uniquely identifies a Fund / Share Class
<b>"KID"</b>	a key information document as defined in Regulation 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products ("PRIIPs"). For the avoidance of any doubt and where relevant, the references to KID in this Prospectus shall be understood as references to Key Investor Information Document ("KIID") within the meaning of article 159 of the Law of 17 December 2010
<b>"Law of 17 December 2010"</b>	Luxembourg Law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time
<b>"mainly"</b>	please refer to the "primarily" definition below
<b>"Management Company"</b>	Franklin Templeton International Services S.à r.l. or, where relevant, the members of the Management Company's board of managers
<b>"Member State"</b>	a Member State, as defined in the Law of 17 December 2010
<b>"Multi-Asset Fund"</b>	a Multi-Asset Fund typically invests in multiple types of assets, including but not limited to equities, debt securities, cash, real estate, commodities, etc. The proportion of a Multi-Asset Fund invested in each type of asset (the asset allocation) may be fixed for some Funds and flexible for others. Where the asset allocation is flexible, the Investment Manager will make adjustments to the amount invested in each type of asset depending on its view of their future prospects
<b>"Mudharabah"</b>	a Shariah-compliant partnership where a capital owner ( <i>Rab al Mal</i> ) and a manager ( <i>Mudarib</i> ) undertake a Shariah-compliant business or project

<b>"Murabaha"</b>	a contract referring to a sale and purchase transaction for the financing of an asset whereby the cost and profit margin (mark up) are made known and agreed to by all parties involved. The settlement for the purchase can be settled either on a deferred lump sum basis or on an instalment basis, and is specified in the agreement
<b>"Musawamah"</b>	a sale contract without the disclosure of the asset cost price and profit margin to the purchaser
<b>"Net Asset Value per Share" or "NAV"</b>	the value per Share of any Class of Share determined in accordance with the relevant provisions described under the heading "Determination of the Net Asset Value of Shares" as set out in Appendix E
<b>"OECD"</b>	Organisation for Economic Cooperation and Development
<b>"Omnibus"</b>	an institution which holds assets within an account or holding for a number of underlying Investors
<b>"Perpetual securities"</b>	sukuk securities with no maturity date, excluding for the avoidance of any doubt, contingent convertible securities
<b>"primarily" or "principally" or "mainly"</b>	when a Fund investment policy states that investments will be made "primarily" or "principally" or "mainly" in a particular type of security, or in a particular country, region or industry, it generally means that at least two-thirds of this Fund's total assets (without taking into account ancillary liquid assets) shall be invested into such security, country, region or industry
<b>"Principal Distributor"</b>	the Management Company acting as principal distributor of the Company
<b>"Prohibited Persons"</b>	any US Person and/or any person, firm or corporate body, in the opinion of the Company, having holding that may be detrimental to the Company or its Shareholders, and which may result in a breach of any applicable law or regulations whether Luxembourg or foreign or may expose the Company or its Shareholders to liabilities (to include, inter alia, regulatory or tax liabilities and any other tax liabilities that might derive, inter alia, from any breach of FATCA requirements) or any other disadvantages that it or they would not have otherwise incurred or been exposed to
<b>"Purchase"</b>	when the Prospectus states "purchase" or "how to purchase shares", it generally refers to a subscription of Shares
<b>"Registrar and Transfer Agent"</b>	Virtus Partners Fund Services Luxembourg S.à.r.l, to whom the Management Company has delegated the registrar and transfer agency services in relation to the Company
<b>"REIT"</b>	An entity that is dedicated to owning, and in most cases, managing, real estate. This may include, but is not limited to, real estate in the residential (apartments), commercial (shopping centres, offices) and industrial (factories, warehouses) sectors. Certain REITs may also engage in real estate financing transactions and other real estate development activities. The legal structure of a REIT, its investment restrictions and the regulatory and taxation regimes to which it is subject will differ depending on the jurisdiction in which it is established. Investment in REITs will be allowed if they qualify as transferable securities. A closed-ended REIT, the units of which are listed on a regulated market is classified as a transferable security listed on a regulated market thereby qualifying as an eligible investment for a UCITS under the Luxembourg law
<b>"RMB"</b>	the official currency of mainland China – to be read as a reference to onshore Renminbi (CNY) and/or offshore Renminbi (CNH) as the context requires
<b>"sale" or "to sell"</b>	when the prospectus states "a sale" of shares or "how to sell shares", it generally refers to a redemption of Shares
<b>"SFDR"</b>	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector
<b>"SICAV"</b>	Société d'Investissement à Capital Variable

<b>"Share"</b>	a Share of any Share Class in the capital of the Company
<b>"Share Class"</b>	a class of Shares with a specific fee structure, currency of denomination or other specific feature
<b>"Shareholder"</b>	a holder of Shares in the Company
<b>"Shariah"</b>	the principles, precepts and tenets of Islam derived principally from the Holy Qur'an and from the teachings and examples of the Holy Prophet Muhammad (peace be upon Him) as interpreted by the Shariah Supervisory Board
<b>"Shariah-compliant"</b>	investment products that comply to the requirements of Shariah principles as interpreted by the Shariah Supervisory Board
<b>"Shariah Guidelines"</b>	the investment guidelines established and confirmed by the Shariah Supervisory Board as compliant with the Shariah principles and set out in Appendix B
<b>"Shariah Supervisory Board" or "SSB"</b>	a board comprising four eminent Islamic scholars responsible for approving the Shariah Guidelines and confirming the compliance of the Fund's investments and accounting standards with the Shariah principles
<b>"Shariah Screening Provider"</b>	IdealRatings, Inc. has been appointed as the Company's Shariah screening provider, in charge of the screening of the securities held by the Funds of the Company
<b>"Sub-adviser"</b>	a company which provides non-discretionary investment advisory services and related research services to the Investment Manager(s) in respect of the assets of the Fund(s)
<b>"Sukuk" (plural of "Sakk")</b>	Islamic fixed-income securities that comply with Shariah and where the holder owns an undivided exposure over an underlying asset
<b>"Sukuk al-Ijara"</b>	a securities issuance where the underlying transaction between the issuer and the obligor involves a lease of tangible or intangible property
<b>"Sukuk al-Wakala"</b>	trust certificates that are issued by a party in order to raise capital to acquire or invest in Shariah compliant assets, goods, or services. These sukuk provide sukuk-holders with ownership of or equity participation in the underlying assets, goods, or services. These acquisitions or investments are then entrusted to an agent (wakeel) for management on behalf of the issuer and sukuk-holders. The sukuk-holders take the risk of the acquisitions and investments and are entitled to any profits generated from them
<b>"Sum of Notionals"</b>	a measure of the level of leverage as calculated by taking the sum of notionals of all financial derivative contracts entered into by the Fund expressed as a percentage of the Fund's Net Asset Value. The Global Exposure of the underlying investments (i.e. 100% of Global Exposure represented by actual assets) is not included in the calculation, only the incremental Global Exposure from the financial derivative contracts being taken into account for the purpose of calculation of the Sum of Notionals.
	This methodology does not:
	- make a distinction between financial derivative instruments that are used for investment or hedging purposes. As a result strategies that aim to reduce risk will contribute to an increased level of leverage for the Fund;
	- allow the netting of derivative positions. As a result, derivative roll-overs and strategies relying on a combination of long and short positions may contribute to a large increase of the level of leverage when they do not increase or only cause a moderate increase of the overall Fund risk;
	- take into account the derivative underlying assets' volatility or make a distinction between short-dated & long-dated assets;
	- consider the delta for option contracts, so there is no adjustment for the likelihood that any option contract will be exercised. As a result, a Fund that has out of the money

option contracts that are not likely to be exercised will appear to have the same leverage as a Fund with comparable figures for sum of notionals where the option contracts are in the money and are likely to be exercised, even though the potential leveraging effect of out of the money options tends to increase as the price of the underlying asset approaches the strike price, then tends to dissipate as the price of the underlying rises further and the contract goes deep into the money

<b>"Taxonomy Regulation"</b>	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, as may be amended from time to time
<b>"Third Party Payment"</b>	payments received from, or made by/to, a party other than the registered Investor
<b>"UCI" or "other UCI"</b>	Undertaking for Collective Investment within the meaning of Article 1, paragraph (2), point a) and b) of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended
<b>"UCITS"</b>	Undertaking for Collective Investment in Transferable Securities authorised according to Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as regards depositary functions, remuneration policies and sanctions
<b>"USA" or "US"</b>	United States of America
<b>"US Person"</b>	shall mean any person that is a United States person within the meaning of Regulation S under the United States Securities Act of 1933 or as defined by the U.S. Commodity Futures Trading Commission for this purpose, as the definition of such term may be changed from time to time by legislation, rules, regulations or judicial or administrative agency interpretations
<b>"Valuation Day"<sup>1</sup></b>	any day on which the New York Stock Exchange ("NYSE") is open or any full day on which banks in Luxembourg are open for normal business (other than during a suspension of normal dealing). Further information on the applicable Valuation Days for the Funds can be found on the website: <a href="http://www.franklintempleton.lu">http://www.franklintempleton.lu</a>
<b>"Value-at-Risk (VaR) Approach"</b>	an approach for measuring risk or "Global Exposure" based on Value-at-Risk or VaR, which is a measure of the maximum potential loss that can arise at a given confidence level (i.e. probability) over a specific time period under normal market conditions. VaR may be expressed in absolute terms as a currency amount specific to a portfolio, or as a percentage when the currency amount is divided by total net assets. VaR may also be expressed in relative terms, where the VaR of the Fund (expressed in percentage terms) is divided by the VaR of its relevant benchmark (also expressed in percentage terms), generating a ratio known as relative VaR. Under Luxembourg Law, absolute VaR limits are currently 20% of total net assets and relative VaR limits are currently twice or 200% of the benchmark VaR
<b>"Wa'd"</b>	a unilateral promise made by one person to another to undertake a certain action or verbal disposal beneficial to the other party
<b>"Wakala"</b>	an agency agreement where one person appoints another person to perform a task on his behalf
<b>"Zakat"</b>	an obligation under Shariah to pay a certain amount on wealth above a specified minimum for defined beneficiaries

**All references herein to time are to Central European time (CET) unless otherwise indicated.  
Words importing the singular shall, where the context permits, include the plural and vice versa.**

<sup>1</sup> Effective 1<sup>st</sup> April 2024, "Valuation Day" means for each Fund, any such day as set out in the relevant Fund's specific information sub-section. Further information on the applicable Valuation Days for the Funds can be found on the website: <http://www.franklintempleton.lu>.

## **ADMINISTRATION INFORMATION**

### **BOARD OF DIRECTORS OF THE COMPANY**

#### **CHAIRWOMAN:**

Caroline Carroll  
Director  
FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED  
Cannon Place,  
78 Cannon Street,  
London, EC4N 6HL  
United Kingdom

#### **DIRECTORS:**

A.Craig Blair  
Conducting Officer  
FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.à r.l.  
8A, rue Albert Borschette  
L-1246 Luxembourg  
Grand Duchy of Luxembourg

Hans-J. Wisser  
Independent Director  
Kälbersticksweg 37  
61350 Bad Homburg  
Germany

William Jackson  
Non-executive Director  
2 St Clair Terrace  
Edinburgh EH10 5NW United Kingdom

### **MANAGEMENT COMPANY**

FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.à r.l.  
8A, rue Albert Borschette  
L-1246 Luxembourg  
Grand Duchy of Luxembourg

### **BOARD OF MANAGERS OF THE MANAGEMENT COMPANY**

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Conducting Officer  
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Grand Duchy of Luxembourg

Martin Dobbins  
(Independent Manager)  
Director  
SAGE ADVISORY S.Á.R.L.  
49 Rue de Luxembourg,  
L-3392 Roedgen,  
Luxembourg

William Jackson  
(Non-executive Manager)  
2 St Clair Terrace  
Edinburgh, EH10 5NW  
United Kingdom

Gwen Shaneyfelt  
Sr. VP Global Accounting and Taxation  
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CA 94403-1906  
United States of America

Jane Trust  
Senior Vice President  
LEGG MASON&CO, LLC  
100 International Drive, Baltimore, MD 21202  
United States of America

Ed Venner  
Chief Operating Officer – Distribution  
FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED  
Cannon Place,  
78 Cannon Street,  
London, EC4N 6HL  
United Kingdom

**CONDUCTING OFFICERS OF THE MANAGEMENT COMPANY:**

A. Craig Blair  
Conducting Officer  
FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.à r.l.  
8A, rue Albert Borschette  
L-1246 Luxembourg  
Grand Duchy of Luxembourg

Olga Frenkel  
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John Hosie  
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Rafal Kwasny  
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Maxime Lina  
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L-1246 Luxembourg  
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Luis Perez  
FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.À R.L.  
8A, rue Albert Borschette  
L-1246 Luxembourg  
Grand Duchy of Luxembourg

Marc Stoffels  
FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.À R.L.  
8A, rue Albert Borschette  
L-1246 Luxembourg  
Grand Duchy of Luxembourg

**SHARIAH SUPERVISORY BOARD:**

AMANIE ADVISORS SDN BHD  
Level 13A-2  
Menara Tokio Marine Life  
189, Jalan Tun Razak  
50400 Kuala Lumpur  
Malaysia

- Dr. Mohamed Ali Elgari
- Dr. Muhammad Amin Ali Qattan
- Dr. Mohd Daud Bakar
- Dr. Osama Al Dereai

**SHARIAH SCREENING PROVIDER:**

IdealRatings, Inc.  
425 Market Street  
Suite 2200  
San Francisco, CA, 94105  
United States of America

**INVESTMENT MANAGERS:**

FRANKLIN ADVISERS, INC.  
One Franklin Parkway  
San Mateo, CA 94403 - 1906  
USA

FRANKLIN TEMPLETON INVESTMENTS (ASIA) LIMITED  
17/F, Chater House  
8 Connaught Road Central  
Hong Kong

FRANKLIN TEMPLETON INVESTMENTS (ME) LIMITED  
The Gate, East Wing, Level 2  
Dubai International Financial Centre  
P.O. Box 506613, Dubai  
United Arab Emirates

TEMPLETON ASSET MANAGEMENT LTD  
7 Temasek Boulevard  
#38-03 Suntec Tower One  
Singapore 038987

TEMPLETON GLOBAL ADVISORS LIMITED  
P.O. Box N-7759  
Lyford Cay  
Nassau  
Bahamas

**SUB-ADVISER:**

FRANKLIN TEMPLETON GSC ASSET MANAGEMENT Sdn. Bhd.  
Suite 31-02, 31st Floor, Menara Keck Seng  
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Malaysia

**ADMINISTRATIVE AGENT**

J.P. MORGAN SE, LUXEMBOURG BRANCH  
European Bank & Business Centre  
6C, route de Trèves  
L-2633 Senningerberg  
Grand Duchy of Luxembourg

**REGISTRAR AND TRANSFER AGENT**

VIRTUS PARTNERS FUND SERVICES LUXEMBOURG S.à r.l.  
8A, rue Albert Borschette

L-1246 Luxembourg  
Grand Duchy of Luxembourg

**PRINCIPAL DISTRIBUTOR:**

FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.à r.l.  
8A, rue Albert Borschette  
L-1246 Luxembourg  
Grand Duchy of Luxembourg

**TAIWAN MASTER AGENT:**

FRANKLIN/TEMPLETON SECURITIES INVESTMENT CONSULTING (SINOAM) INC.  
8F, #87, Sec. 4  
Chung Hsiao E. Road  
Taipei  
Taiwan, R.O.C.

**DEPOSITARY BANK:**

J.P. MORGAN SE, LUXEMBOURG BRANCH  
European Bank & Business Centre  
6C, route de Trèves  
L-2633 Senningerberg  
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**AUDITOR:**

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**LEGAL ADVISER:**

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**LOCAL PAYING AGENTS:**

**in France:**

CACEIS Bank  
89-91, rue Gabriel Péri  
92120 Montrouge

**in Switzerland:**

NPB New Private Bank Ltd.  
Limmatquai 1/am Bellevue  
P.O. Box  
8022 Zurich

**FACILITIES AGENT:**

**in the United Kingdom:**

FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED  
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**REGISTRAR AND TRANSFER AGENT**

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## **FUND INFORMATION OBJECTIVES AND INVESTMENT POLICIES**

The Company aims to provide Investors with a choice of Funds which invest in a wide range of Shariah-compliant transferable securities and other Shariah-compliant eligible assets on a worldwide basis and which feature a diverse array of investment objectives including capital growth and income. The overall objective of the Company is to seek to minimise investment risk exposure through diversification and to provide Investors with the benefit of a portfolio managed by entities of Franklin Templeton according to its successful time-tested investment selection methods.

As more fully disclosed in Appendix E, a Fund shall be solely liable for its own assets and liabilities.

Each Fund may invest in Shariah-compliant "when-issued" securities, and seek financing, all within the limits of the Company's investment restrictions and the Shariah Guidelines.

Further, subject to the limits set forth in the investment restrictions and the Shariah Guidelines, the Company may with respect to each Fund invest in Shariah-compliant financial derivatives instruments provided that (a) these are economically appropriate in that they are realised in a cost-effective way, (b) they are entered into for one or more of (i) reduction of risk, (ii) reduction of cost or (iii) generation of additional capital gain or income with a level of risk which is consistent with the risk profile of the relevant Fund and the risk diversification requirements set forth in Appendix C of this Prospectus, and (c) the risks are adequately captured by the risk management process applicable to the Company. Shariah-compliant financial derivative instruments may include foreign exchange forwards and profit rate swaps.

When a Fund's investment policy states that investments will be made "primarily" or "principally" or "mainly" in a particular type of security, or in a particular country, region or industry, it generally means that at least two-thirds of this Fund's total assets (without taking into account ancillary liquid assets) shall be invested into such security, country, region or industry.

Each Fund may hold ancillary liquid assets (i.e. bank deposits at sight, such as cash held in current accounts with a bank accessible at any time) up to 20% of its net assets in response to adverse market, economic, political, or other conditions, or to meet liquidity, redemption, and short-term investing needs. On a temporary basis and if justified by exceptionally unfavourable market conditions, each Fund may, in order to take measures to mitigate risks relative to such exceptional market conditions in the best interests of its shareholders, hold ancillary liquid assets up to 100% of its net assets.

Each Fund may also, in order to achieve its investment goals and for treasury purposes, invest in Shariah-compliant bank deposits, Islamic money market instruments and/or Islamic money market funds pursuant to the applicable investment restrictions. For defensive purposes, the Fund may invest up to 100% of its net assets in these Shariah-compliant instruments on a temporary basis.

When a Fund may invest in total return swaps or other financial derivative instruments with similar characteristics, the underlying assets and investment strategies to which exposure will be gained are described in the relevant Fund's investment policy.

The investment objectives and policies described below are binding on the Management Company and the respective Investment Managers of the Funds and are subject to their compliance with Shariah Guidelines.

## **SUSTAINABLE INVESTMENTS**

The Management Company has implemented a policy in respect of the integration of sustainability risks in its investment decision making-process. The Management Company and/or Investment Manager(s) integrate sustainability risks and opportunities into their research, analysis and investment decision-making processes.

Sustainability risk, as further described in the "Risk Considerations" section, means an environmental, social, or governance event or condition, that, if it occurs, could potentially or actually cause a material negative impact on the value of a Fund's investment. Sustainability risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks.

Sustainability risks are important elements to consider in order to enhance long-term risk adjusted returns for investors and determine specific Fund's strategy risks and opportunities. All Funds of the Company do currently integrate sustainability risk in their investment decision-making process. Integration of sustainability risk may vary depending on the Fund's strategy, assets and/or portfolio composition. The Management Company and/or relevant Investment Managers make use of specific methodologies and databases into which environmental, social, and governance (ESG) data from external research companies, as well as own research results, are incorporated. Assessment of sustainability risks is complex and may be based on ESG data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed.

To the extent that a sustainability risk occurs, or occurs in a manner that is not anticipated by the Management Company and/or the relevant Investment Manager/Investment Manager's models, there may be a sudden, material negative impact on the value of an investment, and hence on the Net Asset Value of the Fund. Such negative impact may result in an entire loss of value of the relevant investment(s) and may have an equivalent negative impact on the Net Asset Value of the Fund.

Unless otherwise stated in a Fund's specific information below, the investments underlying a Fund do not take into account the EU criteria for environmentally sustainable economic activities, including enabling or transitional activities, within the meaning of the Taxonomy Regulation.

## FRANKLIN GLOBAL SUKUK FUND

### Asset Class

Fixed Income Fund (Shariah-compliant securities)

### Base Currency

US dollar (USD)

### Valuation Day (Effective 1<sup>st</sup> April 2024)

A day on which the New York Stock Exchange is open for normal business (other than during a suspension of normal dealing), further information on the applicable Valuation Days for the Fund can be found on the website: <http://www.franklintempleton.lu>.

### Investment Objective

To maximise, consistent with prudent investment management, total investment return, consisting of a combination of profit income and capital appreciation

### Investment Policy

The Fund seeks to achieve this objective by investing principally in a portfolio of fixed- and floating-rate Shariah-compliant securities (including non-investment grade securities), issued by government, government-related and corporate entities located in developed and developing countries.

Since the investment objective is more likely to be achieved through an investment policy which is flexible and adaptable, the Fund may also, in accordance with its investment policy and the Shariah Guidelines, invest in securities or financial derivative instruments for hedging, efficient portfolio management and/or investment purposes in which the underlying security is linked to or derives its value from a distinct security, asset, commodity or currency of any nation. These financial derivative instruments include but are not limited to Sharia compliant swaps (including but not limited to profit rate swaps, credit default swaps or total return swaps), as well as Sharia compliant currency forwards, and other over the counter (OTC) Shariah compliant hedging instruments. The Fund may invest in Sukuk instruments issued by any corporate, sovereign, or supranational entity, and may be backed by or derive its value from any asset, tangible or otherwise, including mortgages.<sup>2</sup> The Fund may also invest in short term instruments including Murabaha placements and up to 20% of its net assets in Sharia compliant credit linked notes or structured products.

The Investment Manager may take temporary defensive cash position when it believes the securities trading markets or the economies of countries where the Fund invests are experiencing excessive volatility or prolonged general decline or other adverse conditions. The Fund may purchase securities denominated in any currency.

The Fund may also make distribution from capital, net realised and net unrealised capital gains as well as income gross of expenses. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital.

### Exposure to total return swaps

The expected level of exposure that could be subject to Sharia compliant total return swaps (unfunded) amounts to 5% of the Fund's net assets, subject to a maximum of 20%.

### Investor Profile

- Seeking to maximise total investment return consisting of profit income and capital appreciation.
- Planning to hold their investment for the medium to long term.

### Risk Considerations

Please refer to the section "**Risk Considerations**" for a full description of the risks listed below.

Principal risks to the Fund's investment strategy:

- Credit risk
- Emerging Markets risk
- Foreign Currency risk
- Liquidity risk
- Shariah Compliance risk
- Sukuk Investment Risk

Other risks that may be relevant to the Fund:

- Convertible and Hybrid Securities risk
- Counterparty risk
- Derivative risk
- Dividend Policy Risk
- Frontier Markets risk
- Debt Securities risk
- Legal and Regulatory risk
- Market Risk
- Restructuring Companies risk
- Settlement Default risk

<sup>2</sup> As from 26 February 2024, the following sentence will be added hereafter before the last sentence of this paragraph as follows: "*For the purpose of this Fund, Sukuk may include contingent convertible securities, subject to a maximum of 10% of the Fund's net assets.*"

- Structured Notes risk

### **Global Exposure**

The Commitment Approach is used to calculate the Global Exposure of the Fund.

### **Investment Manager**

Franklin Templeton Investments (ME) Ltd.

### **Sub-adviser**

Franklin Templeton GSC Asset Management Sdn. Bhd.

### **Fees Disclosures**

Please refer to Appendix F for a full description of the fees.

### **Benchmark Disclosure**

Please refer to Appendix G for a description of the benchmark disclosure relating to the Fund.

## **FRANKLIN SHARIAH GLOBAL MULTI-ASSET INCOME FUND**

### **Asset Class**

Multi-Asset (Shariah-compliant securities and Sukuk)

### **Base Currency**

US dollar (USD)

### **Valuation Day (Effective 1<sup>st</sup> April 2024)**

A day on which the New York Stock Exchange is open for normal business (other than during a suspension of normal dealing), further information on the applicable Valuation Days for the Fund can be found on the website: <http://www.franklintempleton.lu>.

### **Investment Objectives**

The Fund's investment objective is to maximise income while maintaining prospects for capital appreciation.

### **Investment Policy**

The Fund will primarily invest in a diversified portfolio of Shariah-compliant equity and fixed income securities (including non-investment grade securities) issued by government, government-related and corporate entities located in developed, developing and emerging countries. The Fund also has the ability to invest in Shariah-compliant "alternatives". The Fund may shift its investments from one asset class to another based on the Investment Managers' analysis of the market environment.

Shariah-compliant equity securities generally entitle the holder to participate in a company's general operating results. The Fund also invests in American and Global Depository Receipts. These are certificates issued typically by a bank or a trust company that give their holders the right to receive securities issued by a foreign or domestic company. Depository Receipts do not eliminate currency and economic risks for underlying shares of a company operating in another country. Shariah-compliant equity securities may also include securities of restructuring companies to a maximum of 5% of the Fund's net assets. Under normal market conditions, the Fund will have no more than 75% net long exposure directly or indirectly to equity and equity-related securities. Exposure will be determined on a net basis, taking the combined value of long and short exposures. Gross absolute exposure to equities may therefore exceed 75%.

In relation to the fixed income securities, the Fund may invest in Sukuk issued by any corporate, sovereign, or supranational entity which may be backed by or derive its value from any asset, tangible or otherwise, including mortgages. For the purpose of this Fund, Sukuk may include distressed and defaulted fixed income securities issued by governments and corporations subject to a maximum, in aggregate, of 10% of the Fund's net assets as well as (i) contingent convertible securities and (ii) hybrid bonds each subject to a maximum of 5% of the Fund's net assets. The Fund may also invest up to 4% of its net assets in private placement securities (including but not limited to investments made through Shariah-compliant structures that are (1) cash financing through underlying commodity trades via Murabaha transactions; (2) cash and warrants through underlying Shariah-compliant cost plus profit financing in the form of Murabaha, and spot commodity based arrangements utilising Musawamah transactions; (3) cash and profit participations through underlying Murabaha and Musawamah transactions, (4) Ijara (lease) financing solutions through asset-backed transactions; and/or (5) direct or structured investments, including asset-backed securities and participation notes, with or without one of more of the foregoing investment mechanisms). The Fund's exposure to non-investment grade fixed income securities, including high yield securities issued by governments and corporations will not exceed 20% of the Fund's total net assets. The Fund may invest in short term instruments including Murabaha placements and up to 20% of its net assets in Sharia-compliant credit linked securities including (i) Shariah-compliant credit linked notes or (ii) structured products (including but not limited to equity and commodity linked notes).

The Fund may also invest in Shariah-compliant "alternative" asset classes, including direct or indirect investment in real-estate securities (including closed-ended real estate investment trusts or "REITs") and indirect investment in commodities via ETCs. Under normal market conditions, the Fund will have no more than 10% aggregate net exposure to "alternative" asset classes.

Since the investment objective is more likely to be achieved through an investment policy which is flexible and adaptable, the Fund may also, in accordance with its investment policy and the Shariah Guidelines, invest in securities or financial derivative instruments for hedging, efficient portfolio management and/or investment purposes in which the underlying security is linked to or derives its value from a distinct security, asset, commodity or currency of any nation. These financial derivative instruments include but are not limited to Sharia-compliant swaps

(including but not limited to profit rate swaps, credit default swaps or fixed-income total return swaps), Sharia-compliant currency forwards, other Sharia-compliant over the counter (OTC) instruments, Shariah compliant equity linked notes as well as Shariah compliant options.

The Fund may also make distribution from capital, net realised and net unrealised capital gains as well as income gross of expenses. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital.

The Fund may also invest up to 10% of its net assets in Shariah-compliant units of UCITS and other Shariah-compliant UCIs (including ETFs and units providing exposure to equities).

The Fund may invest in aggregate up to 10% of its net assets in China A-Shares (through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect) and in China B-Shares.

#### **Exposure to total return swaps**

The expected level of exposure that could be subject to Sharia compliant total return swaps (unfunded) amounts to 5% of the Fund's net assets, subject to a maximum of 20%.

#### **Investor Profile**

Considering the investment objectives, as stated above, the Fund may appeal to:

- income and prospects of some capital appreciation by accessing a portfolio of both equity and fixed income securities via a single fund
- invest for the medium to long term

#### **Risk Considerations**

Please refer to the section "**Risk Considerations**" for a full description of the risks listed below.

Principal risks to the Fund's investment strategy:

- Counterparty risk
- Credit risk
- Debt Securities risk
- Derivative Instruments risk
- Foreign Currency risk
- Market risk
- Shariah Compliance risk

Other risks that may be relevant to the Fund:

- Chinese Market Risk
- Class Hedging risk
- Convertible and Hybrid Securities risk
- Dividend Policy risk
- Distressed Securities risk
- Emerging Markets risk
- Liquidity risk
- Real Assets risk
- Restructuring Companies risk
- Shanghai-Hong Kong Stock Connect risk and Shenzhen-Hong Kong Stock Connect risk
- Swap Agreements risk

#### **Global Exposure**

The Commitment Approach is used to calculate the Global Exposure of the Fund.

#### **Investment Manager(s)**

Franklin Templeton International Services S.à r.l. and Franklin Templeton Investment (ME) Ltd.

#### **Fees Disclosures**

Please refer to Appendix F for a full description of the fees.

#### **Benchmark Disclosure**

Please refer to Appendix G for a description of the benchmark disclosure relating to the Fund.

### **FRANKLIN SHARIAH TECHNOLOGY FUND**

#### **Asset Class**

Equity Fund (Shariah-compliant global equities)

**Base Currency**

US dollar (USD)

**Valuation Day (Effective 1<sup>st</sup> April 2024)**

A day on which the New York Stock Exchange is open for normal business (other than during a suspension of normal dealing), further information on the applicable Valuation Days for the Fund can be found on the website: <http://www.franklintempleton.lu>.

**Investment Objectives**

The Fund's investment objective is capital appreciation.

**Investment Policy**

The Fund invests at least two thirds of its net invested assets in Shariah-compliant equity securities of US and non-US companies expected to benefit from the development, advancement, and use of technology and communication services and equipment. These may include, for example, companies in the following industries:

- communication and computing related outsourcing services;
- technology services, including computer software, data services, and Internet services;
- electronic technology, including computers, computer products, and electronic components;
- telecommunications, including networking, wireless, and wire-line services and equipment;
- media and information services, including the distribution of information and content providers;
- semiconductors and semiconductor equipment; and
- precision instruments.

The Fund invests in Shariah-compliant securities of US and non US large, well-established companies, as well as small to medium-sized companies, that the Investment Manager believes provide good emerging growth opportunities.

The Fund may also invest in Shariah-compliant equity or debt securities of any type of foreign or US issuer as well as in American, European or Global Depositary Receipts.<sup>3</sup>

The Fund may invest up to 15% of its net assets in China A-Shares (through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect) and in China B-Shares.

The Fund uses a growth approach that employs intensive, bottom-up, fundamental research of companies. The Investment Manager also takes into consideration broad-based trends when considering the selection of investments. In general, the Investment Manager looks for companies it believes display, or will display, some of the following characteristics, among others: quality management; robust growth prospects; strong market positioning; high, or rising profit margins; and good return on capital investment.

**Investor Profile**

Considering the investment objectives, as stated above, the Fund may appeal to Investors looking to:

- capital appreciation by investing in equity securities
- a growth investment in the technology sector in the US and around the world
- invest for the medium to long term

**Risk Considerations**

Principal risks to the Fund's investment strategy:

- Concentration risk
- Market risk
- Shariah Compliance Risk

Other risks that may be relevant to the Fund<sup>4</sup>:

- Counterparty risk
- Chinese Market risk
- Emerging Markets risk
- Foreign Currency risk
- Liquidity risk
- Smaller and Midsize Companies risk

**Global Exposure**

The Commitment Approach is used to calculate the Global Exposure of the Fund.

**Investment Manager(s)**

Franklin Advisers, Inc.

**Fees Disclosures**

Please refer to Appendix F for a full description of the fees.

<sup>3</sup> As from 26 February 2024, this sentence will be amended as follows: "The Fund may also invest in Shariah-compliant equity or debt securities of any type of foreign or US issuer as well as in American, European or Global Depositary Receipts and REITs."

<sup>4</sup> As from 26 February 2024, a Real Assets risk will be added to the list of the other risks that may be relevant to the Fund.

**Benchmark Disclosure**

Please refer to Appendix G for a description of the benchmark disclosure relating to the Fund.

**TEMPLETON SHARIAH GLOBAL EQUITY FUND<sup>5</sup>****Asset Class**

Equity Fund (Shariah-compliant global equities)

**Base Currency**

US dollar (USD)

**Valuation Day (Effective 1<sup>st</sup> April 2024)**

A day on which the New York Stock Exchange is open for normal business (other than during a suspension of normal dealing), further information on the applicable Valuation Days for the Fund can be found on the website: <http://www.franklintempleton.lu>.

**Investment Objective**

Capital appreciation

**Investment Policy**

The Fund invests principally in Shariah-compliant equity and equity-related securities including common stocks of companies located anywhere in the world, including Emerging Markets.

Shariah-compliant equity securities generally entitle the holder to participate in a company's general operating results. The Fund also invests in American, European, and global depository receipts. These are certificates issued typically by a bank or a trust company that give their holders the right to receive securities issued by a foreign or domestic company. Depository receipts do not eliminate currency and economic risks for underlying shares of a company operating in another country.

Depending upon current market conditions, the Fund may also invest up to 25% of its net assets in Shariah-compliant fixed-income securities of companies and governments located anywhere in the world or short term instruments. These include Sukuk, any other Shariah-compliant fixed-income securities and Murabaha placements.

In choosing equity and equity-related investments, the Investment Manager focuses on the market price of a company's securities relative to its evaluation of the company's long-term earnings, asset value and cash flow potential, as well as on other measures that the Investment Manager deems appropriate to determine a company's value.

The Fund may invest up to 10% of its net assets in China A-Shares (through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect) and in China B-Shares.<sup>6</sup>

**Investor Profile**

- Seeking capital appreciation by investing in undervalued securities in a well-diversified global equity fund.
- Planning to hold their investment for the medium to long term.

**Risk Considerations**

Please refer to the section "Risk Considerations" for a full description of the risks listed below.

Principal risks to the Fund's investment strategy:

- Emerging Markets risk
- Foreign Currency risk
- Liquidity risk
- Shariah Compliance risk

Other risks that may be relevant to the Fund<sup>7</sup>:

- Chinese Market risk
- Counterparty risk
- Europe and Eurozone risk
- Market risk
- Shanghai-Hong Kong Stock Connect risk and Shenzhen-Hong Kong Stock Connect risk
- Value Stocks risk

**Global Exposure**

The Commitment Approach is used to calculate the Global Exposure of the Fund.

**Investment Manager**

Templeton Asset Management Ltd., Franklin Templeton Investments (Asia) Limited and Templeton Global Advisors Limited

<sup>5</sup> The Investment Manager of the Fund will not use any financial derivative instruments.

<sup>6</sup> As from 26 February 2024, this sentence will be amended as follows: "The Fund may also invest (i) in REITs and (ii) up to 10% of its net assets in China A-Shares (through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect) and in China B-Shares."

<sup>7</sup> As from 26 February 2024, a Real Assets risk will be added to the list of the other risks that may be relevant to the Fund.

### **Fees Disclosures**

Please refer to Appendix F for a full description of the fees.

### **Benchmark Disclosure**

Please refer to Appendix G for a description of the benchmark disclosure relating to the Fund.

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## **RISK CONSIDERATIONS**

Investors must read this "Risk Considerations" section before investing in any of the Funds.

The value of the Shares will increase as the value of the securities owned by any Fund increases and will decrease as the value of the Fund's investments decreases. In this way, Investors participate in any change in the value of the securities owned by the relevant Fund(s). In addition to the factors that affect the value of any particular security that a Fund owns, the value of the Fund's Shares may also change with movements in the stock and Sukuk markets as a whole.

A Fund may own securities of different types, or from different Shariah-compliant asset classes – equities, fixed-income securities (including Sukuk), Shariah-compliant money market instruments, derivatives – depending on the Fund's investment objective.

Different investments have different types of investment risk. The Funds also have different kinds of risk, depending on the securities they own. Below is a summary of the various types of investment risk that may be applicable to the Funds. Please refer to the section "Fund Information, Objectives and Investment Policies" of this Prospectus as well as to the relevant KIDs for details as to the principal risks applicable to each Fund. Investors should be aware that other risks may also be relevant to the Funds from time to time.

### **General**

This section explains some of the risks that apply to all the Funds. It does not purport to be a complete explanation and other risks may also be relevant from time to time. In particular, the Company's performance may be affected by changes in market and/or economic and political conditions, and in legal, regulatory and tax requirements. No guarantee or representation is made that the investment program will be successful and there can be no assurance that the Fund(s)' investment objective(s) will be attained. Also, past performance is no guide to future performance, and the value of investments may go down as well as up. Changes in rates of exchange between currencies may cause the value of a Fund's investments to diminish or increase.

The Company or any of its Funds may be exposed to risks that are outside of their control – for example legal and regulatory risks from investments in countries with unclear and changing laws or the lack of established or effective avenues for legal redress or as a result of the registration of the Funds in non-EU jurisdictions, the Funds may be subject, without any notice to the shareholders in the Funds concerned, to more restrictive regulatory regimes potentially preventing the Funds from making the fullest possible use of the investment limits. Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Company could be substantial and adverse. The Funds may be exposed to the risk of terrorist actions, to the risk that economic and diplomatic sanctions may be in place or imposed on certain States and military action may be commenced. The impact of such events is unclear, but could have a material effect on general economic conditions and market liquidity. Investors are reminded that in certain circumstances their right to redeem Shares may be suspended as further described in Appendix E.

The Company or any of its Funds may be exposed to operational risks, being the risk that operational processes, including those related to the safekeeping of assets, valuation and transaction processing may fail, resulting in losses. Potential causes of failure may arise from human errors, physical and electronic system failures and other business execution risks as well as external events.

### **Chinese Market Risk**

Risks associated with the Chinese Market are similar to the "Emerging Markets risk" described below. With the government having a greater control over allocation of resources, the risks that naturally prevail in this type of market is political and legal uncertainty, currency fluctuations and blockage, no government support on reform or nationalisation and expropriation of assets. Such risks can have a negative impact on the performance of the relevant Fund.

The Chinese market is undergoing economic reform, these reforms of decentralisation are unprecedented or experimental and subject to modification which may not always have a positive outcome on the performance of the economy and then the value of securities in the relevant Fund.

The Chinese economy is also export driven and highly reliant on trade. Adverse changes in the economic conditions of its primary trading partners such as the US, Japan and South Korea would adversely impact the Chinese economy and the relevant Fund investments.

### **Class Hedging Risk**

The Company may engage in currency hedging transactions with regard to a certain Share Class (the "**Hedged Share Class**"). Hedging transactions are designed to reduce as much as possible the currency risk for investors.

Any Shariah compliant financial instruments used to implement such hedging strategies with respect to one or more Classes of a Fund shall be assets and/or liabilities of such Fund as a whole, but will be attributable to the relevant Share Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Share Class. Any currency exposure of a Share Class may not be combined with or offset against that of any other Share Class of a Fund. The currency exposure of the assets attributable to a Share Class may not be allocated to other Share Classes. No intentional leveraging should result from currency hedging transactions of a Share Class although hedging may exceed 100% by a small margin (as further detailed in the Hedged Share Classes sub-section) as in the case of a net investment flow to or from a Hedged Share Class the hedging may not be adjusted and reflected in the Net Asset Value of the Hedged Share Class until the following or a subsequent Business Day following the Valuation Day on which the instruction was accepted.

There is no guarantee that attempts to hedge currency risk will be successful and no hedging strategy can eliminate currency risk entirely. Should a hedging strategy be incomplete or unsuccessful, the value of that Fund's assets and income can remain vulnerable to fluctuations in currency exchange rate movements.

In the case of a net flow to or from a Hedged Share Class the hedging may not be adjusted and reflected in the Net Asset Value of the Hedged Share Class until the following or a subsequent Business Day following the Valuation Day on which the instruction was accepted.

Investors should be aware that there may be circumstances in which a hedging transaction may reduce currency gains that would otherwise arise in the valuation of the relevant Fund. The gains/losses on and the costs of such hedging transactions will accrue solely to the relevant Hedged Share Class.

This risk for holders of any Hedged Share Class may be mitigated by using any of the efficient portfolio management techniques and instruments, (including Wa'd (unilateral promise) structured currency options, forward currency contracts, currency futures and currency swaps on a spot basis or any other Shariah compliant hedging instrument) within the conditions and limits imposed by the Luxembourg financial supervisory authority.

Additionally, Investors of the Hedged Share Class may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the associated transactions costs of the relevant financial instruments used to implement the hedging strategy. The gains/losses on and the transactions costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class.

More details as to the rules governing allocation of assets and liabilities at a Share Class level are contained in Appendix E.

#### **Concentration risk**

Some Funds may have an investment policy which specifically states an intention to maintain a portfolio with holdings in a relatively limited number of issuers or a concentrated allocation to a given economic sector, market segment or geographical area. By being less diversified, such Funds may be more volatile than broadly diversified Funds, or may be exposed to greater risk since under performance of one or a few positions, sectors or geographical areas will have a greater impact on the Funds' assets. The relevant Funds may be adversely affected as a result of such greater volatility or risk.

#### **Convertible and Hybrid Securities risk**

A convertible security is generally a debt obligation, preferred stock or other security that distributes profit or pays dividends and may be converted by the holder within a specified period of time into common stock at a specified conversion price. The value of convertible securities may rise and fall with the market value of the underlying stock or, like a debt security, vary with changes in interest rates and the credit quality of the issuer. A convertible security tends to perform more like a stock when the underlying stock price is high relative to the conversion price (because more of the security's value resides in the option to convert) and more like a debt security when the underlying stock price is low relative to the conversion price (because the option to convert is less valuable). Because its value can be influenced by many different factors, a convertible security is not as sensitive to interest rate changes as a similar non-convertible debt security, and generally has less potential for gain or loss than the underlying stock.

Hybrid securities are those that, like convertible securities described above, combine both debt and equity characteristics. Hybrids may be issued by corporate entities (referred to as corporate hybrids) or by financial institutions (commonly referred as contingent convertible bonds or "CoCos"). Hybrid securities are subordinated instruments that generally fall in the capital structure between equity and other subordinated debt, i.e. such securities will be the most junior securities above equity. Such securities will generally have a long maturity and may even be perpetual in nature. Coupon payments may be discretionary and as such may be cancelled by the issuer at any point, for any reason, and for any length of time. The cancellation of coupon payments may not amount to an event of default. Hybrid securities are callable at pre-determined levels. It cannot be assumed that hybrid securities, including perpetual securities, will be called on the call date. The investor may not receive return of principal on a given call date or on any date.

Contingent convertible securities issued by financial institutions ("CoCos"), which became popular following the 2008-2009 financial crisis as a way of mitigating the impact of stressed market conditions, have certain additional characteristics not typical of corporate hybrids. For CoCos, conversion is tied to a pre-specified trigger event based on the capital structure of the financial institution and/or to when the regulator deems the bank to be no longer viable. The contingent convertible bond may convert to equity or, alternatively, may be purely loss absorbing and convert to nothing. Trigger levels may differ from one issue to the next and the risk of conversion will depend on the distance of the capital ratio to the trigger level and/or the point at which the regulator deems the issuer no longer viable (i.e. the bonds are "bail-in-able" at the "point of non-viability" or PONV), making it difficult for the Investment Manager and/or Investment Co-Managers of the relevant Fund to anticipate the triggering events that would require the debt to convert into equity or be simply loss absorbing. It may also be difficult for the Investment Manager and/or Investment Co-Manager to assess how the securities will behave upon conversion. Because conversion occurs after a specified event, conversion may occur when the share price of the underlying equity is less than when the bond was issued or purchased. Whereas traditional convertible securities are convertible at the option of the holder and the holder of such bonds will generally convert when the share price is higher than the strike price (i.e. when the issuer is doing well), CoCos tend to convert when the issuer is in crisis and needs additional equity or loss absorption in order to survive. As a result, there is greater potential for capital loss with CoCos compared to conventional convertible securities. The trigger could be activated through a material loss in capital as represented in the numerator or an increase in risk weighted assets (due to a shift to riskier assets) as measured in the denominator. Unlike for corporate hybrids, cancelled coupon payments do not generally accumulate and are instead written off. Holders of CoCos may see their coupons cancelled while the issuer continues to pay dividends on common equity, unlike the case of corporate hybrids which typically have so-called "dividend pusher/stopper clauses" which link the payment of hybrid coupons to equity dividends. CoCos may suffer from capital structure inversion risk, since investors in such securities may suffer loss of capital when equity holders do not in the event the pre-defined trigger is breached before the regulator deems the issuer non-viable (if the regulator declares non-viability before such a breach, the normal creditor hierarchy should apply). The value of CoCos may be subject to a sudden drop in value should the trigger level be reached. A Fund may be required to accept cash or securities with a value less than its original investment or, in the event of instances where the contingent convertible bond is intended to be only loss absorbing, the Fund may lose its entire investment.

#### **Counterparty Risk**

When Shariah-compliant over-the-counter (OTC) or other bilateral contracts are entered into (inter alia OTC derivatives) the Company may



find itself exposed to risks arising from the solvency of its counterparties and from their ability to respect the conditions of these contracts. The Company is exposed to the risk that the counterparty will fail to respect its commitments under the term of each contract. In addition, there may be a limited number of approved counterparties available for certain Shariah compliant financial instruments, exposing the fund to the possibility that only a few or even just one counterparty is available to engage in a given transactions. If the available approved counterparty (or counterparties) does not offer a competitive rate for the hedging transaction or decides not to roll a hedging transaction when it comes due, the Company's ability to implement the hedging strategy could be impaired or could end. This would mean that the Hedged Share Class would no longer closely track the performance of the Share Classes in base currency.

#### **Credit Risk**

Credit risk, a fundamental risk relating to all fixed income securities (including Sukuk) as well as Shariah-Compliant money market instruments, is the chance that an issuer will fail to make principal and profit payments when due. Issuers with higher credit risk typically offer higher yields for this added risk. Conversely, issuers with lower credit risk typically offer lower yields. Generally, government securities are considered to be the safest in terms of credit risk under normal market conditions, while corporate debt, especially for companies with poorer credit ratings, have the highest credit risk. Government, or sovereign, securities can also carry high risk if a country's economic, political, fiscal and monetary situation deteriorates. Changes in the financial condition of an issuer, changes in economic and political conditions in general, and/or changes in economic and political conditions specific to an issuer, are all factors that may have an adverse impact on an issuer's credit quality and security values.

#### **Custody Risk**

Assets of the Company are safe kept by the Depository Bank and Investors are exposed to the risk of the custodian not being able to fully meet its obligation to reconstitute in a short timeframe all of the assets of the Company in the case of bankruptcy of the Depository Bank. The assets of the Company will be identified in the Depository Bank's books as belonging to the Company. Securities and Sukuk held by the Depository Bank will be segregated from other assets of the Depository Bank which mitigates but does not exclude the risk of non-restitution in case of bankruptcy. However, no such segregation applies to cash which increases the risk of non-restitution in case of bankruptcy. The Depository Bank does not keep all the assets of the Company itself but uses a network of sub-custodians which may not be part of the same group of companies as the Depository Bank. Investors are also exposed to the risk of bankruptcy of the sub-custodians. A Fund may invest in markets where custodial and/or settlement systems are not fully developed.

#### **Debt Securities risk**

All Funds that invest in debt securities or Money Market Instruments are subject to interest rate risk, credit risk, default risk and may be exposed to specific risks including but not limited to sovereign risk, high yield securities risk, restructuring risk and risk related to the use of credit ratings.

A fixed income security's value will generally increase in value when interest rates fall and decrease in value when interest rates rise. Fixed income securities with longer-term maturities tend to be more sensitive to interest rate changes than shorter-term securities.

Variable rate securities (which include floating-rate debt securities) generally are less sensitive to interest rate changes than fixed rate debt securities.

Some Funds may invest in debt securities on which the issuer is not currently distributing profit (defaulted debt securities). These Funds may buy defaulted debt securities if, in the opinion of the Investment Manager and/or the Investment Co-Managers, it appears likely that the issuer may resume distribution of profit or other advantageous developments appear likely in the near future. These securities may become illiquid.

Sovereign debt securities can be subject to risks in addition to those relating to debt securities and foreign securities generally, including, but not limited to, the risk that a governmental entity may be unwilling or unable to distribute profit and repay principal on its sovereign debt. There are generally no bankruptcy proceedings for sovereign debt. If a sovereign debtor defaults (or threatens to default) on its sovereign debt obligations, the obligations may be restructured. In the event of a default on sovereign obligation, a Fund may have limited legal recourse against the defaulting government entity.

Funds may invest in Sovereign Debt issued by governments or government-related entities from countries referred to as Emerging Markets or Frontier Markets, which bear additional risks compared to more developed markets due to such factors as greater political and economic uncertainties, currency fluctuations, repatriation restrictions or capital controls.

Some Funds may invest in higher-yielding securities rated lower than investment grade. High-yield debt securities and unrated securities of similar credit quality ("**high-yield debt instruments**" or "**junk bonds**") involve greater risk of loss, or delays of distribution of profit and principal payments, than higher-quality debt securities. Issuers of high-yield debt instruments are not as strong financially as those issuing securities of higher credit quality. High-yield debt instruments are generally less liquid and their prices fluctuate more than higher-quality securities.

Some Funds may also invest in the securities of companies involved in mergers, consolidations, liquidations and reorganisations (including those involving bankruptcy). Such corporate events could be disruptive to the business and management structure of the companies involved, which may expose the Funds to higher investment risk.

The use of credit ratings in evaluating debt securities can involve certain risks, including the risk that the credit rating may not reflect the issuer's current financial condition or events since the security was last rated by a rating agency. Credit ratings may be influenced by conflicts of interest or based on historical data that no longer apply or are accurate. Recently, legislation and regulations to reform rating agencies have been proposed and may adversely impact the Fund's investments or investment process.

Debt securities are subject to prepayment risk when the issuer can "call" the security, or repay principal, in whole or in part, prior to the security's maturity. When a Fund reinvests the prepayments of principal it receives, it may receive a rate of interest that is lower than the rate on the existing security, potentially lowering the Fund's income, yield and its distributions to shareholders. Securities subject to prepayment may offer less potential for gains during a declining interest rate environment and have greater price volatility. Prepayment risk is greater in periods of falling interest rates.

### **Derivative Risk**

A derivative is a financial instrument whose value is derived from the value of another asset. In Islamic finance, derivative instruments may only be used for (i) reduction of risk, (ii) reduction of cost and/or (iii) generation of additional capital or return with a level of risk which is consistent with the risk profile of the relevant Fund, not for speculation which, like gambling, is a prohibited (*Haram*) activity.

For the purpose of hedging, reduction of cost and generation of additional capital or return with a level of risk which is consistent with the risk profile of the relevant Fund, the Company may, within the context of each Fund's overall investment policy, and within the limits set forth in the investment restrictions and the Shariah Guidelines applicable to the Funds, engage in certain transactions involving the use of Shariah-compliant derivative instruments, including but not limited to profit rate swaps and foreign currency forward contracts (including via proxy hedging where one currency may be closely correlated with another currency). The Company may engage, within the limits established by the investment restrictions and the Shariah Guidelines, in various portfolio strategies involving the use of instruments in order to protect against market and currency risks. If a Fund intends to engage in transactions involving the use of Shariah-compliant derivative instruments as part of its investment strategy, rather than on an occasional basis, this will be described in the investment objective of such Fund.

The use of derivative instruments and hedging transactions may or may not achieve its intended objective and involves special risks.

The global exposure of a Fund to financial derivative instruments shall not exceed its total net assets value and as a result the total risk exposure of such Fund shall not exceed 200% of its net assets value on a permanent basis.

Performance and value of derivative instruments depend, at least in part, on the performance or value of the underlying asset. Derivative instruments involve cost, may be volatile, and may involve a small investment relative to the risk assumed (leverage effect). Their successful use may depend on the Investment Manager's ability to predict market movements. Risks include delivery failure, default by the other party or the inability to close out a position because the trading market becomes illiquid. Some derivative instruments are particularly sensitive to changes in interest rates. The risk of loss to a Fund for a swap transaction on a net basis depends on which party is obliged to pay the net amount to the other party. If the counterparty is obliged to pay the net amount to the Fund, the risk of loss to the Fund is the loss of the entire amount that the Fund is entitled to receive; if the Fund is obliged to pay the net amount, the Fund's risk of loss is limited to the net amount due. OTC derivative instruments involve a higher degree of risk as OTC markets are less liquid and regulated.

### **Distressed Securities risk**

Investment in distressed securities may cause additional risks for a Fund. Such securities are regarded as predominantly speculative with respect to the issuer's capacity to distribute profit and pay principal or maintain other terms of the offer documents over any long period of time. Distressed securities are commonly understood as securities issued by companies undergoing financial pressure due to possible bankruptcy, re-structuring, or other financial turmoil. Changing market conditions may have a greater adverse impact on such securities and a portfolio holding substantial amounts of distressed securities may lose its entire investment, may be required to accept cash or securities with a value less than its original investment and/or may be required to accept payment over an extended period of time. Recovery of profit and principal may involve additional cost for the relevant Fund. Under such circumstances, the returns generated from the relevant Fund's investments may not compensate the shareholders adequately for the risks assumed.

For the purpose of this Prospectus, distressed securities are to be understood as including defaulted securities, and securities that are being rated CCC or below by at least 2 ratings agencies, or if unrated, their equivalent and have a credit spread above 1,000 bps. However, with respect to securities with a credit spread higher than 1000 bps (irrespective of their credit rating), the Investment Manager will proceed to additional analyses and verifications notably based on the evolution of the security's credit spread and the rating provided by other credit agencies in order to assess whether this security should be requalified as a distressed security. This procedure is further described in the Management Company's risk management process.

### **Distribution Risk**

Distribution of dividends, if any, is not guaranteed. Only Shareholders whose names are entered on the relevant record date shall be entitled to the distribution declared in respect of the corresponding quarterly, interim or annual accounting period, as the case may be. The net asset value of the relevant Fund will be reduced by the amount of dividend paid.

### **Dividend Policy Risk**

A Fund's dividend policy may allow for payment of dividends out of capital. Where this is done, it amounts to a return or withdrawal of part of an Investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the Fund's capital or payment of dividends effectively out of the Fund's capital (as the case may be) may result in an immediate reduction of the net asset value per Share.

### **Emerging Markets Risk**

All Fund investments in the securities issued by corporations, governments, and public-law entities in different nations and denominated in different currencies involve certain risks. These risks are typically increased in developing countries and Emerging Markets. Such risks, which can have adverse effects on portfolio holdings, may include: (i) investment and repatriation restrictions; (ii) currency fluctuations; (iii) the potential for unusual market volatility as compared to more industrialised nations; (iv) government involvement in the private sector; (v) limited investor information and less stringent investor disclosure requirements; (vi) shallow and substantially smaller liquid securities markets than in more industrialised countries, which means a Fund may at times be unable to sell certain securities at desirable prices; (vii) certain local tax law considerations; (viii) limited or less effective regulation of the securities markets; (ix) international and regional political and economic developments; (x) possible imposition of exchange controls or other local governmental laws or restrictions; (xi) the increased risk of adverse effects from deflation and inflation; (xii) the possibility of limited legal recourse for the Fund; and (xiii) the custodial and/or the settlement systems may not be fully developed.

Investors in Funds investing in Emerging Markets should in particular be informed that the liquidity of securities issued by corporations and public-law entities in Emerging Markets may be substantially smaller than with comparable securities in industrialised countries.

### **Europe and Eurozone Risk**

Mounting sovereign debt burdens worldwide may create economical and political tensions should a country be perceived to face difficulties in the servicing of its debt. This risk may be accrued in Europe and the Eurozone where the perceived default of one country may adversely affect the entire region and its currency. Such events may adversely affect interest rates and the prices of both fixed income and equity securities across Europe and potentially other markets as well. These events may increase volatility, liquidity and currency risks associated with investments in Europe.

The performance and value of the relevant Funds may be adversely affected should there be any adverse credit events (e.g. downgrade of the sovereign credit rating or default or bankruptcy of any Eurozone countries).

### **ESG Regulatory Risk**

The regulatory framework with respect to sustainable investments is constantly developing and evolving. The lack of common or harmonised definitions and labels regarding ESG and sustainability criteria or clear guidelines on the required level of disclosure may result in different approaches by asset managers when integrating ESG and sustainability criteria into investment decisions and updating the marketing documentation of an investment vehicle. Therefore, a degree of subjectivity is required and this will mean that a Fund may invest in a security that another asset manager or an investor would not and the level of disclosure in the Company's marketing documentation may be more or less detailed than the disclosure inserted in the marketing documentation of other investment vehicles. Hence, it may be difficult to compare investment vehicles, with ostensibly similar objectives as these investment vehicles will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar investment vehicles may deviate more substantially than might otherwise be expected. This also means that the approach which has been subjectively selected may potentially differ from positions adopted at a later stage at EU level or by national supervisory authorities, which might entail a reputational risk or be considered as involuntary greenwashing.

### **Foreign Currency Risk**

Since the Company values the portfolio holdings of each of its Funds in either US dollar or Euro, changes in currency exchange rates adverse to those currencies may affect the value of such holdings and each respective Fund's yield thereon.

Since the securities, including cash or cash equivalents, held by a Fund may be denominated in currencies different from its base currency, the Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between such reference currency and other currencies. Changes in currency exchange rates may influence the value of a Fund's Shares, and also may affect the value of dividends earned by the Fund and gains and losses realised by said Fund. If the currency in which a security is denominated appreciates against the base currency, the price of the security could increase. Conversely, a decline in the exchange rate of the currency would adversely affect the price of the security.

To the extent that a Fund or any Share Class seeks to use any strategies or instruments to protect against currency exchange risk, there is no guarantee that protection will be achieved. Unless otherwise stated in any Fund's investment policy, there is no requirement that any Fund seeks to hedge or to protect against currency exchange risk in connection with any transaction.

### **Frontier Markets Risk**

Investments in Emerging Market countries involve risks as set out in the section "Emerging Markets Risks" above. Investments in Frontier Markets involves risks similar to investments in Emerging Markets but to a greater extent since Frontier Markets are even smaller, less developed, and less accessible than other Emerging Markets. Frontier Markets may also experience greater political and economic instability and may have less transparency, less ethical practices, and weaker corporate governance compared to other Emerging Markets and the relevant Fund/Investors may be adversely impacted. Such markets are also more likely to have investment and repatriation restrictions, exchange controls and less developed custodial and settlement systems than other Emerging Markets. The countries that comprise Frontier Markets include the lesser developed countries located in Africa, Asia, the Middle East, Eastern Europe and Latin America. As a result, the relevant Fund/Investors may be adversely impacted.

### **Legal and Regulatory Risk**

The Funds must comply with various legal requirements, including requirements imposed by the securities laws and companies laws in various jurisdictions, including the Grand Duchy of Luxembourg.

The interpretation and application of legislative acts can be often contradictory and this may impact the enforceability of the various agreements and guarantees entered into by the Funds. Legislation could be imposed retrospectively or may be issued in the form of internal regulations not generally available to the public. The interpretation and application of laws and regulations can be often contradictory and uncertain particularly in respect of matters relating to taxation.

Courts may not adhere to the requirements of the law and the relevant contract and it cannot be guaranteed that any recourse or judgment obtained in a foreign court will be enforced in certain jurisdictions where the assets relating to securities held by the Funds are located.

### **Liquidity Risk**

Reduced liquidity may have an adverse impact on market price and the Company's ability to sell particular securities when necessary to meet the Company's liquidity needs or in response to a specific economic event such as the deterioration in the creditworthiness of an issuer.

### **Market Risk**

The market values of securities owned by a Fund will go up or down, sometimes rapidly or unpredictably. Securities may decline in value due to factors affecting individual issuers, securities markets generally or particular industries or sectors within the securities markets. The value of a security may go up or down due to general market conditions which are not specifically related to a particular issuer, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also go up or down due to factors that affect an individual issuer, a particular industry or sector, such as changes in production costs and competitive conditions within an industry or a specific country. Unexpected events such as natural or environmental disasters (earthquakes, fires, floods, hurricanes, tsunamis) and other severe weather-related phenomena generally, or widespread disease, including pandemics and epidemics, have been and can be highly disruptive to economies of individual companies, sectors, industries, nations, markets and adversely impacting currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors

affecting the value of the Fund's investments. Given the interdependence among global economies and markets, conditions in one country, market, or region are likely to adversely affect markets, issuers, and/or foreign exchange rates in other countries. These disruptions could prevent the Fund from executing advantageous investment decisions in a timely manner and could negatively impact the Fund's ability to achieve its investment objective. During a general downturn in the securities markets, multiple asset classes may decline in value. When markets perform well, there can be no assurance that securities held by a Fund will participate in or otherwise benefit from the advance. All investments in financial markets may decrease in value.

Additionally, stock prices tend to go up and down more dramatically than those of debt securities. A slower-growth or recessionary economic environment could have an adverse effect on the prices of the various stocks held by a Fund.

#### **Distributor subscribing for Shares in its own name and on behalf of an underlying Investor Risk**

The legislative framework in some markets is only beginning to develop the concept of legal/formal ownership and of beneficial ownership or interest in securities. Consequently, the courts in such markets may consider that any distributor subscribing for Shares in its own name and on behalf of an underlying Investor or custodian as registered holder of securities would have full ownership thereof and that a beneficial owner may have no rights whatsoever in respect thereof.

#### **Operational Risk**

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events. Potential causes of loss may arise from deficiencies in internal controls, Shariah screening controls, human errors, physical systems failures and other business execution risks as well as external events.

#### **Real Assets risk**

Funds investing in real assets securities, or securities linked to real assets, will be subject to specific risks linked to a variety of factors, including local, regional and national economic conditions, interest rates and tax considerations. Real Assets markets performance may show little correlation to equity and bond markets. There is a risk that funds investing in real assets may perform poorly in an otherwise favourable economic environment.

Securities of real estate investment trusts ("REITs") may be affected by any changes in the value of the properties owned and other factors, and their prices tend to go up and down. A REIT's performance depends on the types and locations of the properties it owns and on how well it manages those properties. A decline in rental income may occur because of extended vacancies, increased competition from other properties, tenants' failure to pay a rent or poor management. A REIT's performance also depends on the company's ability to finance property purchases and renovations and manage its cash flows. Since REITs typically are invested in a limited number of projects or in a particular market segment, they are more susceptible to adverse developments affecting a single project or market segment than more broadly diversified investments.

Securities of infrastructure companies are securities of companies whose primary business is in infrastructure-related activities, including the design, construction, operation or maintenance of seaports, airports, railways, roadways, pipelines, energy generation facilities (coal, oil, nuclear, hydro or solar powered), electricity transmission, water treatment plants, or related activities to these businesses. Such companies may experience volatility due to challenges such as getting the necessary permits, obtaining environmental clearances, meeting regulatory standards, requirements or guidelines, or being impacted by the level of economic activity, weather, natural disasters, governmental actions, civil disturbances, or acts of terrorism. By virtue of being concentrated in this one sector, a Fund may experience greater volatility compared to funds that follow a more diversified investment policy.

#### **Reclassification of Shariah Status Risk**

Shariah-compliant securities which are reclassified as Shariah non-compliant upon review by the SSB will require the securities to be disposed of immediately should their market value exceed the original investment cost on the announcement day. However, in the event the market value does not exceed the original investment cost on the announcement day, the relevant securities deemed non-compliant by the SSB can be held up to a maximum of 90 days from day of announcement. Any capital gain arising from the disposal of the Shariah non-compliant securities made at the time of the announcement day can be kept by the Fund. However, any excess capital gain derived from the disposal of the Shariah non-compliant securities after the announcement day at a market price that is higher than the closing price on the announcement day must be channelled to charitable bodies.

#### **Reinvestment of Collateral Risk**

Following reinvestment of collateral as defined in Appendix C. 3 of this Prospectus "Financial Derivative Instruments", the entirety of the risk considerations set out in this section regarding regular investments apply.

#### **Restructuring Companies Risk**

Some Funds may invest in the securities of companies involved in mergers, consolidations, liquidations and reorganisations or as to which there exist tender or exchange offers, and may participate in such transactions. They may also purchase indebtedness and participations therein, both secured and unsecured, of debtor companies engaged in reorganisation or financial restructuring. Such investments also involve greater credit risks.

#### **Settlement Default Risk**

Some Funds may invest in Shariah-compliant fixed-income securities where, following investment, a contractual payment is not made upon a certain settlement date. This constitutes Settlement Default risk. These securities may be, or become, less liquid or even illiquid.

The risk of loss due to default may also be considerably greater with lower-quality securities because they are generally unsecured and are often subordinated to other creditors of the issuer. If the issuer of a security in a Fund's portfolio defaults, the Fund may have unrealised losses on the security, which may lower the Fund's Net Asset Value per Share. Defaulted securities tend to lose much of their value before they default. Thus, the Fund's NAV may be adversely affected before an issuer defaults. In addition, the Fund may incur additional expenses if it must try to recover principal or profit payments on a defaulted security.

Included among the issuers of debt securities or obligations in which the Company may invest are entities organised and operated solely for the purpose of restructuring the investment characteristics of various securities or obligations. These entities may be organised by investment banking firms, which receive fees in connection with establishing each entity and arranging for the placement of its securities.

### **Shariah Compliance Risk**

The Shariah Supervisory Board and the Shariah Screening Provider have been appointed by the Company to ensure the compliance of the Funds' investments with the Shariah Guidelines.

The Management Company will undertake the investment activities of each Fund in accordance to the respective Shariah Guidelines. As a consequence, this may mean that the performance of a Fund may possibly be lower than other investment funds that do not seek to strictly adhere to the Islamic investment criteria. The Shariah Guidelines may require in certain circumstances for a Fund to dispose of certain investments and also may prohibit the investment into well-performing securities due to non compliance to Shariah. These requirements may place a Fund at a relatively less advantageous position compared to other investment funds that do not have to adhere to the Shariah principles.

In addition, the requirement to "purify" cash holdings or dividend income will likely result in payments being made to charities that have been approved by the Shariah Supervisory Board. To the extent such payments are made, the return to investors will be reduced by the amount of such payments, adversely affecting Fund performance compared to funds with a similar investment objective that do not have to make such payments.

Currently held Shariah-compliant securities may be reclassified to be Shariah non-compliant in the periodic review of the securities by the Shariah Supervisory Board of the Company. If this occurs, then the value of a Fund may be adversely affected, and the Investment Manager will take the necessary steps to dispose of such securities in accordance with the advice from the Shariah Supervisory Board of the Company.

Although the Company fully intends to observe the Shariah Guidelines at all times, no such assurance can be given, as there may be occasions when a Fund's investment may accidentally become non compliant to the Shariah for factors that are outside the control of the Company. The Company shall report such incidents to the Shariah Supervisory Board within a month of the incident.

### **Small and Mid-Sized Companies Risk**

The stock prices of small and mid-sized companies can perform differently than larger, more recognised, companies and have the potential to be more volatile. A lower degree of liquidity in their securities, a greater sensitivity to changes in economic conditions and interest rates, and uncertainty over future growth prospects may all contribute to such increased price volatility. Additionally, smaller companies may be unable to generate new funds for growth and development, may lack depth in management, and may be developing products in new and uncertain markets all of which are risks to consider when investing in such companies. These risks are typically increased for securities issued by smaller companies registered or performing a significant part of their activities in developing countries and Emerging Markets, especially as the liquidity of securities issued by companies in Emerging Markets may be substantially smaller than with comparable securities in industrialised countries.

### **Shanghai-Hong Kong Stock Connect risk and Shenzhen-Hong Kong Stock Connect Risk**

Certain Funds may invest and have direct access to certain eligible China A-Shares via the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect (together referred to as "**Stock Connect**"). Shanghai-Hong Kong Stock Connect is a securities trading and clearing links programme developed by Hong Kong Exchanges and Clearing Limited ("**HKEx**"), Shanghai Stock Exchange ("**SSE**") and China Securities Depository and Clearing Corporation Limited ("**ChinaClear**"). Shenzhen-Hong Kong Stock Connect is a securities trading and clearing links programme developed by HKEx, Shenzhen Stock Exchange ("**SZSE**") and ChinaClear. The aim of Stock Connect is to achieve mutual stock market access between mainland China and Hong Kong.

The Stock Connect comprises two Northbound Trading Links, one between SSE and Stock Exchange of Hong Kong Limited ("**SEHK**"), and the other between SZSE and SEHK. Stock Connect will allow foreign investors to place orders to trade eligible China A-Shares listed on the SSE ("**SSE Securities**") or on the SZSE ("**SZSE Securities**") (the SSE Securities and SZSE Securities collectively referred to as the "**Stock Connect Securities**") through their Hong Kong based brokers.

The SSE Securities include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on the SEHK, except (i) those SSE-listed shares which are not traded in RMB and (ii) those SSE-listed shares which are included in the "risk alert board". The list of eligible securities may be changed subject to the review and approval by the relevant PRC regulators from time to time. The SZSE Securities include all the constituent stocks from time to time of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index which has a market capitalization of at least RMB 6 billion, and all the SZSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except those SZSE-listed shares (i) which are not quoted and traded in RMB, (ii) which are included in the "risk alert board"; (iii) which have been suspended from listing by the SZSE; and (iv) which are in the pre-delisting period. The list of eligible securities may be changed subject to the review and approval by the relevant PRC regulators from time to time.

Further information about the Stock Connect is available online at the website:  
[https://www.hkex.com.hk/Mutual-Market/Stock-Connect?sc\\_lang=en](https://www.hkex.com.hk/Mutual-Market/Stock-Connect?sc_lang=en)

In addition to the risks associated with the Chinese market and risks related to investments in RMB, investments through the Stock Connect are subject to additional risks, namely, quota limitations, suspension risk, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing and settlement risks, nominee arrangements in holding China A-Shares and regulatory risk.

#### *Quota limitations*

The programmes are subject to a daily quota limitation which may restrict a Funds' ability to invest in Stock Connect Securities through the programmes on a timely basis. In particular, once the Northbound daily quota is reduced to zero or the Northbound daily quota is exceeded during the opening call session, new buy orders will be rejected (although investors will be allowed to sell their cross-boundary securities regardless of the quota balance).

#### *Suspension risk*

Each of the SEHK, SZSE and SSE reserves the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. In case of a suspension, the Funds' ability to access the mainland China market will be adversely affected.

#### *Differences in trading day*

Stock Connect only operates on days when both mainland China and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement day. Due to the difference in trading days between the mainland China and the Hong Kong markets, there may be occasions when it is a normal trading day for the mainland China market but not in Hong Kong and, accordingly, the Funds cannot carry out any Stock Connect Securities trading. The Funds may therefore be subject to a risk of price fluctuations in China A-Shares during the periods when Stock Connect is not operational.

#### *Restrictions on selling imposed by front-end monitoring*

Mainland China regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise both SZSE and SSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Shares sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

#### *Clearing settlement and custody risks*

Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of HKEx ("HKSCC") and ChinaClear establish the clearing links and each is a participant of each other to facilitate clearing and settlement of cross-boundary trades. As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the China Securities Regulatory Commission ("CSRC"). The chances of ChinaClear default are considered to be remote.

Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the relevant Fund(s) may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

The China A-Shares traded through Stock Connect are issued in scripless form, so investors, such as the relevant Funds, will not hold any physical China A-Shares. Hong Kong and overseas investors, such as the Funds, who have acquired Stock Connect Securities through Northbound trading should maintain the Stock Connect Securities with their brokers' or custodians' stock accounts with the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK. Further information on the custody set-up relating to the Stock Connect is available upon request at the registered office of the Company.

#### *Operational risk*

The Stock Connect provides a new channel for investors from Hong Kong and overseas, such as the Funds, to access the China stock market directly. The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the trial program to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the "connectivity" in the Stock Connect program requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (i.e. a new order routing system ("**China Stock Connect System**") to be set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the program could be disrupted. The relevant Funds' ability to access the China A-Share market (and hence to pursue their investment strategy) will be adversely affected.

#### *Nominee arrangements in holding China A-Shares*

HKSCC is the "nominee holder" of the Stock Connect securities acquired by overseas investors (including the relevant Fund(s)) through the Stock Connect. The CSRC Stock Connect rules expressly provide that investors such as the Funds enjoy the rights and benefits of the Stock Connect securities acquired through the Stock Connect in accordance with applicable laws. However, the courts in mainland China may consider that any nominee or custodian as registered holder of Stock Connect securities would have full ownership thereof, and that even if the concept of beneficial owner is recognised under mainland China law those SSE securities would form part of the pool of assets of such entity available for distribution to creditors of such entities and/or that a beneficial owner may have no rights whatsoever in respect thereof. Consequently, the relevant Fund(s) and the Depositary cannot ensure that the Fund's ownership of these securities or title thereto is assured in all circumstances.

Under the rules of the Central Clearing and Settlement System operated by HKSCC for the clearing of securities listed or traded on SEHK, HKSCC as nominee holder shall have no obligation to take any legal action or court proceeding to enforce any rights on behalf of the investors in respect of the Stock Connect securities in mainland China or elsewhere. Therefore, although the relevant Funds' ownership may be ultimately recognised, these Funds may suffer difficulties or delays in enforcing their rights in China A-Shares.

To the extent that HKSCC is deemed to be performing safekeeping functions with respect to assets held through it, it should be noted that the Depositary and the relevant Fund(s) will have no legal relationship with HKSCC and no direct legal recourse against HKSCC in the event that a Fund suffers losses resulting from the performance or insolvency of HKSCC.

#### *Investor compensation*

Investments of the relevant Funds through Northbound trading under the Stock Connect will not be covered by Hong Kong's Investor Compensation Fund. Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong.

Since default matters in Northbound trading via the Stock Connect do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Fund. On the other hand, since the relevant Funds are carrying out

Northbound trading through securities brokers in Hong Kong but not mainland China brokers, therefore they are not protected by the China Securities Investor Protection Fund in mainland China.

#### *Trading costs*

In addition to paying trading fees and stamp duties in connection with China A-Share trading, the relevant Funds may be subject to new portfolio fees, dividend tax and tax concerned with income arising from stock transfers which are yet to be determined by the relevant authorities.

#### *Mainland China tax consideration*

The Management Company and/or Investment Manager reserve the right to provide for tax on gains of the relevant Fund that invests in mainland China securities thus impacting the valuation of the relevant Funds. With the uncertainty of whether and how certain gains on mainland China securities are to be taxed, the possibility of the laws, regulations and practice in mainland China changing, and the possibility of taxes being applied retrospectively, any provision for taxation made by the Management Company and/or the Investment Manager may be excessive or inadequate to meet final mainland China tax liabilities on gains derived from the disposal of mainland China securities. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of how such gains will be taxed, the level of provision and when they purchased and/or sold their shares in/from the relevant Fund.

On 14 November 2014, the Ministry of Finance, State of Administration of Taxation and CSRC jointly issued a notice in relation to the taxation rule on the Stock Connect under Caishui 2014 No.81 ("**Notice No.81**"). Under Notice No.81, Corporate income tax, individual income tax and business tax will be temporarily exempted on gains derived by Hong Kong and overseas investors (such as the Funds) on the trading of China A-Shares through the Stock Connect with effect from 17 November 2014. However, Hong Kong and overseas investors (such as the Funds) are required to pay tax on dividends and/or bonus shares at the rate of 10% which will be withheld and paid to the relevant authority by the listed companies.

#### *Regulatory risk*

The CSRC Stock Connect rules are departmental regulations having legal effect in mainland China. However, the application of such rules is untested, and there is no assurance that mainland China courts will recognise such rules, e.g. in liquidation proceedings of mainland China companies.

The Stock Connect is novel in nature, and is subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in mainland China and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connect.

The regulations are untested so far and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that the Stock Connect will not be abolished. The relevant Funds which may invest in the mainland China markets through Stock Connect may be adversely affected as a result of such changes.

#### **Structured Notes risk**

Structured notes such as credit-linked notes, equity-linked notes and similar notes involve a counterparty structuring a note whose value is intended to move in line with the underlying security specified in the note. Unlike financial derivative instruments, cash is transferred from the buyer to the seller of the note. Investment in these instruments may cause a loss if the value of the underlying security decreases. There is also a risk that the note issuer will default. Additional risks result from the fact that the documentation of such notes programmes tends to be highly customised. The liquidity of a structured note can be less than that for the underlying security, a regular bond or debt instrument and this may adversely affect either the ability to sell the position or the price at which such a sale is transacted.

#### **Sukuk Investment Risk**

Price changes in Sukuk are influenced predominantly by interest rate developments in the capital markets, which in turn are influenced by macro-economic factors. Sukuk could suffer when capital market interest rates rise, while they could increase in value when capital market interest rates fall. The price changes also depend on the term or residual time to maturity of the Sukuk. In general, Sukuk with shorter terms have less price risks than Sukuk with longer terms. However, they generally have lower returns and, because of the more frequent due dates of the securities portfolios, involve higher re-investment costs. Sukuk instruments may be issued by any corporate, sovereign, or supranational entity and may be backed or derive its value from any asset, tangible or otherwise, including home financings.

Sovereign Sukuk ("**Sovereign Sukuk**") are Sukuk issued or guaranteed by governments or government-related entities. Investment in Sovereign Sukuk issued or guaranteed by governments or their agencies and instrumentalities ("**governmental entities**") involves a high degree of risk. The governmental entity that controls the repayment of Sovereign Sukuk may not be able or willing to repay the principal and/or return when due in accordance with the terms of such debt due to specific factors, including, but not limited to (i) their foreign reserves, (ii) the available amount of their foreign exchange as at the date of repayment, (iii) their failure to implement political reforms, and (iv) their policy relating to the International Monetary Fund.

Sovereign Sukuk holders may also be affected by additional constraints relating to sovereign issuers which may include: (i) the unilateral rescheduling of such obligation by the issuer and (ii) the limited legal recourses available against the issuer (in case of failure of delay in repayment).

Funds investing in Sovereign Sukuk issued by governments or government related entities from countries referred as Emerging or Frontier Markets bear additional risks linked to the specifics of such countries (e.g. currency fluctuations, political and economic uncertainties, repatriation restrictions, etc.).

Sukuk issued or guaranteed by corporate or supranational entities are also subject to the risk that the obligor is unwilling or unable to make payments according to the terms of the Sukuk. Recourse to the obligor may be limited in such instances depending on the jurisdiction where the Sukuk was issued and the law governing the issuance.

## Sustainability risk

The Investment Manager(s) consider that sustainability risks are relevant to the returns of the Funds. The integration of sustainability risks in the investment decision process may have the effect of excluding profitable investments from the investment universe of the Funds and may also cause the Funds to sell investments that will continue to perform well.

Appreciation of sustainability risk is to a degree subjective and there is no guarantee that all investments made by the Funds will reflect beliefs or values of any particular investor on sustainable investments.

A sustainability risk could materialise as the occurrence of an environmental, social or governance event or condition causing material negative impact on the value of one or several investments and thus negatively affecting the returns of the Funds.

Sustainability risks can manifest themselves in different ways, such as but not limited to:

- failure to comply with environmental, social or governance standards resulting in reputational damage, causing fall in demand for products and services, or loss of business opportunities for a company or industry group,
- changes in laws, regulations or industry norms giving rise to possible fines, sanctions or change in consumer behavior affecting a company or an entire industry's prospects for growth and development,
- changes in laws or regulations, may generate higher demand for, and thus undue increase in prices of securities of companies perceived as meeting higher ESG standards. Prices of such securities may become more volatile if perception from market participants about companies adherence to ESG standards changes, and
- changes in laws or regulations, may incentivize companies to provide misleading information about their environmental, social or governance standards or activities.

Commonly considered sustainability risk factors are split into "Environment, Social, and Governance" (ESG), such as but not limited to the following topics:

### Environment

- Climate mitigation
- Adjustment to climate change
- Protection of biodiversity
- Sustainable use and protection of water and maritime resources
- Transition to a circular economy, avoidance of waste, and recycling
- The avoidance and reduction of environmental pollution
- Protection of healthy ecosystems
- Sustainable land use

### Social affairs

- Compliance with recognized labor law standards (no child and forced labor, no discrimination)
- Compliance with employment safety and health protection
- Appropriate remuneration, fair working conditions, diversity, and training and development opportunities
- Trade union rights and freedom of assembly
- Guarantee of adequate product safety, including health protection
- Application of the same requirements to entities in the supply chain
- Inclusive projects or consideration of the interests of communities and social minorities

### Corporate Governance

- Tax honesty
- Anti-corruption measures
- Sustainability management by the board
- Board remuneration based on sustainability criteria
- The facilitation of whistle-blowing
- Employee rights guarantees
- Data protection guarantees

Sustainability risks can lead to a significant deterioration in the financial profile, profitability or reputation of an underlying investment and thus may materially impact its market price or liquidity.

## Value Stocks Risk

Some Funds may select stocks using a bottom-up, long-term, value-oriented approach. To the extent that markets fail to recognise their expected value, investment may underperform other stock selection approaches.

**Investors should understand that all investments involve risk and there can be no guarantee against loss resulting from an investment in any Fund(s), nor can there be any assurance that the Fund(s) investment objective(s) will be attained. Neither the Company, the Management Company, the Investment Managers, nor any of their worldwide affiliated entities, guarantee the performance or any future return of the Company or any of its Funds.**

## MANAGEMENT COMPANY

The Board of Directors has appointed Franklin Templeton International Services S.à r.l. as Management Company by a management company services agreement dated 6 December 2013 to be responsible on a day to day basis under the supervision of the Board of Directors, for providing administration, marketing, investment management and advice services in respect of all Funds. The Management Company has delegated the investment management services to the Investment Managers.



The Board of Managers of the Management Company has appointed the conducting persons listed in the section "Administration Information", responsible for the day-to-day management of the Management Company in accordance with article 102 of the Law of 17 December 2010.

The Management Company was incorporated on 17 May 1991 under the laws of the Grand Duchy of Luxembourg and its articles of incorporation are deposited with the Luxembourg *Registre de Commerce et des Sociétés*. The Management Company is approved as a management company regulated by chapter 15 of the Law of 17 December 2010. The Management Company is part of Franklin Templeton.

The share capital of the Management Company is EUR 4,605,383.00 and the Management Company will comply at all times with article 102 of the Law of 17 December 2010.

The Management Company may also be appointed to act as management company for other investments funds the list of which will be available, upon request, at the registered office of the Company and of the Management Company.

The Management Company will ensure compliance of the Company with the investment restrictions and oversee the implementation of the Company's strategies and investment policy.

The Management Company will receive periodic reports from the Investment Managers detailing the Funds' performance and analysing their investment. The Management Company will receive similar reports from the other services providers in relation to the services which they provide.

The Management Company, being responsible for registrar and transfer, corporate, domiciliary and administrative agent functions, is authorised to delegate and has delegated, in the course of the business, the main administrative functions to third parties as described under sections "Administrative Agent" and "Registrar and Transfer Agent" below, subject however to its overall supervision and oversight.

The Management Company shall report to the Board of Directors on a quarterly basis and inform the Board of Directors of any non-compliance of the Company with the investment restrictions.

### **INVESTMENT MANAGERS**

The Investment Managers mentioned in the section "Administration Information" have been appointed by the Management Company to act as investment managers to the Funds as may other affiliated investment advisory companies within Franklin Templeton and to provide day-to-day management in respect of the investment and re-investment of the assets of the Funds in compliance with the Shariah Guidelines as may be amended from time to time.

The Investment Managers shall render to the Management Company written reports of the composition of the assets of the Funds under their management as often as the Management Company shall reasonably require.

The Investment Managers and their affiliates serve as advisers for a wide variety of public investment mutual funds and private clients in many nations. Franklin Templeton has been investing globally for over 60 years and provides investment management and advisory services to a worldwide client base, including over 24 million shareholder accounts. The Franklin Templeton Managers are indirect wholly owned subsidiaries of FRI. Through its subsidiaries, FRI is engaged in various aspects of the financial services industry. Details of the value of assets currently managed by Franklin Templeton can be accessed on <http://www.franklintempleton.lu>.

### **SHARIAH SUPERVISORY BOARD**

Amanie Advisors Sdn. Bhd. has been appointed by the Company as Shariah Supervisory Board of the Company to monitor the Funds' compliance with Shariah Guidelines and will be represented by:

- **Dr. Mohamed Ali Elgari.** Dr. Mohamed Ali Elgari is a Professor of Islamic Economics and the former Director of the Centre for Research in Islamic Economics at King Abdul Aziz University in Saudi Arabia. Dr. Elgari is the recipient of the Islamic Development Bank Prize in Islamic Banking and Finance and holds the KLIF Islamic Finance Award for Most Outstanding Contribution to Islamic Finance (Individual). Dr. Elgari is an adviser to several Islamic financial institutions throughout the world and is also on the Shariah board of the Dow Jones Islamic Market Index. He is also a member of the Islamic Fiqh Academy as well as the Islamic Accounting and Auditing Organization for Islamic Financial Institutions (AAIOFI). Dr. Elgari is a member of the editorial board of several academic publications in the field of Islamic Finance and Jurisprudence, including Journal of Islamic Economic Studies (Islamic Development Bank Institute) and Journal of Islamic Economics (International Association for Islamic Economics), and serves on the advisory board of Harvard Series in Islamic Law, Harvard Law School. He graduated from the University of California with a Ph.D. in Economics.
- **Dr. Mohd Daud Bakar.** Dr. Mohd. Daud Bakar is the founder and executive Chairman of Amanie Group. Amanie Advisors, one of the flagship companies of Amanie Group, operates in several countries globally. Dr. Bakar received his first degree in Shariah from University of Kuwait in 1988 and obtained his Ph.D. from University of St. Andrews, United Kingdom in 1993. In 2002, he went on to complete his external Bachelor of Jurisprudence at University of Malaya. Dr. Bakar serves as the Chairman of the Shariah Advisory Council of the Astana International Financial Centre (Kazakhstan), the First Abu Dhabi Bank (United Arab Emirates), and Permodalan Nasional Berhad (Malaysia). Dr. Daud also served as the Chairman of the Shariah Advisory Council of the Central Bank of Malaysia and the Chairman of the Shariah Advisory Council of the Securities Commission of Malaysia. He is also a shariah board member of various global financial institutions, including Dow Jones Islamic Market Index (New York), The National Bank of Oman, BNP Paribas Najmah (Bahrain), Morgan Stanley (Dubai), Bank of London and Middle East (London), Natixis Bank (Dubai), Amundi Asset Management (France) and Sedco Capital (Saudi Arabia and Luxembourg).
- **Dr. Muhammad Amin Ali Qattan.** Dr. Muhammad Amin Ali Qattan has a bachelor's degree in Islamic Economics from Al-Imam University in Riyadh, Saudi Arabia and a Ph.D. in Islamic Banking from Birmingham University. Dr. Qattan is a lecturer as well as a prolific author of texts and articles on Islamic economics and finance. He currently is the Director of Islamic Economics Unit, Centre of Excellence in Management at Kuwait University. Dr. Qattan also serves as the Shariah adviser to many reputable institutions such as

Ratings Intelligence, Standard & Poor's Shariah indices, Al Fajer Retakaful, amongst others. He is a highly regarded Shariah scholar and is based in Kuwait.

- **Dr. Osama Al Dereai.** Dr. Osama Al Dereai is a Shariah scholar from Qatar. He has extensive experience in teaching, consulting and research in the field of Islamic finance. He received his Bachelor's degree specializing in the Science of Hadith Al Sharif from the prestigious Islamic University of Madinah. Dr. Al Dereai obtained his Master's degree from the International Islamic University (Malaysia) and was later conferred his Doctorate in Islamic Transactions from the University of Malaya. Dr. Al Dereai is a Shariah board member of various financial institutions including the First Leasing Company, Barwa Bank, First Investment Company and Ghanim Al Saad Group of Companies amongst others.

These Shariah Supervisory Board members already serve on the Shariah boards of several major Islamic institutions.

The Company, with the consent of the Management Company, has appointed the Shariah Supervisory Board to be responsible for Shariah supervisory and compliance functions. The Shariah Supervisory Board will advise the Company and/or the Management Company, with respect to Shariah matters. The Shariah Supervisory Board will establish general investment guidelines which are consistent with the principles of Shariah and will confirm pre-post and ex-post the compliance of all potential investments with the Shariah Guidelines.

As a matter of principle the Funds will only invest in investments which are compliant with the principles of Shariah as interpreted by the Shariah Supervisory Board.

The Investment Managers will be entitled to rely completely on the advice of the Shariah Supervisory Board to ensure that the principles of Shariah are observed in relation to proposed or actually implemented investments.

- More specifically the Shariah Supervisory Board will analyse the policies, guidelines and management processes and procedures of the Company to ensure compliance with Shariah principles. This will involve, among other duties, endorsing the structure and providing Shariah approval of the following:
  - Constitutional and issuing documents of the Company;
  - Investment criteria for selection of financial products (hereinafter called "**Shariah Products**");
  - Marketing materials and presentations; and
  - Other areas that are identified as having ramifications from a Shariah perspective.
- The Shariah Supervisory Board will conduct a pre-screening and/or post-screening on Shariah compliance in the context of which the Shariah Supervisory Board will review and ascertain Shariah compliance of a number of Shariah Products selected by the Investment Managers, or its appointed agent.

Whenever the application of Shariah rules so require, the Company intends to deduct from a Fund's total returns amounts that may have derived from interest or other income not in accordance with the principles of Shariah, as determined by the Investment Managers after consultation with the Shariah Supervisory Board. At the end of each quarter, the Investment Managers will compute in respect of each investee company the amount to be deducted from the NAV of a Fund on the basis of the latest available information. A provision (adjusted to take account of changes in the investments of a Fund) shall be made on each Valuation Day in the calculation of the NAV. Information as to the rates of provisions may be obtained from the Investment Managers. The said amounts will be paid to charities from time to time as proposed by the Shariah Supervisory Board after due approval by the Company.

#### **SHARIAH SCREENING PROVIDER**

IdealRatings, Inc. is providing Shariah screening services to identify (i) securities that are in line with the Shariah Guidelines and (ii) the amount of cleansing/purification required in respect of the transferable securities held by the Funds. The Shariah Screening Provider may be changed by the Company and/or the Management Company from time to time.

#### **DEPOSITARY BANK**

J.P. Morgan SE, Luxembourg Branch has been appointed as the Depositary to provide depositary, custodial, settlement and certain other associated services to the Company.

J.P. Morgan SE is a European Company (Societas Europaea) organized under the laws of Germany, with registered office at Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Germany and registered with the commercial register of the local court of Frankfurt. It is a credit institution subject to direct prudential supervision by the European Central Bank (ECB), the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) and Deutsche Bundesbank, the German Central Bank. J.P. Morgan SE, Luxembourg Branch is authorized by the CSSF to act as depositary and fund administrator. J.P. Morgan SE, Luxembourg Branch is registered in the Luxembourg Trade and Companies' Register (RCS) under number B255938 and is subject to the supervision of the aforementioned home State supervisory authorities as well as local supervision by the CSSF.

The Depositary will further:

- a) ensure that the issue, redemption and cancellation of Shares effected by the Company or on its behalf are carried out in accordance with the Law of 17 December 2010 and the Articles;
- b) ensure that the value per Share of the Company is calculated in accordance with the Law of 17 December 2010 and the Articles;
- c) carry out, or where applicable, cause any subcustodian or other custodial delegate to carry out the instructions of the Company or the relevant Investment Manager(s) unless they conflict with the Law of 17 December 2010 or the Articles;
- d) ensure that in transactions involving the assets of the Company, the consideration is remitted to it within the usual time limits; and
- e) ensure that the income of the Company is applied in accordance with the Articles.

The Depositary may entrust all or part of the assets of the Company that it holds in custody to such subcustodians as may be determined by the Depositary from time to time. Except as provided in applicable laws, the Depositary's liability shall not be affected by the fact that it has entrusted all or part of the assets in its care to a third party.

The Depositary shall assume its functions and responsibilities in accordance with applicable laws as further described in the depositary agreement entered into between the Depositary, the Company and the Management Company.

#### *The Depositary Agreement*

The Company has appointed the Depositary as depositary effective 10 July 2023 under a depositary agreement dated 5 June 2023, as may be amended also entered by the Management Company (the "**Depositary Agreement**").

The Depositary shall perform all the duties and obligations of a depositary under the UCITS Directive as outlined in the Depositary Agreement.

The Depositary Agreement may be terminated by any party on 90 days' notice in writing. Subject to applicable laws, the Depositary Agreement may also be terminated by the Depositary on 30 days' notice in writing if (i) it is unable to ensure the required level of protection of the Company's investments under the applicable laws because of the investment decisions of the Management Company and / or the Company; or (ii) the Company, or the Management Company on behalf of the Company, wishes to invest or to continue to invest in any jurisdiction notwithstanding the fact that (a) such investment may expose the Company or its assets to material country risk or (b) the Depositary is not able to obtain satisfactory legal advice confirming, among other things, that in the event of an insolvency of a subcustodian or other relevant entity in such jurisdiction, the assets of the Company held locally in custody are unavailable for distribution among, or realisation for the benefit of, creditors of the such subcustodian or other relevant entity.

Before expiration of any such notice period, the Management Company shall propose a new depositary which fulfils the requirements of the UCITS Directive and to which the Company's assets shall be transferred and which shall take over its duties as the Company's depositary from the Depositary. The Company and the Management Company will use best endeavours to find a suitable replacement depositary, and until such replacement is appointed the Depositary shall continue to perform its services under the Depositary Agreement.

The Depositary will be responsible for the safekeeping and ownership verification of the assets of the Company, cash flow monitoring and oversight in accordance with the UCITS Directive. In carrying out its role as depositary, the Depositary shall act independently from the Company and the Management Company and solely in the interest of the Company and its Investors.

The Depositary is liable to the Company or its Investors for the loss of a financial instrument held in custody by the Depositary or any of its delegates. The Depositary shall, however, not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary is also liable to the Company or its Investors for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its duties in accordance with applicable laws.

#### *Conflicts of Interest*

In carrying out its functions, the Depositary shall act honestly, fairly, professionally, independently and solely in the interest of the Shareholders.

As part of the normal course of global custody business, the Depositary may from time to time have entered into arrangements with other clients, funds or other third parties for the provision of safekeeping and related services. Within a multi-service banking group such as JPMorgan Chase Group, from time to time conflicts may arise between the Depositary and its safekeeping delegates, for example, where an appointed delegate is an affiliated group company and is providing a product or service to a fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related custodial products or services it provides to the funds, for instance foreign exchange, securities lending, pricing or valuation services. Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations to the Company (under applicable laws including Article 25 of the UCITS Directive) and will treat the Company and the other funds for which it acts fairly and such that, so far as is practicable, any contracts with service providers are entered into on terms which are not materially less favourable to the Company than if the conflict or potential conflict had not existed. Such potential conflicts of interest are identified, managed and monitored in various other ways including, without limitation, the hierarchical and functional separation of Depositary's depositary functions from its other potentially conflicting tasks and by the Depositary adhering to its own conflicts of interest policy.

#### *Subcustodians and Other Delegates*

When selecting and appointing a subcustodian or other delegate, the Depositary shall exercise all due skill, care and diligence as required by the UCITS Directive to ensure that it entrusts the Company's assets only to a delegate who may provide an adequate standard of protection. The current list of subcustodians and other delegates used by the Depositary and sub-delegates that may arise from any delegation is available online at the website: <http://www.franklintempleton.lu>, by selecting "Invest with Us", "Subcustodians" tabs. The latest version of such list may also be obtained by the Investors from the Company upon request.

In addition, up-to-date information regarding the Depositary's duties and of conflicts of interest that may arise as well as of any safekeeping functions delegated by the Depositary, the list of third-party delegates and any conflicts of interest that may arise from such a delegation may also be obtained by the Investors on request at the registered office of the Company.

#### **REGISTRAR AND TRANSFER AGENT**

Virtus Partners Fund Services Luxembourg S.à r.l. has been appointed by the Management Company as the Registrar and Transfer Agent of the Company to perform the services in relation to the Company under a registrar and transfer agency agreement. These services include, inter alia, (i) maintenance of the register of Shareholders of the Company, (ii) onboarding and know your customer/anti-money laundering services, (iii) investor and distributor services, (iv) transaction processing including processing of the purchase, selling and switching of Shares, (v) cash

management, shareholder payments and reconciliation, (vi) commission calculation and payments, (vii) client change management, (viii) CRS & FATCA services, (ix) regulatory reporting, (x) support the Company with handling Complaints and (xi) technology support.

Virtus Partners Fund Services Luxembourg S.à r.l. was incorporated in Luxembourg as a *société à responsabilité limitée* and has its registered office at 8A, rue Albert Borschette, L-1246 Luxembourg, Grand Duchy of Luxembourg.

Whenever appropriate, any references in this Prospectus relating to the duties of the Management Company in relation to the Register of Shareholders and the dealings of Shares in the Company should also read where relevant as references to any third party to which the Management Company has delegated its registrar and transfer functions.

### **ADMINISTRATIVE AGENT**

J.P. Morgan SE, Luxembourg Branch has also been appointed as the Administrative Agent of the Company to perform some administrative services in relation to the Company under an administration agreement ("**Administration Agreement**"). These services include preparing and maintaining books, records, tax, financial reports and calculating the Net Asset Value of the Funds.

The Administration Agreement may be terminated by any party on 180 days' notice in writing.

Under the Administration Agreement, the Administrative Agent will not be liable for any loss or damage suffered by the Company with respect to any matter as to which the Administrative Agent has satisfied its obligation of reasonable care unless the same results from an act of negligence, fraud, wilful default or material breach of the Administration Agreement on the part of the Administrative Agent. The Company has agreed to indemnify the Administrative Agent (and its affiliates and their respective directors, officers, employees and agents) against, and hold them harmless from, any liabilities, losses, claims, costs, damages, penalties, fines, obligations, or expenses of any kind whatsoever (including, without limitation, reasonable attorneys', accountants', consultants' or experts' fees and disbursements) that may be imposed on, incurred by or asserted against the Administrative Agent (or its affiliates and their respective directors, officers, employees and agents) in connection with or arising out of the Administrative Agent's performance under the Administration Agreement, provided the Administrative Agent (and its affiliates and their respective directors, officers, employees and agents) have not acted with negligence or engaged in fraud, material breach of the Administration Agreement or wilful default in connection with the liabilities in question.

### **PUBLICATION OF SHARE PRICES**

The Net Asset Value per Share of each Fund and Share Class is made public at the registered office of the Company and is available at the offices of the Management Company. The Company will arrange for the publication of the Net Asset Value per Share of relevant Funds as required under applicable laws and in such newspapers as the Board of Directors may decide from time to time. This information is also available on the Internet site: <http://www.franklintempleton.lu>. The Company and the Management Company cannot accept any responsibility for any error or delay in publication or for the non-publication of prices.

### **INVESTOR GENERAL INFORMATION**

#### **Prior Considerations**

The Company aims to provide investors with a choice of Funds which invest in a wide range of Shariah-compliant transferable securities and other eligible assets on a worldwide basis and which feature a diverse array of investment objectives, including capital growth and income in accordance with the Shariah Guidelines. Investors should give careful consideration to their own personal investment objectives and any local regulatory or tax implications applicable to their circumstances. Investors are recommended to obtain advice from local financial and tax advisers. Further information regarding tax is provided in the sections "Taxation of the Company" and "Taxation of Investors".

Investors should note that the price of Shares and the income from them may go down as well as up and an Investor may not get back the amount invested. Attention of Investors is more specifically drawn to the fact that investment by the Company may trigger specific risks, as more fully described under section "Risk Considerations".

The distribution of this Prospectus and the offering of the Shares may be restricted in certain other jurisdictions and some of the Funds may not be available for public distribution in your jurisdictions. It is the responsibility of any persons wishing to make an application for Shares pursuant to this Prospectus to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions.

In addition, the Company and/or the Management Company reserves the right to request additional information and/or documentary evidence from Investors if their bank account is located in a country other than their country of residence, which may result in a delay in the processing of purchase and/or any other transaction until relevant and satisfactory information and/or documentation is received.

Investors should refer to the relevant KID for ongoing charges and historical performance charts of the Share Classes of the relevant Funds.

#### **Issue of Shares**

Shares are made available through the Principal Distributor. The Principal Distributor will, from time to time, enter into contractual agreements with several Distributors, intermediaries, Brokers/Dealers and/or professional investors for the distribution of those Shares.

If circumstances so require, the Board of Directors reserves the right at any time, without notice, to discontinue the issue or sale of Shares pursuant to this Prospectus.

The Company may restrict or prevent the ownership of Shares by any US Person and/or any person, firm or corporate body if in the opinion of the Company such holding may be detrimental to the Company or its Shareholders, may result in a breach of any applicable law or regulations whether Luxembourg or foreign or may expose the Company or its Shareholders to liabilities (to include, *inter alia*, regulatory or tax liabilities and any other tax liabilities that might derive, *inter alia*, from any breach of FATCA requirements) or any other disadvantages that it or they would not have otherwise incurred or been exposed to. Such persons, firms or corporate bodies (including US Persons and/or persons in breach of FATCA requirements) are herein referred to as "Prohibited Persons".

More specifically, the Company shall have the power to impose such restrictions as it may think necessary for the purpose of ensuring that no Shares are acquired or held directly or beneficially by any Prohibited Person and may:

- 1) decline to issue any Share and decline to register any transfer of a Share, where it appears to it that such registration or transfer would or might result in beneficial ownership of such Share by a Prohibited Person;
- 2) at any time require any person whose name is entered in, or any person seeking to register the transfer of Shares on, the register of Shareholders to furnish it with any representations and warranties or any information, supported by affidavit, which it may consider necessary for the purpose of determining whether or not, to what extent and under which circumstances, beneficial ownership of such Shareholder's Shares rests or will rest in a Prohibited Person, or whether such registration will result in beneficial ownership of such Shares by a Prohibited Person;
- 3) where it appears to the Company that any Prohibited Person, either alone or in conjunction with any other person, is a beneficial owner of Shares or is in breach of its representations and warranties or fails to make such representations and warranties in a timely manner as the Company may require, may compulsorily redeem from any such Shareholder all or part of the Shares held by such Shareholder in the manner more fully described into the Articles; and
- 4) decline to accept the vote of any Prohibited Person at any meeting of shareholders of the Company.

#### **Listing of Shares**

The Board of Directors may decide to make an application to list the Shares of any Class on any eligible stock exchange.

#### **Form and Currency of Shares**

All Shares are issued in registered form. Fractional registered shares will be rounded to three (3) decimal places. Any deal order with a stated Share amount with more than three (3) decimal places will be rounded to three (3) decimal places, using conventional rounding to the nearest thousandths place.

The Company and/or the Management Company may offer within a Fund several Alternative Currency Classes as described in Section "Share Classes".

#### **Dealing Cut-Off Times**

Dealing Cut-Off Times are detailed in Appendix A. The Company and/or Management Company may permit, if it deems it appropriate, different Dealing Cut-Off Times to be agreed with local distributors or for distribution in jurisdictions where the different time zone so justifies. In such circumstances, the applicable Dealing Cut-Off Time applied must always precede the time when the applicable Net Asset Value is calculated and published. Such different Dealing Cut-Off Times shall be disclosed in the local supplement to this Prospectus, the agreements in place with the local distributors, or other marketing material used in the jurisdictions concerned.

#### **Calculation of Share Prices / Net Asset Value**

The prices at which Shares of the relevant Classes can be purchased, sold or switched in each Share Class are calculated on each Valuation Day by reference to the Net Asset Value per Share of the Class concerned and are available on the following Business Day.

Some jurisdictions do not permit Investor transactions to be accepted during local holidays. Details of these arrangements are contained in the locally approved version of this Prospectus.

Details of the calculation of the Net Asset Value are provided in Appendix E. Instructions received in writing by the Transfer Agent in Luxembourg or by a duly authorized distributor, prior to the applicable Dealing Cut-Off Time on any Dealing Day, will be dealt with at the relevant Net Asset Value per Share determined for that Valuation Day.

All deal instructions shall be dealt with on an unknown Net Asset Value basis before the determination of the Net Asset Value per Share for that Valuation Day.

#### **Suspension of Dealing and Share Prices / Net Asset Value**

The calculation of the Net Asset Value (and consequently purchases, sales and switches) of any Share of any Fund may be suspended by the Company pursuant to the power reserved to it by its Articles and as described in Appendix E. Instructions made or pending during such suspension may be withdrawn by notice in writing received by the Management Company prior to the end of such suspension. Unless withdrawn, instructions will be considered as if received on the first Valuation Day following the end of the suspension.

#### **Fund Liquidations**

If the total value of the Shares of any Fund is at any time below USD 50 million, or the equivalent thereof in the currency of the relevant Fund, or if a change in the economic or political situation relating to the Fund concerned would justify such liquidation or if it is required by the interests of the Shareholders of the Fund concerned, the Board of Directors may decide to liquidate such Fund and redeem all outstanding Shares. Notice of such liquidation will be sent to the registered Investors. The price at which Shares will be redeemed will be the Net Asset Value per Share of such Fund determined upon realisation of all assets attributable to such Fund. Further details are provided in Appendix D.

#### **Restrictions on Subscriptions and Switches into Certain Funds or Share Class**

A Fund, or Share Class, may be closed to new investors or to all new subscriptions or switches in (but not to redemptions, switches out or transfers) if, in the opinion of the Company or the Management Company, closing is necessary to protect the interests of existing Shareholders. Without limiting the circumstances where closing may be appropriate, one such circumstance would be where the Fund has reached a size such that the capacity of the market and/or the capacity of the Investment Manager has been reached, and where to permit further inflows would be detrimental to the performance of the Fund. Any Fund, or Share Class, may be closed to new investors or all new subscriptions or switches in without notice to Shareholders.

Notwithstanding the above, the Company or the Management Company may allow, at its discretion, the continuation of subscriptions from regular savings schemes on the basis that these types of flows present no challenge with respect to capacity. Once closed, a Fund or a Share Class will not be re-opened until, in the opinion of the Company or the Management Company, the circumstances which required closure no longer prevail. Shareholders and potential investors should confirm with the Company, the Management Company or the Distributor(s) or check the website for the current status of Funds or Share Classes.

### **Minimum Investment**

The minimum initial investment in the Shares of each Fund is USD 1,000 (or USD 1,000 in the case of switches), USD 5,000,000 for Class I Shares, or the equivalent in any other freely exchangeable currency, except for investment made by distributors subscribing for Shares in their own names and on behalf of underlying Investors. Existing holders of Shares in any Fund may add to their Holdings in that Fund provided the minimum increase for any purchase is USD 1,000 or the equivalent in any other freely exchangeable currency. Such minimum investment amounts may be waived in whole or in part by the Board of Directors or by the Management Company.

Any specific minimum initial investment applied in other jurisdictions will be disclosed in the local version of this Prospectus.

The minimum Holding requirement in the Shares of each Fund is USD 1,000 or currency equivalent.

The Company and the Management Company reserve the right to reject any application which does not meet the minimum investment requirements. The Company and/or the Management Company may, at any time, decide to compulsorily redeem all Shares from any Shareholder whose holding is less than the minimum holding amount specified above or on application, or who fails to satisfy any other applicable eligibility requirements set out in this Prospectus, and to close the relevant Investor's Portfolio.

### **Distributor subscribing for Shares in its own name and on behalf of an underlying Investor**

Local offering documentation may provide the facility for the Investors to avail of distributors subscribing for Shares in their own names and on behalf of underlying Investors, Brokers/Dealers and/or local paying agents. The name of the distributor subscribing for Shares in its own name and on behalf of an underlying Investor will appear on the register of Shareholders of the Company and the distributor subscribing for Shares in its own name and on behalf of an underlying Investor may effect purchases, switches and sales of Shares on behalf of the relevant underlying Investors.

The distributor subscribing for Shares in its own name and on behalf of underlying Investors maintains its own records and provides the relevant Investors with individualized information as to their Holdings. Unless otherwise provided by local law, any Investor investing through a distributor subscribing for Shares in its own name and on behalf of an underlying Investor has the right to claim, direct title to the Shares purchased by the distributor subscribing for Shares in its own name and on behalf of the relevant claiming Investor.

For the avoidance of doubt, Investors subscribing through such other parties (or through sub-distributors, intermediaries, Brokers/Dealers and/or professional investors appointed by such other parties) will not be charged additional fees and expenses by the Company.

### **Third Party Payments**

Investors are informed that it is the Company's policy not to make payment to or accept payment from a party other than the registered Shareholder.

Investors should note that if their redemption instruction is accompanied by a request to pay the sale proceeds into a bank account, located in a country other than the Investor's country of residence, the Company and/or the Management Company reserves the right to delay the execution of the transaction or the release of the payment proceeds, until additional information or documentary evidence is received that provides additional Investor protection to the satisfaction of the Company and/or the Management Company.

### **Telephone Recording**

The Management Company may use telephone recording procedures to record any conversation. Investors are deemed to consent to the tape-recording of conversations with the Management Company and to the use of such tape recordings by the Management Company and/or the Company and/or the Administrative Agent, as applicable, in legal proceedings or otherwise at their discretion. In addition, some local Franklin Templeton offices may need to record telephone calls and electronic communications for training, monitoring purposes and/or to confirm Investors' instructions. Recordings will be provided upon request (in which case a fee may be charged) for a period of five years from the date of such recording or seven years where specifically required by regulatory authorities.

### **Investor Portfolio**

Investors will be given at least one personal Investor Portfolio Number. Such personal Investor Portfolio Number should be used in all correspondence with the Company or the Management Company. In the event that more than one personal Investor Portfolio Number is attributed to the same Investor, all such personal Investor Portfolio Numbers should be indicated for any request concerning all the portfolios held by the Investor.

### **Shareholder Notifications**

Any relevant notifications or other communications to Shareholders concerning their investment in the Fund (including Contract Notes) may be communicated to a Shareholder via electronic means of communication in accordance with applicable Luxembourg rules, where the Shareholder has consented and provided an e-mail address and/or relevant electronic contact details to the Management Company for such purposes. Relevant notifications or other communications to Shareholders concerning their investment in the Company may also be posted on the website [www.franklintempleton.lu](http://www.franklintempleton.lu). In addition, and where required by Luxembourg law or the Luxembourg regulator, Shareholders will also be notified in writing or in such other manner as prescribed under Luxembourg law. In particular, Shareholders should refer to the "Meetings and Reports" section.

In electronic communications and dealings, Franklin Templeton will make reasonable efforts to preserve and protect confidentiality of data communicated. Recipients of electronic communications should be aware that the integrity and confidentiality of electronic online

communication transiting through the Internet may not be guaranteed due to a multiplicity of factors including, but not limited to, vulnerability of hardware, software, operating system or electronic platform employed by such recipients in their dealings with Franklin Templeton.

#### **Contract Notes**

Following the execution of a transaction, a Contract Note will be dispatched to the Investor normally within one (1) Business Day (except for Regular Savings Plans). Investors should promptly check this Contract Note to ensure that each transaction has been accurately recorded in the relevant Investor Portfolio. In the event of identifying a discrepancy Investors should immediately report such discrepancy in writing to the Management Company or their local Franklin Templeton servicing office. If not so reported within fifteen (15) Business Days from the Contract Note date, the transaction will be deemed correct and the Investor will be bound by the terms of the Contract Note.

#### **Personal theft**

Any correspondence issued by the Company or the Management Company is private and confidential. To safeguard Investors' Holdings, in the case of loss or theft of any correspondence with the Company or the Management Company (or of identity documents/passport), Investors should immediately inform their local Franklin Templeton servicing office.

#### **Data Protection**

All personal data of Investors (the "**Personal Data**") contained in the application form and all and any further personal data collected in the course of the business relationship with the Company and/or the Management Company may be, subject to applicable local laws and regulations, collected, recorded, stored, adapted, transferred or otherwise processed and used ("**processed**") by the Company, the Management Company and other companies of Franklin Templeton, including Franklin Resources, Inc. and/or its subsidiaries and associates, the Depository Bank, the Administrative Agent and any other third parties (including but not limited to printing and mailing services) which provide services to them, any of which may be established outside Luxembourg and/or the European Union, including the US and India. Such Personal Data shall be processed for the purposes of account administration, development of business relationships, anti-money laundering and counter-terrorist financing identification, tax identification, where appropriate, or for the purpose of compliance with FATCA or similar laws and regulations (e.g. EU or OECD level). The Company and/or the Management Company, for the purpose of FATCA or other legal compliance, may be required to disclose Personal Data relating to US Persons and/or non-participant FFIs to the Luxembourg tax authorities which may transfer them to the Internal Revenue Service in the US. The Company and members of the Franklin Templeton group may also use Personal Data for other purposes set forth in the Franklin Templeton Privacy and Cookies Notice (the "**Privacy Notice**").

The Company asks for investors to consent to the use of information on their political opinions, religious or philosophical beliefs which may be revealed by compliance checks against politically exposed persons, for the above purposes. This consent is recorded in the application form.

The Privacy Notice provides, among other, further information on the Company's and Franklin Templeton' use of Personal Data, the types of Personal Data processed, the other purposes for which Personal Data is processed, the list of entities involved in the processing of Personal Data as well as the rights of the data subjects. The Privacy Notice is available on the Internet site: [www.franklintempletonglobal.com/privacy](http://www.franklintempletonglobal.com/privacy) (a paper copy will be made available free of charge upon request). If an Investor wishes to exercise its individual rights, or to raise any question, concern or complaint concerning the Privacy Notice, it may contact the Management Company or alternatively, the Data Protection Officer (Email address: [DataProtectionOfficer@franklintempleton.com](mailto:DataProtectionOfficer@franklintempleton.com)) at Franklin Templeton International Services S.à r.l., 8A, rue Albert Borschette, L 1246 Luxembourg.

Investors' attention is drawn to the fact that the Privacy Notice is subject to change at the sole discretion of the Management Company and/or the Company.

#### **Anti-Money Laundering and Counter-Terrorist Financing Legislation**

Pursuant to the Luxembourg law of 5 April, 1993 relating to the financial sector (as amended), Directive 2018/843/EU on the prevention of the use of the financial system for the purposes of money laundering or terrorism financing and the Luxembourg law of 12 November 2004 relating to money laundering and counter terrorist financing (the "**Law of 2004**") (as amended), the law of 27 October 2010 enhancing the anti-money laundering and counter-terrorist financing legal framework and the CSSF Regulation No. 12-02 of 14 December 2012 implementing a legally binding reinforcement of the regulatory framework (the "**CSSF Regulation 12-02**"), as well as to the circulars of the Luxembourg supervisory authority (notably CSSF circulars 13/556, 11/529, 11/528, 10/486 and 10/484), obligations have been imposed on the Company to take measures to prevent the use of investment funds for money laundering and terrorist financing purposes.

Accordingly, the Management Company has established a procedure to identify all its Investors. To meet the Management Company's requirements, Investors should submit any necessary identification documents together with the application form. For private individuals this will be a passport or identity card copy duly certified to be a true copy by an authorized body in their resident country. Legal entities will be required to produce documents such as proof of regulation, membership to a recognised stock exchange, or company articles of incorporation/by-laws or other constitutive documents as applicable. The Management Company is also obliged to identify any beneficial owners of the investment. The requirements apply to both direct purchase to the Company and indirect purchase received from an intermediary or a distributor subscribing for Shares in its own name and on behalf of underlying Investors. In case of a subscription for an intermediary on behalf of a customer and/or a distributor subscribing for Shares in its own name and on behalf of underlying Investors, enhanced customer due diligence measures for this intermediary and/or a distributor subscribing for Shares in its own name and on behalf of underlying Investors will be applied in accordance with the Law of 2004 and CSSF Regulation 12-02. In this context, Investors must inform without delay the Management Company or the Company when the person(s) designated as beneficial owner(s) change and in general, ensure at all times that each piece of information and each document provided to the Management Company or intermediary and/or distributor subscribing for Shares in its own name and on behalf of an underlying Investor, remains accurate and up-to-date.

The Management Company reserves the right to ask at any time for additional information and documentary evidence, such as updated identity documentation, source of funds and origin of wealth, as may be required in higher risk scenarios or to comply with any applicable laws and regulations, including applicable Luxembourg regulations on the prevention of the use of the financial sector for money laundering purposes. In case of delay or failure to provide such information and/or documentary evidence, the Management Company may delay or reject the processing of purchase or sale instructions, or any other transaction. The Management Company may also delay or suspend the payment of dividends until relevant and satisfactory information and/or documentary evidence is received. In addition, the Management Company reserves the right to stop the payment of any commissions, to block further transactions in the Company's Funds and/or to ultimately terminate the business relationship with sub-distributors, intermediaries, brokers/dealers and/or professional investors after reasonable attempts from the

Management Company to reach agreement on updated terms and conditions or contractual arrangements, obtain missing or updated documentation (including underlying clients' documentation) requested from such sub-distributors, intermediaries, brokers/dealers and/or professional investors in line with applicable laws and regulations, thus preventing the Management Company from fulfilling its anti-money laundering and counter-terrorism financing obligations. Neither the Company nor the Management Company have any liability for delays or failure to process deals as a result of sub-distributors, intermediaries, brokers/dealers, professional investors and/or the Investor providing no or only incomplete information and/or documentary evidence.

Such information provided to the Management Company is collected and processed for anti-money laundering and counter-terrorist financing compliance purposes.

The Management Company shall ensure that due diligence measures on the Company's investments are applied on a risk-based approach in accordance with Luxembourg applicable laws and regulations.

### **Trading Policy**

**Short term and excessive trading ("excessive trading").** Short term and excessive trading include Investors or groups of Investors whose transactions seem to follow a timing pattern or are characterised by excessively frequent or large trades. The Company discourages short-term and/or excessive trading and intends to seek to restrict or reject such trading or take other action, as described below, if in the judgment of the Company or the Management Company such trading may interfere with the efficient management of the portfolio of any Fund, may materially increase the Fund's transaction costs, administrative costs or taxes, or may otherwise be detrimental to the interests of the Company and its Investors.

**Market timing.** The nature of the Fund's portfolio holdings may expose the Fund to Investors who engage in the type of market timing trading that seeks to take advantage of possible delays between the change in the value of a Fund's portfolio holdings and the reflection of the change in the Net Asset Value of the Fund's Shares, sometimes referred to as "arbitrage market timing". There is the possibility that such trading, under certain circumstances, may dilute the value of Fund Shares if selling Investors receive proceeds (and buying Investors receive Shares) based upon Net Asset Value which do not reflect appropriate fair value prices. Arbitrage market timers may seek to exploit possible delays between the change in the value of a Fund's portfolio holdings and the Net Asset Value of the Fund's Shares in Funds that hold significant investments in foreign securities because certain foreign markets close several hours ahead of the US markets, and in Funds that hold significant investments in small-cap securities, high-yield ("junk") bonds and other types of investments which may not be frequently traded. The Company will not knowingly allow trading activity which is associated with market timing as such practice may affect the interests of all Investors.

**Market timing and excessive trading consequences.** The Company or the Management Company does not knowingly allow any market timing transactions, and take various measures to protect Investors' interests, including revoking, rejecting, suspending or cancelling any trade or transaction request that has been placed in violation or appears to represent a violation of the Company's trading policy. If information regarding an Investor's trading activity leads the Company, the Management Company or their agents (including the Transfer Agent or a financial intermediary) to conclude that such trading activity may be detrimental to the Company as described in this trading policy, the Company may temporarily or permanently bar an Investor's future purchases into the Company or, alternatively, may limit the amount, number or frequency of any future purchases and/or the method by which an Investor may request future purchases and sales (including purchases and/or sales by a switch or transfer between the Company and any other Franklin Templeton funds). The Company or the Management Company has the right to forcibly redeem an Investor's investment, at that Investor's sole cost and risk, if it appears that the Investor has engaged in market timing and/or excessive trading.

In considering an Investor's trading activity, the Company or the Management Company may consider, among other factors, the Investor's trading history both directly and, if known, through financial intermediaries, in the Company, in other Franklin Templeton funds, in non-Franklin Templeton funds, or in accounts under common control or ownership.

**Market timing and excessive trading through financial intermediaries.** Investors are subject to this policy whether they are a direct Shareholder of the Fund or are investing indirectly in the Company through a financial intermediary such as a bank, an insurance company, an investment advisor, or any other distributor subscribing for Shares in its own name and on behalf of underlying Investors (the Shares being held in an "omnibus holding"). The Management Company will contractually enforce this trading policy and oblige the financial intermediaries to employ active ongoing trade monitoring strategies in order to detect and reject any such trading activities with their customers who invest indirectly in the Company.

The Company and the Management Company are currently using several methods to reduce the risk of market timing and excessive trading. These methods include:

- reviewing Investor activity for market timing and excessive trading; and
- committing staff to selectively review on a continuing basis recent trading activity in order to identify trading activity that may be contrary to this trading policy.

Though these methods involve judgments that are inherently subjective and involve some selectivity in their application, the Company or the Management Company seeks to make judgments and applications that are consistent with the interests of the Company's Investors. There is no assurance that the Company, the Management Company or its agents will gain access to all information necessary to detect market timing and/or excessive trading in particular when investments and transactions are intermediated by financial intermediaries or instructed in omnibus holdings accounts (accounts of distributors subscribing for Shares in their own names and on behalf of underlying Investors) used by those intermediaries for aggregated purchases, switches and sales on behalf of all their customers. While the Company and the Management Company seek to take appropriate actions (directly and with the assistance of financial intermediaries) to detect market timing and/or excessive trading, the Company cannot represent that such trading activity can be completely eliminated but will not knowingly allow any such trading activity to occur.

### **Regular Savings Plans and Regular Withdrawal Plans**

Regular Savings Plans and Regular Withdrawal Plans are available for the benefit of Investors in various countries. In the case a Regular Savings Plan is terminated before the agreed final date, the amount of entry charges payable by the relevant Investors may be greater than it



would have been in the case of a standard purchase, as detailed in section "Entry Charge and Contingent Deferred Sales Charge". For further information please contact the Management Company or your local Franklin Templeton office.

The minimum Holding requirement (USD 1,000 or currency equivalent) is waived in respect of Regular Savings Plans and Regular Withdrawal Plans.

#### Preferential treatment

Side letters may be negotiated with specific Investors when (i) the investment size reaches a certain threshold, whereupon particular financial terms deviating from those currently disclosed in the Prospectus may be agreed; and/or (ii) the Investor is required to perform portfolio analytics, including, but not limited to, risk analysis/asset allocation purposes or is required to disclose non-public information in advance in order to comply with either a regulatory or audit request. The nature and scope of the side letters may vary between Investors but essentially these arrangements mainly consist of (i) particular fee treatments in relation to specific significant investments; or (ii) early disclosure of non-public portfolio information through non-disclosure agreements.

#### Contact Details

Contact details for the Management Company can be found in the section "Administration Information", on the application form, the Contract Note or the Franklin Templeton Internet site <http://www.franklintempleton.lu>.

### SHARE CLASSES

#### Share Classes Available

The following Share Classes are or will be issued upon a decision of the Board of Directors.

Share classes	Accumulation	Distribution
Class A	(Acc)	(Mdis) (Qdis) (Bdis) (Ydis)
Class AS		
Class C		
Class D		
Class I		
Class M		
Class N		
Class P1		
Class P2		
Class S		
Class W		
Class X		
Class Y		
Class Z		

Unless otherwise stated in the Prospectus, the same terms and conditions apply to the different types of Shares i.e. accumulation (acc), monthly distribution (Mdis), quarterly distribution (Qdis), semi-annually distribution (Bdis) and yearly distribution (Ydis), of the same Share Class.

The difference in the various Share Classes relates to the fee structure and/or the dividend policy applicable to each of them. Shares can be either Distribution or Accumulation Shares. The Board of Directors intends to distribute all of the income attributable to the Distribution Shares. No distribution of dividends shall be made for the Accumulation Shares, however the income attributable will be reflected in the increased value of the Shares. Dividends may be paid monthly, quarterly, semi-annually or annually. Further details are provided in the following sections, as well as in the "Dividend Policy" section.

The purchase proceeds of the various Share Classes of a Fund are invested in one common underlying portfolio of investments but the Net Asset Value of each Share Class will be different as a result of differences in the issue price, fee structure and dividend policy.

Distribution will be made in the respective currency denomination of the Share Classes.

**Class A Shares** are not available to direct retail Investors in the United Kingdom. Class A Shares are available for non-advised execution only and discretionary sales in the United Kingdom.

**Class AS Shares** may only be offered for distribution in Singapore to CPF Investors through distributors, platforms, Brokers/Dealers, professional investors and in limited circumstances to other investors at the discretion of the Principal Distributor. In this context, Class AS Shares may be offered through investment-linked insurance products under the Singapore's CPF Investment Scheme.

**Class D Shares** shall only be offered for distribution in certain countries and to selected distributors and/or Brokers/Dealers by invitation.

**Class I Shares** are only offered to Institutional Investors as defined from time to time by the guidelines or recommendations of the competent Luxembourg financial supervisory authority (please refer below for the list of qualifying Institutional Investors).

**Class M Shares** shall only be offered for distribution in certain countries and to selected distributors and/or Brokers/Dealers by invitation.

**Class N Shares** may be offered for distribution in certain countries and/or through certain sub-distributors, Brokers/Dealers and/or professional investors at the discretion of the Principal Distributor, in which case any local supplement to this Prospectus or marketing material, including that used by the relevant intermediaries, will refer to the possibility and terms to subscribe for Class N Shares.

### **Class P1 and P2 Shares**

It is intended that the Directors will accept applications from Institutional Investors investing a minimum of USD 10 million for **Class P1 Shares** for a limited time until the total Net Asset Value of the relevant Share Class(es) of the Fund (excluding seed capital) reaches USD 100 million (or equivalent in other currency), or such other amounts as specifically determined by the Management Company and disclosed on the Franklin Templeton website.

It is intended that the Directors will accept applications from Distributors, Brokers/Dealers, platforms, Institutional Investors and/or other Investors investing a minimum of USD 5 million for **Class P2 Shares** for a limited time until the total Net Asset Value of the relevant Share Class(es) of the Fund (excluding seed capital) reaches USD 200 million (or equivalent in other currency), or such other amounts as specifically determined by the Management Company and disclosed on the Franklin Templeton website.

Once a Shareholder is issued with Class P1 and/or P2 Shares, they shall remain eligible to subscribe into the same Fund and Share Class in perpetuity as long as they remain invested in the same Fund and/or Share Class. Once the total Net Asset Value of the Class P1 and P2 Share Classes available in a Fund reaches its relevant maximum total NAV threshold, the Class P1 and P2 Shares in that Fund will be closed to subscriptions from new Investors.

Investors should contact the Management Company or check the Franklin Templeton website for the current status of the relevant Funds or Share Classes, the Funds' specific exceptions to the Class P1 and P2 Shares thresholds stated above and for subscription opportunities that may occur.

**Class S Shares** shall only be offered to Institutional Investors, intermediaries, distributors, platforms and/or Brokers/Dealers subject to (i) a level of assets under management (or committing to raise such level of assets under management by way of a letter of intent) with Franklin Templeton in excess of USD 5 billion (or equivalent in other currency) and/or (ii) a level of assets under management in Franklin Templeton EU-domiciled fund umbrellas in excess of USD 1 billion (or equivalent in other currency) and/or (iii) a level of assets under management (or committing to raise such level of assets under management by way of a letter of intent) in excess of USD 50 million (or equivalent in other currency) in Class S Shares in the relevant Fund and which:

- cannot receive and retain any trail, commission, rebate or other similar fees (referred to as inducements) as a result of applicable local legal and/or regulatory prohibition (in the EU, those prohibitions are at least applicable to discretionary portfolio management and/or the provision of independent advice under MiFID), or
- have separate fee arrangements with their clients for the payment of non-independent advice services further to which it does not receive and retain inducements, or
- perform distribution activities outside of the EU based on a separate fee arrangements with their clients for the provision of investment advice. Separate fee arrangement requirements may be waived for intermediaries in certain non-EU jurisdictions, at the discretion of the Management Company.

**Class W Shares** are intended to be offered through intermediaries, distributors, platforms and/or Brokers/Dealers which:

- cannot receive and retain any trail, commission, rebate or other similar fees (referred to as inducements) as a result of applicable local legal and/or regulatory prohibition (in the EU, those prohibitions are at least applicable to discretionary portfolio management and/or the provision of independent advice under MiFID), or
- have separate fee arrangements with their clients for the payment of non-independent advice services further to which it does not receive and retain inducements, or
- perform distribution activities outside of the EU based on a separate fee arrangements with their clients for the provision of investment advice. Separate fee arrangement requirements may be waived for intermediaries in Asia, at the discretion of the Management Company.

**Class X Shares** are only offered to Institutional Investors as defined from time to time by the guidelines or recommendations of the competent Luxembourg financial supervisory authority (please refer below for the list of qualifying Institutional Investors), in certain limited circumstances, at the discretion of the Management Company or the Investment Manager and/or its affiliates.

Class X Shares are, *inter alia*, designed to accommodate an alternative charging structure whereby a fee covering the investment management fees, as contemplated into section "Investment Management Fees", is levied and collected by the Management Company directly from the Investors who are clients of Franklin Templeton and who enter into a specific agreement with the Management Company. These fees will therefore not be payable out of the net assets of the relevant Fund attributable to Class X Shares.

Class X Shares will however bear their pro-rata share of any other applicable expenses such as the registrar, transfer, corporate, domiciliary and administration fees, depositary, audit and regulatory fees and charges as well as any applicable taxes and other charges and expenses as further described in sections "Management Company Remuneration" and "Other Company Charges and Expenses".

**Class Y Shares** may only be offered to Institutional Investors as defined from time to time by the guidelines or recommendations of the competent Luxembourg financial supervisory authority (please refer below for the list of qualifying Institutional Investors), in certain limited circumstances, at the discretion of the Management Company and/or its affiliates.

Class Y Shares are, *inter alia*, designed to accommodate an alternative charging structure whereby a fee covering the investment management and the registrar, transfer, corporate, domiciliary and administration fees, as contemplated into sections "Management Company Remuneration" and "Investment Management Fees", is levied and collected by the Management Company directly from the Investors who are clients of Franklin Templeton and who enter into a specific agreement with the Management Company. These fees will therefore not be payable out of the net assets of the relevant Fund attributable to Class Y Shares.

Class Y Shares will however bear their pro-rata share of any other applicable expenses such as depositary, audit and regulatory fees and charges as well as any applicable taxes and other charges and expenses as further described in section "Other Company Charges and Expenses".

**Class Z Shares** are intended to be offered through intermediaries, distributors, platforms and/or Brokers/Dealers which:

- cannot receive and retain any trail, commission, rebate or other similar fees (referred to as inducements) as a result of applicable

- local legal and/or regulatory prohibition (in the EU, those prohibitions are at least applicable to discretionary portfolio management and/or the provision of independent advice under MiFID), or
- have separate fee arrangements with their clients for the payment of non-independent advice services further to which it does not receive and retain inducements, or
- perform distribution activities outside of the EU.

**The Company and the Management Company will not issue, execute a switch of or transfer Shares to any Investor who is deemed not to meet the above eligibility requirements. If it is identified at any time that a holder of one or several of the above Share Classes does not qualify, or no longer qualifies, the Company or the Management Company may, at any time, decide to compulsorily redeem said Shares in accordance with the conditions and procedures set forth in the Articles.**

**A complete list of available Shares Classes may be obtained from the Franklin Templeton Internet site <http://www.franklintempleton.lu> or upon request at the registered office of the Company and of the Management Company.**

#### **List of Qualifying Institutional Investors**

- Institutional investors *stricto sensu*, such as banks and other regulated professionals of the financial sector, insurance and reinsurance companies, social security institutions and pension funds, charitable institutions, industrial, commercial and financial group companies, all subscribing on their own behalf, and the structures which such Institutional Investors put into place for the management of their own assets.
- Credit institutions and other regulated professionals of the financial sector investing in their own name but on behalf of Institutional Investors as defined above.
- Credit institutions and other regulated professionals of the financial sector established in Luxembourg or abroad which invest in their own name but on behalf of their non institutional clients on the basis of a discretionary management mandate.
- Collective investment undertakings established in Luxembourg or abroad.
- Holding companies or similar entities, whether Luxembourg-based or not, whose shareholders are Institutional Investors as described in the foregoing paragraphs.
- Holding companies or similar entities, whether Luxembourg-based or not, whose shareholder(s)/ beneficial owner(s) is/are individual person(s) which is/are extremely wealthy and may reasonably be regarded as sophisticated investor(s) and where the purpose of the holding company is to hold important financial interests/investments for an individual or a family.
- A holding company or similar entity, whether Luxembourg based or not, which as a result of its structure and activity has a true substance and holds important financial interests / investments.

#### **Alternative Currency Classes**

Share Classes may be offered in the following currencies:

- Euro (EUR)
- Singapore Dollar (SGD)
- US Dollar (USD)
- Canadian Dollar (CAD)

or any other freely convertible currency.

The Net Asset Value of Alternative Currency Share Classes will be calculated and published in the alternative currency and purchase payments for such Share Classes are to be paid by the Investors, and sale proceeds are paid to selling Investors, in such alternative currency, unless otherwise authorised under the Prospectus. The Company does not currently intend to hedge the currency risks to which these Classes are exposed.

The terms and conditions applicable to the Share Classes available in alternative currency are the same as those which apply for the same Share Classes offered in the base currency.

The Board of Directors may decide to offer an Alternative Currency Share Class in another currency than those mentioned above in which case the Prospectus will be updated.

#### **Hedged Share Classes**

In respect of Hedged Share Classes, the base currency exposure of the Fund may be hedged into the Hedged Share Class' alternative currency to reduce exchange rate fluctuations and to reduce return fluctuations. Hedged Share Classes will contain the abbreviation H1 in their denomination.

The terms and conditions applicable to the Hedged Share Classes are the same as those which apply for the same Share Classes offered in the base currency, the only difference being the hedging of the base currency of the Fund into the Hedged Share Class alternative currency for the amount attributable to the considered Share Class.

Currency hedging techniques may be used at Share Class level. In this context, the Investment Manager(s) will limit hedging to the extent of the relevant Hedged Share Class selected currency exposure. Over-hedged positions will not normally exceed 105% of the Net Asset Value of the relevant Hedged Share Class and under-hedged positions shall not normally fall short of 95% of the portion of the Net Asset Value of the relevant Hedged Share Class which is to be hedged against selected currency risk. Hedged positions will be reviewed on an on-going basis by the Investment Manager(s), to ensure that over-hedged or under-hedged positions do not exceed/fall short of the permitted levels outlined above. In the event that the hedging in respect of a Hedged Share Class exceeds permitted tolerances due to market movements or Subscription/Redemptions of Shares, the Investment Manager(s) shall adjust such hedging appropriately.

Shareholders should also note that generally there is no segregation of assets and liabilities between Share Classes and therefore a counterparty to a derivative overlay entered into in respect of a Hedged Share Class may have recourse to the assets of the relevant Fund attributable to other Share Classes of that Fund where there is insufficient assets attributable to the hedged Share Class to discharge its liabilities. While the Company has taken steps to ensure that the risk of contagion between Share Classes is mitigated in order to ensure that the additional risk

introduced to the Fund through the use of a derivative overlay is only borne by the Shareholders in the relevant Share Class, this risk cannot be fully eliminated.

#### **Entry Charge and Contingent Deferred Sales Charge**

##### **Class A Shares**

###### - Entry Charge

The price at which Class A Shares will be offered is the Net Asset Value per Share, plus an entry charge based on the total amount invested, varying per asset class as follow:

- Equity Funds: up to 5.75%
- Fixed Income Funds: up to 5.00%
- Multi-Asset Funds: up to 5.75%

Out of this charge the Principal Distributor may make payments to sub-distributors, intermediaries, Brokers/Dealers and/or professional investors, who may include affiliates of Franklin Templeton. The entry charge may be waived in whole or in part by the Principal Distributor either for individual Investors or for particular groups of Investors. The balance of the amount invested after the deduction of any applicable entry charge will then be applied to the purchase of Shares in the relevant Fund.

If in any country in which the Shares are offered, local law or practice requires or permits a lower entry charge or a different maximum than the charge stated above for any individual purchase order, the Principal Distributor may sell Class A Shares, and may authorize sub-distributors, intermediaries, Brokers/Dealers and/or professional investors to sell Class A Shares, within such country at a total price less than the applicable price set forth above, but in accordance with the amounts permitted by the law or practice of such country.

###### - Qualified Investments of USD 1 Million or More

In relation to qualified investments of USD 1 million or more in respect of Class A Shares, the entry charge may be waived and a Contingent Deferred Sales Charge ("**CDSC**") of up to 1% may apply if an Investor sells Shares within 18 months after each investment in order to recover commissions paid to sub-distributors, intermediaries, Brokers/Dealers and/or professional investors. The CDSC is up to 1.00% of the total cost of such Shares (exclusive of reinvested dividends distributions), and is retained by the Principal Distributor. The way this charge is calculated is more fully described in the section "Calculation of CDSC".

Qualified investments are investments made either as a lump sum or through cumulative orders of the Investor, his spouse, his children and/or grandchildren if they are under the age of 18. For the purpose of the application of the qualified investments rules, shareholdings in other investment funds offered by Franklin Templeton may be combined at the Investor's request. Information on the investment funds which shares may be combined, and details of the procedure, terms and conditions applicable may be obtained from the Management Company upon request.

No switch with Shares of other Classes will be allowed for Shares subject to such contingent deferred sales charge.

##### **Class AS Shares**

The price at which Class AS Shares will be offered is the Net Asset Value per Share. The Principal Distributor does not apply an entry charge on purchases of Class AS Shares.

##### **Class D Shares**

The price at which Class D Shares will be offered is the Net Asset Value per Share. Purchases of Class D Shares are subject to a Contingent Deferred Sales Charge ("**CDSC**") of up to 0.50% if an Investor sells Shares within four (4) years of purchase. The way this charge is calculated is more fully described in the section "Calculation of CDSC".

##### **Class C Shares**

The price at which Class C Shares will be offered is the Net Asset Value per Share. Purchases of Class C Shares are not subject to an entry charge. However, Class C Shares are subject to a CDSC of 1.00% if an Investor sells Shares within one (1) year of purchase. The way this charge is calculated is more fully described in the section "Calculation of CDSC".

##### **Class I, M, P1, P2, S, W, X, Y and Z Shares**

The price at which Class I, M, P1, P2, S, W, X, Y and Z Shares will be offered is the Net Asset Value per Share. The Principal Distributor does not apply an entry charge nor CDSC on purchases of Class I, M, P1, P2, S, W, X, Y and Z Shares.

For clarity sake, in compliance with applicable laws, regulations and market practice, intermediaries or distributors selling Class S, W, X, Y and Z Shares may apply their own selling charges. Investors shall consult their intermediary, distributors or own financial adviser to find more information about such charges (for Class W and Z Shares, such charges should not exceed 5.75% of the total amount invested).

##### **Class N Shares**

###### - Entry Charge

The price at which Class N Shares will be offered is the Net Asset Value per Share, plus an entry charge of up to 3.00% of the total amount invested. This entry charge will apply for all different asset classes. Out of this charge the Principal Distributor may make payments to sub-distributors, intermediaries, Brokers/Dealers and/or professional investors, who may include affiliates of Franklin Templeton. The entry charge may be waived in whole or in part by the Principal Distributor either for individual Investors or for particular groups of Investors. The balance of the amount invested after the deduction of any applicable entry charge will then be applied to the purchase of Shares in the relevant Fund.

If in any country in which the Shares are offered, local law or practice requires or permits a lower entry charge or a different maximum than the charge stated above for any individual purchase order, the Principal Distributor may sell Class N Shares, and may authorise sub-distributors, intermediaries, Brokers/Dealers and/or professional investors to sell Class N Shares, within such country at a total price less than the applicable price set forth above, but in accordance with the amounts permitted by the law or practice of such country.

#### Calculation of CDSC

The CDSC applicable for qualifying A and D Shares, is based on the Net Asset Value of the Shares when purchased. The CDSC for applicable C Shares is based on the Net Asset Value of the Shares being sold or their Net Asset Value when purchased, whichever is less. The calculation is made based on the relevant currency of the Shares being sold. There is no CDSC on Shares acquired through reinvestment monies. To keep the CDSC as low as possible, each time an instruction to sell Shares is placed, any Shares in the Investor's Holding not subject to a CDSC will be sold first. If there are not enough of these to meet the request, additional Shares will be sold in the order they were purchased. The amount of the CDSC is calculated by multiplying the percentages indicated in the chart displayed in Appendix F by the Net Asset Value of the Shares being sold or their Net Asset Value when purchased, whichever is applicable.

The holding period for the purposes of applying a CDSC on Shares of a particular Fund acquired through a switch of Shares from another Fund will be measured from the date that such Shares were initially acquired in the other Fund.

Amounts assessed as a CDSC are paid to the Principal Distributor, or such other party as the Company may from time to time appoint to defray distribution costs incurred by the Principal Distributor or such other party. The CDSC may be waived in whole or in part by the Principal Distributor and/or such other party at its discretion either for individual Investors or for particular groups of Investors. The Company has committed to pay to the Principal Distributor or the relevant third party the CDSC at the rates set forth in Appendix F of this Prospectus net of any taxes. In case any taxes would be payable on said amounts, the amount of CDSC would be increased in a manner to ensure that the agreed amounts are paid net to the Principal Distributor or relevant third party. The Board of Directors has, at the date of this Prospectus, no reason to believe that any taxes are due or levied on the CDSC.

#### Specific features of Share classes

Specific features of the Share classes offered are provided in the table below.

Invest or Category		Retail / Institutional			Institutional	
Share Class Overview	Classes A, AS, C, D, M, N, W and Z	Classes S	Classes P2	Classes P1	Class I	Classes X and Y
Minimum Investment	USD 1,000	Details available from the Company or the Management Company	USD 5,000,000	USD 10,000,000	USD 5,000,000	Details available from the Company or the Management Company
Subsequent Investment	USD 1,000	Details available from the Company or the Management Company	USD 1,000	USD 1,000	USD 1,000	Details available from the Company or the Management Company

#### HOW TO PURCHASE SHARES

##### How to Apply

Prospective Investors should complete an application form and send it together with applicable identification documents (as detailed in the application form) to the Transfer Agent in order to purchase Shares for the first time. Applications may also be accepted by telephone, facsimile, or electronic request if expressly allowed by the Management Company. The Management Company and/or the Transfer Agent may request the original signed application form and identification documentation to be mailed, in which case it may delay the processing of the application form until their receipt. Applications will be accepted at the discretion of the Board of Directors or the Management Company.

Processing of all application forms received by a relevant Distributor will only commence once they have been forwarded to the Transfer Agent or to a Distributor duly authorised in writing.

Investors should also provide the documentation required for anti-money laundering and counter-terrorist financing purposes and as more fully described in the section "Anti-Money Laundering and Counter-Terrorist Financing Legislation".

In addition, the Company and/or the Management Company reserves the right to request additional information and/or documentary evidence from Investors if their bank account is located in a country other than their country of residence, which may result in a delay in the processing of purchase and/or any other transaction until relevant and satisfactory information and/or documentation is received.

The Company or the Management Company reserves the right to request additional information and/or confirmation from the Investor for large purchases into Class C Shares, which may result in a delay in the processing of the investment until receipt of the requested information/confirmation. Distributors subscribing for Shares in their own names and on behalf of underlying Investors are permitted to purchase Class C Shares in their own name on behalf of Investors provided that they have received explicit prior approval from the Management Company to do so and do apply an agreed procedure to monitor the aging of these Shares.

By applying for Class I, X and/or Class Y Shares, Investors represent to the Company and the Management Company that they qualify as one or more of the types of Institutional Investor(s) as listed in the section "Share Classes" and undertake to indemnify the Company, the Management Company and/or any other entity of Franklin Templeton against any and all damages, losses, costs or other expenses they may incur as a result of acting in good faith of such a representation.

Each Investor will be given a personal Investor Portfolio Number which should be quoted, along with any relevant transaction references where applicable, whenever contacting the Company, the Transfer Agent and/or the Management Company.

#### **Instructions to Purchase**

Initial purchase instruction for Shares should be made on the application form or any other similar application form accepted by the Transfer Agent. For subsequent purchase in an existing Investor Portfolio, no further application form is required. However, private individual Investors instructing Franklin Templeton directly without using Brokers/Dealers are required to complete and sign a standard purchase form (available from our website or upon request). Any subsequent instruction to purchase Shares may be made by telephone, facsimile or electronic request, if expressly allowed by the Management Company. The Management Company may request a written and duly signed confirmation of the subsequent purchase instructions which may result in delay in the processing of the investment until receipt of the requested written confirmation. Subsequent purchase instructions will be accepted at the discretion of the Board of Directors or the Management Company.

Investors must receive and read the relevant KID prior to purchasing Shares. Where applicable, Brokers/Dealers are responsible for providing Investors with the appropriate KID. Please always contact your Brokers/Dealers before purchasing Shares. If you do not have Brokers/Dealers you should contact the Management Company or your local Franklin Templeton office which will provide you with an electronic or paper copy of the relevant KID.

Subsequent purchase instructions should be duly signed and:

- (a) state the name of the Fund(s), the Share Class, the Share Class ISIN code (available on the Franklin Templeton Internet site <http://www.franklintempleton.lu>) and number of Shares applied for in the Fund(s) (the number of Shares should be stated both in numbers and in words) or the amount (in numbers and in words) to be invested (which should include provision for any applicable entry charge);
- (b) state how payment has been or will be made; and
- (c) confirm that the relevant KID has been provided.

If there is any discrepancy between the name of the Fund(s), the Share Class, the Share Class ISIN code or the currency of the Fund(s) Share Class quoted in the instruction, the order will be executed on the basis of the ISIN code quoted.

The Company and/or the Management Company reserve the right to accept or refuse application form or any purchase instruction in whole or in part and for any reason. If any application form or purchase instruction is not accepted in whole or in part, the purchase monies will be returned to the Investor at the risk and cost of the Investor.

An Investor may not withdraw her/his request for purchase except in the event of a suspension of the valuation of the assets of the Company (see Appendix E) and, in such event, a withdrawal of a purchase instruction will be effective only if written notification is received by the Management Company and/or the Transfer Agent before termination of the period of suspension. Purchase monies will be returned to the Investor in such circumstances.

Neither the Company nor the Management Company shall be responsible or liable to any applicant or Investor for any loss resulting from the non-receipt of any application form or purchase instruction by whichever method it is sent (including non-receipt of facsimile application forms).

#### **Purchase Price**

At launch date, Shares of the Fund will be offered at USD 10, or currency equivalent (plus any applicable entry charge) of the total amount invested. From launch date onwards and for purchase instructions received and accepted by the Transfer Agent for any Dealing Day before the applicable Dealing Cut-Off Time (as described in Appendix A), Shares will be issued at the relevant Net Asset Value per Share determined on this Dealing Day (plus any applicable entry charge). Purchase monies may be required to be received by the Transfer Agent or the relevant Distributor in cleared funds prior to processing of the instruction. In such case, the instruction will be processed on the basis of the Net Asset Value per Share determined on the Valuation Day that such funds are received by the Transfer Agent (plus any applicable entry charge).

Unless otherwise stated in local version of this Prospectus, local specific information document to be provided to Investors, application form or marketing document, a complete instruction for the purchase of Shares received and accepted by the Transfer Agent or by a duly authorized Distributor on a Dealing Day after the applicable Dealing Cut-Off Time will be dealt with on the basis of the Net Asset Value per Share of the relevant Share Class determined on the next Valuation Day (plus any applicable entry charge).

The Net Asset Value per Share will be calculated as detailed in the section "Calculation of the Net Asset Value" in Appendix E.

The Company, the Transfer Agent and/or the Management Company will inform the registered Shareholder of the price at which the Shares have been issued on their Contract Note (refer to "Contract Notes" section).

## **How to Pay**

Payments should be made by electronic bank transfer to the bank account set forth by the Principal Distributor (as detailed in the application form). Payments can be made in the currency of the Share Class. However, an Investor may, in certain instances as permitted by the Management Company, provide for payment in any other freely exchangeable currency, in which case, the necessary foreign exchange transaction will be arranged on behalf of, and at the expense of the Investor. Investors are advised that payments made in any other freely exchangeable currency may be delayed until the next Valuation Day to allow for currency conversion.

The Board of Directors is authorized to accept purchase of Shares in whole or in part in specie, having due regard to the requirements prescribed by the laws of the Grand Duchy of Luxembourg. In the event the Investor is unable to provide clear title on the assets the Company has the right to bring an action against the defaulting Investor.

The allotment of Shares is conditional upon receipt of purchase monies, including any applicable entry charge, which must be paid within three (3) Business Days of the Valuation Day (or such other timeframe as set out in the local fund related documentation or applicable dealing guide) unless the Board of Directors requires cleared funds on or prior to an application being accepted. Until full payment of settlement monies, the applicant for Shares does not have legal ownership of such Shares. Where an applicant for Shares fails to pay settlement monies on subscription or to provide a completed application form (for an initial application) by the due date, the Company and/or the Management Company may decide to redeem the relevant Shares, at the cost of the applicant or his/her distributor. The applicant for Shares may be required to indemnify the Company or the Principal Distributor against any loss, costs or expenses incurred directly or indirectly as a result of the applicant's failure to pay for Shares applied for or to submit the required documents by the due date.

Where payments are made by electronic transfer or bank wire, the Management Company shall not be responsible for reconciling remittances of purchase monies where problems occur in the transmission, or as a result of inadequate or incorrect details on the transfer instructions. Bank charges in connection with an electronic transfer may be deducted from the proceeds of the transfer by the remitting bank, correspondents, agents or sub-agents, and the receiving bank may also deduct bank charges from such remittance.

## **HOW TO SELL SHARES**

### **Instructions to Sell**

Shares of any Class in any Fund can be sold on any Dealing Day. Instructions to sell Shares should be submitted to the Transfer Agent in writing or, if expressly permitted, by telephone, facsimile or electronic means. In the event of joint Investor Portfolios all instructions must be signed by all Investors except where sole signatory authority has been granted or where a power of attorney has been communicated to the Management Company. If an instruction has not been submitted in writing, the Management Company and/or the Transfer Agent may request a written and duly signed confirmation of such instruction, in which case it may delay the processing of the instruction until receipt of the written and duly signed confirmation.

As provided for in the Articles and within the limits contained therein, when the Company become aware that a shareholder (A) is a US Person or is holding shares for the account or benefit of a US Person; (B) is holding shares in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, tax, pecuniary or material administrative disadvantages or other material disadvantages or negative impact for the Company, its shareholders or its delegates active in the investment management and advisory of the Company; (C) has failed to provide any information or declaration required by the Company, the Company will either (i) direct such shareholders to redeem or to transfer the relevant shares to a person who is qualified or entitled to own or hold such shares or (ii) redeem the relevant shares.

The instruction must contain details of the personal Investor Portfolio Number, the Fund name, the Share Class(es) including ISIN code (available on the Franklin Templeton Internet site: <http://www.franklintempleton.lu>), the number/value of Shares to be sold, the settlement currency and the bank details. If there is any discrepancy between the name of the Fund(s), the Share Class, the Share Class ISIN code or the currency of the Share Class quoted in the instruction, the instruction will be executed on the basis of the ISIN code quoted.

Any instruction to sell Shares may not be executed until any previous transaction involving the Shares to be sold has been completed and settled.

If the instruction would result in a Holding balance being less than USD 1,000 (or currency equivalent), the Company and/or the Management Company may redeem such Holding balance and pay the proceeds to the Investor.

The Company reserves the right not to be bound to accept the sale or switch on any Valuation Day more than 10% of the value of the Shares of any Fund. In these circumstances the sale of the Shares may be deferred for a period not exceeding ten (10) Luxembourg Business Days. These instructions to sell will be executed in priority to later instructions.

Neither the Company, nor the Management Company shall be responsible or liable to any Investor for any loss resulting from the non-receipt of any instruction to sell, by whichever method it is sent.

An Investor may not withdraw an instruction to sell Shares except in the event of a suspension of the valuation of the assets of the Company (see Appendix E) and, in such event, a withdrawal of the instruction to sell will be effective only if written notification is received by the Transfer Agent before termination of the period of suspension. If the instruction is not so withdrawn, the sale of the Shares will be made on the next Valuation Day following the end of the suspension.

### **Sale Price**

A complete instruction to sell received and accepted by the Transfer Agent or by a duly authorized Distributor on any Dealing Day before the applicable Dealing Cut-Off Time (as described in Appendix A) will be dealt with on the basis of the Net Asset Value per Share of the relevant Share Class determined on this Dealing Day (less any applicable CDSC).

Unless otherwise stated in local version of this Prospectus, local specific information document to be provided to Investors, application form or marketing document, a complete instruction to sell received and accepted by the Transfer Agent or by a duly authorized Distributor on a

Dealing Day after the applicable Dealing Cut-Off Time (as described in Appendix A) will be dealt with on the basis of the Net Asset Value per Share of the relevant Share Class determined on the next Valuation Day (less any applicable CDSC).

The Net Asset Value per Share will be calculated on the basis detailed in the section "Calculation of the Net Asset Value" in Appendix E.

#### **Payment of Sale Proceeds**

Payment for Shares sold will be made within five (5) Dealing Days (or such other timeframe as set out in the local fund related documentation or applicable dealing guide) after the instruction to sell has been received in good order and accepted by the Transfer Agent and will normally be made in the Share Class currency by electronic bank transfer of funds unless otherwise instructed. The Company and/or the Management Company, after careful due diligence, are not responsible for any delays or charges incurred at any receiving bank or settlement system, nor are they responsible for delays in settlement which may occur due to the time required for local processing of payments within some countries or by certain banks, local correspondent banks, payment agent or other agents. Payment may also be made in any freely exchangeable currency if requested within the instruction, at the cost and risk of the Investor.

If, in exceptional circumstances as described in Appendix E, the liquidity of the Fund does not permit payment of sale proceeds within five (5) Dealing Days from the relevant Valuation Day (or such other timeframe as set out in the local fund related documentation or applicable dealing guide), the sale proceeds will be paid as soon as reasonably practicable but without profit.

The Board of Directors is also authorized to extend the period for payment of sale proceeds to such period, not exceeding thirty (30) Luxembourg Business Days (shorter periods may however apply in some jurisdictions), as may be required by settlement and other constraints prevailing in the financial markets of countries in which a substantial part of the assets attributable to any Fund shall be invested, and this exclusively with respect to those Funds of the Company of which the investment objectives and policies provide for investments in equity securities of issuers in developing countries.

All payments are made at the Investor's risk with no responsibility on the part of the Distributors, the Investment Managers, the Management Company and/or the Company.

#### **Sale Fees and Charges**

Payments for Shares sold may be subject to a CDSC if the Shares are sold within a defined number of years from the issue of the Shares. Full details of CDSC are provided in the section "Share Classes" and Appendix F of this Prospectus.

#### **Sale in Specie**

With the prior consent of the Investor(s) concerned, and having due regard to the principle of equal treatment of Shareholders, the Board of Directors may satisfy the payment of sale proceeds in whole or in part in specie by allocating to the selling Investor(s) portfolio securities of the relevant Fund equal in value to the Net Asset Value of the Shares being sold.

### **HOW TO SWITCH SHARES**

A switch is a transaction to convert an Investor's Holding in a Share Class into another Share Class within the same Fund or the same Share Class or another Share Class in different Funds. The transaction is executed by selling Shares in the original Share Class followed by purchasing Shares in the new Share Class provided that the Investor's Holding meets the minimum investment requirements for both the existing and the new Fund or Share Class.

Investors may, under certain circumstances, switch Shares of the Company into shares or units of certain other investment funds of Franklin Templeton having a similar sales charge structure including same percentage of CDSC over the same period of time. Information on the investment funds into which Shares may be switched, and details of the procedure, terms and conditions for switch may be obtained from the Management Company upon request.

#### **Class A Shares**

Without prejudice to specific Share Class restrictions provided for in this section, Class A Shares can be switched with Shares in any other Fund or Share Class subject to meeting Investor qualification criteria for that Share Class.

Class A Shares subject to a CDSC can only be switched with Class A Shares subject to the same CDSC. The aging of the Shares will be carried over to the new Share Class and no CDSC is payable at the time of such switch.

#### **Class AS Shares**

Class AS Shares can only be switched with Class AS Shares of another Fund which continues to issue Class AS Shares of the same currency and subject to such conditions imposed by the CPF Board from time to time.

#### **Class C Shares**

Class C Shares can only be switched with Class C Shares of another Fund which continues to issue Class C Shares of the same currency and subject to the same CDSC. The aging of the Shares will be carried over to the new Share Class and no CDSC is payable at the time of such switch. No other Share Class is permitted to switch into Class C Shares.

Attention of Investors is drawn to this restriction that may limit their possibility to acquire Shares of another Fund through switching because Class C Shares are not available in all Funds and the further issue of Class C Shares of the same currency of any Fund may be suspended at any time by the Board of Directors.



#### **Class D Shares**

Class D Shares can only be switched with Class D Shares of another Fund which continues to issue Class D Shares of the same currency and subject to the same CDSC. The aging of the Shares will be carried over to the new Share Class and no CDSC is payable at the time of such switch. No other Share Class is permitted to switch into Class D Shares.

Attention of Investors is drawn to this restriction that may limit their possibility to acquire Shares of another Fund through switching because Class D Shares are not available in all Funds and the further issue of Class D Shares of the same currency of any Fund may be suspended at any time by the Board of Directors.

#### **Class I Shares**

Without prejudice to specific Share Class restrictions provided for in this section, Class I Shares can be switched with Shares in any other Fund or Share Class. Only Institutional Investors can switch their Shares into Class I Shares.

#### **Class M Shares**

Without prejudice to specific Share Class restrictions provided for in this section, Class M Shares can be switched with Shares in any other Fund or Share Classes subject to meeting Investor qualification criteria for that Share Class.

#### **Class N Shares**

Without prejudice to specific Share Class restrictions provided for in this section, Class N Shares can be switched with Shares in any other Fund or Share Classes subject to meeting Investor qualification criteria for that Share Class.

#### **Class P1 Shares**

Without prejudice to specific Share Class restrictions provided for in this section, Class P1 Shares can be switched with Shares in any other Fund or Share Classes. Only Institutional Investors can switch their Shares into Class P1 Shares.

#### **Class P2 Shares**

Without prejudice to specific Share Class restrictions provided for in this section, Class P2 Shares can be switched with Shares in any other Fund or Share Classes subject to meeting Investor qualification criteria for that Share Class. Switching into Class P2 Shares is only permitted to Investors instructing through Distributors, Brokers/Dealers, platforms, Institutional Investors and/or other Investors which fulfil the Class P2 Shares eligibility requirements as per the conditions laid down in section "Share Classes".

#### **Class S Shares**

Without prejudice to specific Share Class restrictions provided for in this section, Class S Shares can be switched with Shares in any other Fund or Share Classes subject to meeting Investor qualification criteria for that Share Class. Switching into Class S Shares is only permitted to Investors instructing through certain distributors, Brokers/Dealers and/or professional Investors which fulfil the Class S Shares eligibility requirements as per the conditions laid down in section "Share Classes".

#### **Class W Shares**

Without prejudice to specific Share Class restrictions provided for in this section, Class W Shares can be switched with Shares in any other Fund or Share Class subject to meeting Investor qualification criteria for that Share Class. Switching into Class W Shares is only permitted to Investors instructing through intermediaries, distributors, platforms and/or Brokers/Dealers which fulfil the Class W Shares eligibility requirements as per the conditions laid down in section "Share Classes".

#### **Class X Shares**

Without prejudice to specific Share Class restrictions provided for in this section, Class X Shares can be switched with Shares in any other Fund or Share Classes subject to meeting Investor qualification criteria for that Share Class. Only Institutional Investors can switch their Shares into Class X Shares, subject to the conditions laid down in the section "Share Classes".

#### **Class Y Shares**

Without prejudice to specific Share Class restrictions provided for in this section, Class Y Shares can be switched with Shares in any other Fund or Share Classes subject to meeting Investor qualification criteria for that Share Class. Only Institutional Investors can switch their Shares into Class Y Shares, subject to the conditions laid down in section "Share Classes".

#### **Class Z Shares**

Without prejudice to specific Share Class restrictions provided for in this section, Class Z Shares can be switched with Shares in any other Fund or Share Classes subject to meeting Investor qualification criteria for that Share Class. Switching into Class Z Shares is only permitted to Investors instructing through intermediaries, distributors, platforms and/or Brokers/Dealers which fulfil the Class Z Shares eligibility requirements as per the conditions laid down in section "Share Classes".

#### **Instructions to Switch**

An instruction to switch Shares should be submitted to the Transfer Agent in writing or, if expressly permitted, by telephone, facsimile or electronic means. In the event of joint Investor Portfolios all instructions must be signed by all Investors, except where sole signatory authority has been granted or where a power of attorney has been communicated to the Management Company. If an instruction is not submitted in writing, the Management Company and/or the Transfer Agent may request a written and duly signed confirmation of such instruction in which case it may delay the processing of the instruction until receipt of the written and duly signed confirmation.

No application form is required for Switching Shares. However, private individual Investors instructing Franklin Templeton directly without using Brokers/Dealers will need to complete and sign a standard switch form (available from our website or upon request). The relevant KID must be provided to Investors prior to switching their Shares. Where applicable, Brokers/Dealers are responsible for providing Investors with the appropriate KID. Please always contact your Broker/Dealer before switching Shares. If you do not have a Broker/Dealer you should contact the Management Company or your local Franklin Templeton office which will provide you with an electronic or paper copy of the relevant KID.

The instruction must contain details of the personal Investor Portfolio Number and the number/value of Shares to be switched between named Funds and Share Classes including the ISIN codes (available on the Franklin Templeton Internet site <http://www.franklintempleton.lu>) and also the confirmation that the relevant KID has been provided. If there is any discrepancy between the name of the Fund(s), the Share Class, the Share Class ISIN code or the currency of the Share Class quoted in the instruction, the instruction will be executed on the basis of the ISIN code quoted. Investors may switch Shares on any Dealing Day.

The minimum initial investment in the new Fund is USD 1,000 (or currency equivalent). Any instruction which would result in a Holding balance being less than USD 1,000 (or currency equivalent) may not be executed.

Any instruction to switch Shares may not be executed until any previous transaction involving the Shares to be switched has been completed and settled. Where the sale is settled prior to the purchase, the sale proceeds will remain in the Company's collection bank account pending settlement of the purchase. No profit will accrue to the benefit of the Investor.

Any instruction to switch Shares between Funds denominated in differing currencies will be executed on the same Valuation Day. However, in exceptional circumstances, the Company or the Management Company may, at its own discretion, require one (1) additional Business Day in order to process the switch transactions. The Company reserves the right not to be bound to switch on any Valuation Day more than 10% of the value of the Shares of any Fund. In these circumstances the switch may be deferred for a period not exceeding ten (10) Business Days. These instructions to switch will be executed in priority to later instructions.

In certain limited circumstances as well as for distributions in certain countries and/or through certain sub-distributors and/or professional investors, the Company or the Management Company may require one (1) additional Business Day in order to process switch transactions. The additional day may be required for operational reasons in cases where currency conversion is required.

An Investor may not withdraw an instruction to switch Shares except in the event of a suspension of the valuation of the assets of the Company (see Appendix E) and, in such event, a withdrawal of the instruction to switch will be effective only if written notification is received by the Transfer Agent before termination of the period of suspension. If the instruction is not so withdrawn, the switch of the Shares will be made on the next Valuation Day following the end of the suspension.

#### **Switch Price**

A complete switch instruction received and accepted by the Transfer Agent or by a duly authorized Distributor on any Dealing Day before the applicable Dealing Cut-Off Time (as described in Appendix A), will be dealt with on the basis of the Net Asset Value per Share of the relevant Share Class determined on this Dealing Day.

A complete switch instruction received and accepted by the Transfer Agent or by a duly authorized Distributor on a Dealing Day after the applicable Dealing Cut-Off Time, will be dealt with on the basis of the Net Asset Value per Share of the relevant Share Class determined on the next Valuation Day.

The number of Shares issued will be based upon the respective Net Asset Value of the Shares of the two relevant Funds or Share Classes on the relevant Valuation Day(s).

#### **Switch Fees and Charges**

A switch charge of up to 1.00% of the value of the Shares to be switched may be applied for distribution in certain countries and/or through certain Distributors and/or professional Investors. In the event this charge is applied details will be contained in any local supplement to this Prospectus or marketing materials. Such charge shall be automatically deducted when the number of Shares is calculated and paid by the Company.

In certain circumstances a switch from any one Fund or Share Class will necessitate a fee equivalent to the difference between the two levels of entry charges unless the Investor, as a result of prior switches, has already paid the entry charge rate differential. It is currently anticipated that any entry charge rate differential will be paid to the Principal Distributor, who may, in turn, pay a portion of each differential to Distributors, intermediaries, Brokers/Dealers and/or professional investor. However, the entry charge rate differential may be waived at the discretion of the Company and/or the Management Company.

#### **HOW TO TRANSFER SHARES**

A transfer is a transaction for the purpose of transferring an Investor Holding to another Investor.

An instruction to transfer Shares should be submitted to the Transfer Agent in writing or by a duly signed Share transfer form together with, if issued, the relevant Share certificate to be cancelled, or if expressly permitted, by telephone, facsimile or electronic means. The instruction must be dated and signed by the transferor(s), and if requested by the Company and/or the Management Company also signed by the transferee(s), or by persons holding suitable powers of attorney to act therefore.

Acceptance of the transfer by the Management Company and/or the Transfer Agent will be subject to the transferee(s) having an accepted application by the Company, and meeting all Fund and Share Class eligibility requirements.

Any request to transfer Shares will only be executed once any previous transaction involving the Shares to be transferred has been completed and full settlement on those Shares received.

If the transfer instruction would result in a Holding balance being less than USD 1,000 (or currency equivalent) the Company and/or the Management Company may redeem such Holding balance and pay the proceeds to the Investor.

The Shares are freely transferable. The Articles provide that the Board of Directors is entitled to impose restrictions as they may think necessary for the purposes of ensuring that no Shares are acquired or held by (a) any person in violation of or subject to the applicable laws or regulations of any country or government authority or (b) any person in circumstances which, in the opinion of the Board of Directors, might result in the Company incurring any liability of taxation or suffering any other disadvantage which the Company might not otherwise have incurred.

The Shares transferred may be subject to specific conditions, including CDSC. Investors should ensure that they are aware of all specific conditions applicable to such Shares.

### **DIVIDEND POLICY**

In respect of all Funds which issue Distribution Shares, it is the intention of the Board of Directors to distribute substantially all of the income attributable to the Distribution Shares. Subject to any legal or regulatory requirements, dividends may also be paid out of the capital of such Funds. Subject to any legal or regulatory requirements, the Board of Directors reserves the right to introduce new Share Classes, which may retain and re-invest their net income.

Annual dividends may be declared separately in respect of each Fund at the Annual General Meeting of Shareholders.

Interim Share dividends may be paid upon a decision of the Board of Directors and/or the Management Company in relation to any of the Funds.

It is anticipated that distributions will be made under normal circumstances as set out in the table below:

<b>Share type</b>	<b>Share name</b>	<b>Payments</b>
Accumulation Shares	A (acc), AS (acc), C (acc), D (acc), I (acc), M (acc), N (acc), P1 (acc), P2 (acc), S (acc), W (acc), X (acc), Y (acc) and Z (acc)	No distribution of dividends shall be made but the net income attributable will be reflected in the increased value of the Shares
Distribution Shares	A (Mdis), AS (Mdis), C (Mdis), D (Mdis), I (Mdis), M (Mdis), N (Mdis), P1 (Mdis), P2 (Mdis), S (Mdis), W (Mdis), X (Mdis), Y (Mdis) and Z (Mdis)	Under normal circumstances it is anticipated that distribution will be made monthly (following the end of each month)
	A (Qdis), AS (Qdis), C (Qdis), D (Qdis), I (Qdis), M (Qdis), N (Qdis), P1 (Qdis), P2 (Qdis), S (Qdis), W (Qdis), X (Qdis), Y (Qdis) and Z (Qdis)	Under normal circumstances it is anticipated that distribution will be made quarterly (following the end of each fund financial quarter)
	A (Bdis), AS (Bdis), C (Bdis), D (Bdis), I (Bdis), M (Bdis), N (Bdis), P1 (Bdis), P2 (Bdis), S (Bdis)W (Bdis), X (Bdis), Y (Bdis) and Z (Bdis)	Under normal circumstances it is anticipated that distribution will be made semi-annually (normally in November and in May each year)
	A (Ydis), AS (Ydis), C (Ydis), D (Ydis), I (Ydis), M (Ydis), N (Ydis), P1 (Ydis), P2 (Ydis), S (Ydis), W (Ydis), X (Ydis), Y (Ydis) and Z (Ydis)	Under normal circumstances it is anticipated that distribution will be made yearly (normally in November each year)

In order to receive dividends on Distribution Shares, Investors must be registered as holders of such Distribution Shares on the register of Shareholders on the Valuation Day determined by the Company as being the distribution accounting date.

Dividends of registered Distribution Shares will normally be reinvested in the purchase of further Distribution Shares of the Fund and Share Class to which such dividends relate, unless otherwise stated in the application form. Such further Distribution Shares will be issued on the ex-dividend date. The price will be calculated in the same way as for other issues of Shares of that Fund on the Valuation Day on which the price of the Distribution Shares of that Fund goes ex-dividend. Fractional Shares will be rounded to three decimal places. No entry charge will be payable. Investors not wishing to use this reinvestment facility should complete the appropriate section of the application form. In the event that cash dividends are payable they will be paid to holders of registered Distribution Shares who have elected to receive dividends in cash, payment normally being made by transfer of funds. Dividends to be paid in any other freely exchangeable currency will be converted at the Investor's expense.

When dividends of USD 250 (or currency equivalent) or less cannot be paid to a registered Investor due to missing data or payment unable to be effected, the Company or the Management Company reserves the right, unless otherwise disclosed in a local supplement to the Prospectus, to automatically re-invest such dividends and any subsequent dividends to be paid in the purchase of further Distribution Shares of the Fund and Share Class to which such dividends relate until receipt of instructions in good order from the Investor.

If a dividend has been declared but not paid within a period of five (5) years, the Company will, as it is entitled to do under the laws of the Grand Duchy of Luxembourg, declare the dividend forfeited and such unpaid dividend will accrue for the benefit of the relevant Fund.

In respect of each dividend declared, the Board of Directors and/or the Management Company may determine if, and to what extent, such dividend is to be paid out of realised and unrealised capital gains and in the case of Funds which distribute income gross of expenses from initially subscribed capital, regardless of capital losses, increased or decreased, as the case may be, by the portion of investment income and capital gains attributable to Shares issued and to Shares redeemed.

**It should be remembered that dividend distributions are not guaranteed, that the Funds do not pay interest and that the price of Shares in the Funds and any income earned on the Shares may go down as well as up. It should also be remembered that any dividend**

**distribution lowers the value of the Shares in the Funds by the amount of the distribution. Future earnings and investment performance can be affected by many factors, including changes in exchange rates, not necessarily within the control of the Company, its Board of Directors, officers, the Management Company or any other person. No guarantees as to future performance of, or future return from, the Company can be given by the Company itself, or by any Director or officer of the Company, by the Management Company, by Franklin Templeton, or any of its worldwide affiliates, or by any of their directors, officers or employees.**

#### **Equalisation of Income**

The Funds use an accounting practice known as equalisation, by which a portion of the proceeds from issues and the costs of sale of Shares, equivalent on a per Share basis to the amount of undistributed net investment income on the date of the transaction, is credited or charged to undistributed income. As a result, undistributed net investment income per Share is unaffected by issues or redemptions of Shares. However, in respect of any Fund offering only Accumulation Shares, the Board of Directors and/or the Management Company reserve the right not to apply equalisation.

#### **MANAGEMENT COMPANY REMUNERATION**

For providing management company and ancillary services, the Management Company receives an annual fee from the Company of up to 0.20% of the Net Asset Value of the relevant Share Class and an additional amount (consisting of a fixed and variable component) per Investor Holding at the relevant Share Class level over each one (1) year period. Such remuneration will be calculated and accrued daily and will be paid monthly in arrears. Management company and ancillary services include but are not limited to, the performance of investment risk management and governance services (including but not limited to monitoring activities on the performance of delegated activities of the Funds, compliance and legal services, money laundering controls, regulatory oversight, internal audit, corporate, domiciliary and administrative functions) for the Company. This annual fee covers any remuneration paid to (i) J.P. Morgan SE, Luxembourg Branch for its services rendered to the Company as Administrative Agent and (ii) Virtus Partners Fund Services Luxembourg S.à.r.l. for its services rendered to the Company as Registrar and Transfer Agent.

Pursuant to Article 111bis of the Law of 17 December 2010, the Management Company has established and apply a remuneration policy which is consistent with, and promote sound and effective risk management. Such policies and practices must not encourage risk taking which is inconsistent with the risk profile, Prospectus or Articles of the Company, and must not impair compliance with the Management Company's duty to act in the best interest of the Company.

The remuneration requirements apply to categories of staff, including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the Management Company or the Company. The remuneration includes a fixed (essentially the base salary) and variable component (annual bonuses). The level of funding of the annual bonus (which can be paid in cash, equity awards or a combination of both) is dependent on overall FRI corporate performance, is approved by a compensation committee and is granted with reference to the actual performance of the relevant individual. A significant portion of the bonus can be deferred for at least three years and payment of bonus is subject to claw back provisions.

The details of the up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, how it is consistent with the integration of sustainability risks, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the compensation committee is available on the Internet site: <http://www.franklintempleton.lu> (a paper copy will be made available free of charge upon request).

#### **INVESTMENT MANAGEMENT FEES**

The Management Company receives from the Company a monthly investment management fee equivalent to a certain percentage per annum of each Fund's adjusted daily net assets during the year. Details of investment management fees are provided in Appendix F. The Investment Managers will be remunerated by the Management Company out of the investment management fee received from the Company.

In certain Company related documents and/or electronic media, the relevant aforementioned investment management fee plus maintenance charges where applicable to a Share Class may be combined and expressed as an "annual management charge" for ease of administration/comparison.

The Management Company and/or the Investment Managers may, from time to time, pay a part of the investment management fee to various sub-advisers, sub-distributors, intermediaries, brokers, professional investors and/or assimilated entities which may or may not be part of Franklin Templeton. Such payments are intended to compensate such sub-distributors, brokers or other intermediaries for providing distribution or other services to the Investors, including but not limited to the enhancement of the communication of ongoing information to Investors, the transaction processing or other shareholder and/or administrative services. Any request for additional information regarding any such payments should be addressed by the Investors to their relevant intermediaries.

Consistent with obtaining best execution, brokerage commissions on portfolio transactions for the Company may be directed by the Investment Managers to Brokers/Dealers in recognition of research services furnished by them as well as for services rendered in the execution of orders by such Brokers/Dealers. The receipt of investment research and information and related services permits the Investment Managers to supplement their own research and analysis and makes available to them the views and information of individuals and research staffs of other firms. Such services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payment, which are paid by the Investment Managers.

The Investment Managers may enter, with Brokers/Dealers that are entities and not individuals, into soft commission arrangements only where there is a direct and identifiable benefit to the clients of the Investment Managers, including the Company, and where the Investment Managers are satisfied that the transactions generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interest of the Company. Any such arrangement must be made by the Investment Managers on terms commensurate with best market practice. The use of soft commissions shall be disclosed in the periodic reports.

## **OTHER COMPANY CHARGES AND EXPENSES**

The Principal Distributor may be entitled to receive any applicable entry charge, of up to 5.75% of the total amount invested as further described in the section "Share Classes". The entry charge shall in no case exceed the maximum permitted by the laws, regulations and practice of any country where the Shares are sold.

The Principal Distributor may enter into contractual arrangements with various sub-distributors, intermediaries, Brokers/Dealers and/or professional investors for the distribution of Shares outside the United States of America. Payments of fees or commissions to various sub-distributors, Brokers/Dealers or other intermediaries may be made out of the maintenance charges or other related similar fees normally paid to the Principal Distributor, when such payments are expected to enhance the quality of the distribution or other services provided to the Investors, including but not limited to the improvement of the communication of ongoing information to Investors, the transaction processing or other shareholder and/or administrative services.

The Shariah Supervisory Board shall be entitled, for its Shariah advisory services in relation to each Fund, to receive an annual fee of USD 15,000 per Fund to be paid out of the expenses of each Fund.

IdealRatings, Inc. in its capacity as Shariah Screening Provider will receive as remuneration from each Fund an annual fee of USD 10,000 plus an additional amount up to 0.05% of the total assets under management of the relevant Fund.

As remuneration for the services rendered to the Company as Depositary Bank, J.P. Morgan SE, Luxembourg Branch will receive an annual fee depending on the nature of the investments of the different Funds in a range from 0.001% to 0.005% of the net asset values of the assets of the different Funds, with possible higher depositary annual fees for those Funds the investment objectives and policies of which provide for investments in securities of issuers in developing countries, as reflected in more detail in the Funds' relevant total expense ratio (TER) and in the Company financial reports. Such fee will be calculated and accrued daily and will be paid monthly in arrears to the Depositary Bank by the Company.

Such fees do not include normal banking and brokerage fees and commissions on transactions relating to the assets and liabilities of the Company as well as any reasonable out-of-pocket expenses incurred in connection with the Company, and chargeable to the Company and fees for other services as agreed from time to time. The amounts effectively paid will be shown in the Company's financial statements.

The Company bears its other operational costs including, but not limited to, the costs of buying and selling underlying securities, governmental and regulatory charges, legal and auditing fees, reporting and publication expenses, postage, telephone and facsimile expenses. All expenses are estimated and accrued daily in the calculation of the Net Asset Value of each Fund. The Company may, from time to time, pay certain fees to the Management Company for onward allocation to various sub-distributors, intermediaries, Brokers/Dealers and/or professional investors relating to placing certain Funds on sales platforms designed to bring about a wider distribution of Fund Shares. Such costs would only be allocated among the Funds placed on such platforms.

All charges and expenses pursuant to the above are exclusive of value added taxes or other taxes chargeable thereon, which should be paid by the Fund as required.

## **SERVICING AND MAINTENANCE CHARGES**

### **Servicing Charge**

A servicing charge may be applicable depending on the Share Class invested in. The charge is applied to the average Net Asset Value and is paid to the Principal Distributor and/or other party in order to compensate the Principal Distributor and/or other party for any financing costs and expenses incurred by it in connection with sales of Shares and the handling of CDSC. This charge is accrued daily and is deducted and paid monthly to the Principal Distributor and/or other party.

The Company has committed to pay the Principal Distributor or the relevant third party the servicing charge at the rates as provided in Appendix F, net of any taxes. In case any taxes would be payable on said amounts, the amount of servicing charge would be increased in a manner to ensure that the agreed amounts are paid net to the Principal Distributor or relevant third party. The Board of Directors has, at the date of this Prospectus, no reason to believe that any taxes are due or levied on the servicing charge.

Full details of servicing charges are provided in Appendix F.

### **Maintenance Charges**

A maintenance charge of up to a certain percentage per annum of the applicable average Net Asset Value is deducted and paid to the Principal Distributor, in order to compensate the Principal Distributor for any expenses incurred by it in connection with Investors liaison and administration of the Shares and the handling of CDSC. This charge is accrued daily and is deducted and paid monthly to the Principal Distributor.

The Principal Distributor may pay part or all of this maintenance charge to various third party sub-distributors, intermediaries, Brokers/Dealers. It may also, in its sole discretion, pay all or part of this maintenance charge to Institutional Investors which satisfy certain conditions, including minimum investment amounts.

Full details of maintenance charges are provided in Appendix F.

## **TAXATION OF THE COMPANY**

The following information is based on the laws, regulations, decisions and practice currently in force in the Grand Duchy of Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of Shares and is not intended as tax advice to any particular Investor or potential Investor. This summary does not describe any tax consequences arising

under the laws of any state, locality or other taxing jurisdiction other than the Grand Duchy of Luxembourg. Investors should inform themselves of and, when appropriate, consult their professional advisors on the possible tax consequences of purchasing, buying, holding or disposing of Shares under the laws of their country of citizenship, residence, domicile or incorporation.

The Company is not liable in the Grand Duchy of Luxembourg to any tax on its profits or income and is not subject to the Grand Duchy of Luxembourg's net wealth tax.

The Company, however, is liable in the Grand Duchy of Luxembourg to a tax of 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the value of the net assets of the Company at the end of the relevant calendar quarter. This tax is not applicable for the portion of the assets of a Fund invested in other undertakings for collective investment which have been already subject to such tax. Class I, Class X and Class Y Shares may qualify for the reduced tax rate of 0.01% if all the Investors of these Share Classes are respectively Institutional Investors.

No stamp duty or other tax is payable in the Grand Duchy of Luxembourg on the issue of the Shares in the Company. A EUR 75 registration duty is to be paid upon incorporation and each time the Articles are amended.

Under current laws and practice, no capital gains tax is payable in the Grand Duchy of Luxembourg on the realised or unrealised capital appreciation of the assets of the Company.

The Company is registered for Value Added Tax in the Grand Duchy of Luxembourg and subject to account for Value Added Tax in accordance with applicable laws.

Investment income received or capital gains realised by the Company may be subject to tax in the countries of origin at varying rates. The Company may benefit in certain circumstances from double taxation treaties, which the Grand Duchy of Luxembourg has concluded with other countries.

### **WITHHOLDING TAX**

Distributions made by the Company are not subject to withholding tax in the Grand Duchy of Luxembourg.

### **TAXATION OF INVESTORS**

Investors should note that certain Share Classes may make distributions from capital, net realised and net unrealised capital gains as well as income gross of expenses. This may result in Investors receiving a higher dividend than they would have otherwise received and therefore Investors may suffer a higher income tax liability as a result. In addition, in some circumstances, this may mean that the Fund pays dividends from capital property as opposed to income property. Such dividends may still be considered income distributions for tax purposes in the hands of Investors, depending on the local tax legislation in place. Investors should seek their own professional tax advice in this regard.

#### **Luxembourg**

Investors are currently not subject to any capital gains, income, withholding, gift, estate, inheritance or other taxes in the Grand Duchy of Luxembourg (except for Investors domiciled, resident or having a permanent establishment in the Grand Duchy of Luxembourg).

#### **Automatic Exchange of Financial Account Information**

On 29 October 2014, the Grand Duchy of Luxembourg signed the Multilateral Competent Authority Agreement (the "MCAA") on the implementation of the Global Standard for the automatic exchange of financial account information. By signing the MCAA, Luxembourg agreed to implement regulations to enable the adoption of automatic exchange of information with other MCAA signatory countries.

On 9 December 2014, the European Council adopted Directive 2014/107/EU in relation to the administrative cooperation in the field of direct taxation. Directive 2014/107/EU provides for the automatic exchange of account information between Member States of the European Union ("EU Member States"), reporting commenced in 2017 in relation to accounts held in the 2016 calendar year. Directive 2014/107/EU has been implemented in the Grand Duchy of Luxembourg by the law of 18 December 2015 relating to the automatic exchange of financial account information in tax matters (the "2015 Law"), which was effective from 1 January 2016.

Investors are hereby notified that the Company may be required by Luxembourg law to report details of specified accounts of account holders resident in EU Member States or MCAA signatory jurisdictions. The Luxembourg Tax Authorities may share such account data in accordance with Directive 2014/107/EU and the MCAA with the Tax Authorities of other EU Member States and MCAA signatory jurisdictions, where the account holder is tax resident. The information which may be reported includes, in the case of an individual, the reportable person's name, address, tax identification number, date and place of birth, balance of the account and the total gross amount paid or credited to the account in respect of the relevant reporting period.

**The foregoing is only a summary of the implications of Directive 2014/107/EU, the MCAA and the 2015 law. The summary is based on the current interpretation thereof and does not purport to be complete in all respects. It does not constitute investment or tax advice and Investors should therefore seek advice from their financial or tax adviser on the full implications for themselves of Directive 2014/107/EU, the MCAA and the 2015 law.**

### **FATCA**

The Foreign Account Tax Compliance Act ("FATCA"), which is an amendment to the US Internal Revenue Code, was enacted in the United States in 2010 and many of the operative provisions became effective on 1 July 2014. Generally, FATCA requires financial institutions outside the US ("foreign financial institutions" or "FFIs") to provide the US Internal Revenue Service ("IRS") with information about financial accounts held directly or indirectly by certain specified US persons. A 30% withholding tax is imposed on certain types of US source income paid to an FFI that fails to comply with FATCA. On 28 March 2014, the Grand Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("IGA") with the United States of America and a memorandum of understanding in respect thereof. The Company hence has to

comply with such Luxembourg IGA, as implemented into Luxembourg law by the law of 24 July 2015 relating to FATCA (the "**FATCA Law**") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Company will be required to collect information aiming to identify its direct and indirect Shareholders that are US Persons for FATCA purposes ("**reportable accounts**"). Any such information on reportable accounts provided to the Company will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. The Company intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed US investments of the Company. The Company will continually assess the extent of the requirements that FATCA and notably the FATCA Law place upon it.

To ensure the Company's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, Franklin Templeton International Services S.à r.l., in its capacity as the Company's Management Company, may:

- a. request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a Shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such Shareholder's FATCA status;
- b. report information concerning a Shareholder and his account holding in the Company to the Luxembourg tax authorities if such account is deemed a US reportable account under the FATCA Law and the Luxembourg IGA; and
- c. report information to the Luxembourg tax authorities concerning payments to account holders with the FATCA status of non-participating foreign financial institution.

#### **United Kingdom**

It is intended that certain Share Classes offered by the Company will meet the conditions to qualify as "reporting" for the purposes of the United Kingdom tax legislation relating to offshore funds. The annual reports to investors will be made available on the Internet site: <http://www.franklintempleton.co.uk>. The list of such Share Classes may also be available on the above Internet site or may be obtained at the registered office of the Company.

#### **MEETINGS AND REPORTS**

The Annual General Meeting is held at the registered office of the Company on 31 March of each year or, if such day is not a Luxembourg Business Day, on the Luxembourg Business Day immediately preceding the 31<sup>st</sup> day of March. Notices of general meetings and other notices (which shall include the place and time of the meetings, conditions of admission, agenda, quorum and voting requirements) are given in accordance with Luxembourg law. The requirements for attendance, quorum and majorities at all general meetings will be those specified in the Articles. The Board of Directors may decide in accordance with the Articles and applicable laws and regulations, to hold the Annual General Meeting at another date, time or place than as set forth above, which shall be communicated to the Shareholders by notice.

The audited annual reports and unaudited semi-annual reports will be available on the following Franklin Templeton Internet site, <http://www.franklintempleton.lu>, or may be obtained on request at the registered office of the Company and the Management Company; they are only distributed to registered Shareholders in those countries where local regulation so requires. The complete audited annual reports and unaudited semi-annual reports are available at the registered office of the Company and the Management Company. The accounting year of the Company ends on 31 October of each year.

#### **INVESTOR VOTING RIGHTS**

At any general meetings of the Shareholders of the Company, each Shareholder will be entitled to one vote for each whole Share held, whatever Share Class and regardless of the Net Asset Value per Share within the Share Class(es).

A Shareholder of any particular Fund or Share Class will be entitled at any separate meeting of the Shareholders of that Fund or Share Class to one vote for each whole Share of that Fund or Share Class held, whatever Share Class and regardless of the Net Asset Value per Share within the Share Class(es).

In the case of joint Shareholders, only the first named Shareholder may vote, whom the Company may consider to be the representative of all joint Shareholders, except where a Shareholder has been expressly nominated by all joint Shareholders or where a written authority has been given.

The Company and the Management Company draw the Investors' attention to the fact that any Investor will only be able to fully exercise her/his Investor rights directly against the Company, notably the right to participate in general meetings of Shareholders if the Investor is registered himself and in her/his own name in the register of Shareholders of the Company. In cases where an Investor invests in the Company through an intermediary investing into the Company in her/his own name but on behalf of the Investor, it may not always be possible for the Investor to exercise certain Shareholder rights directly against the Company. Investors are advised to take advice on their rights.

#### **DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the Articles may be obtained at the registered office of the Company and of the Management Company.

## APPENDIX A

### STANDARD DEALING CUT-OFF TIMES

Unless otherwise disclosed in a local supplement to the Prospectus, any agreement or marketing material, requests for purchase, sale or switch of Shares (the "Transactions") received by one of the Franklin Templeton offices listed below on a Dealing Day before the appropriate Dealing Cut-Off Time will be dealt on that day on the basis of the net asset value per Share of the relevant Share Class calculated on that day.

#### **Standard Dealing Methods**

(in writing, by telephone, facsimile, or electronic request (including e-mail) if expressly allowed by the Management Company)

#### **Luxembourg office**

<b>Main Countries covered</b>	<b>Dealing Cut-Off Time for transactions in the currencies of the relevant Share Class</b>	<b>Dealing Cut-Off Time for transactions in other acceptable currencies than the currency of the relevant Share Class</b>	<b>Dealing Cut-Off Time for transactions in Hedged Share Classes</b>
Any country where the Company is registered for distribution, unless mentioned below under another local Franklin Templeton office.	18:00 CET	18:00 CET	18:00 CET

#### **Frankfurt office**

<b>Main Countries covered</b>	<b>Dealing Cut-Off Time for transactions in the currencies of the relevant Share Class</b>	<b>Dealing Cut-Off Time for transactions in other acceptable currencies than the currency of the relevant Share Class</b>	<b>Dealing Cut-Off Time for transactions in Hedged Share Classes</b>
. Austria . Germany . Switzerland	16:00 CET	16:00 CET	16:00 CET
. the Netherlands	18:00 CET	18:00 CET	18:00 CET

#### **Singapore office**

<b>Main Countries covered</b>	<b>Dealing Cut-Off Time for transactions in the currencies of the relevant Share Class</b>	<b>Dealing Cut-Off Time for transactions in other acceptable currencies than the currency of the relevant Share Class</b>	<b>Dealing Cut-Off Time for transactions in Hedged Share Classes</b>
. Hong Kong . Macau . Singapore . South Korea	16:00 SGT	16:00 SGT	16:00 SGT

#### **American office**

<b>Main Countries covered</b>	<b>Dealing Cut-Off Time for transactions in the currencies of the relevant Share Class</b>	<b>Dealing Cut-Off Time for transactions in other acceptable currencies than the currency of the relevant Share Class</b>	<b>Dealing Cut-Off Time for transactions in Hedged Share Classes</b>
. Caribbean . Latin America	16:00 EST	12:00 EST	12:00 EST

#### **Electronic Dealing**

(Swift, Direct Electronic link with Franklin Templeton or via Franklin Templeton electronic service if allowed by the Management Company)

<b>Main Countries covered</b>	<b>Dealing Cut-Off Time for transactions in the currencies of the relevant Share Class</b>	<b>Dealing Cut-Off Time for transactions in other acceptable currencies than the currency of the relevant Share Class</b>	<b>Dealing Cut-Off Time for transactions in Hedged Share Classes</b>
Any Country where the Shares of the Company can be distributed and/or where electronic service is available	22:00 CET	22:00 CET	18:00 CET

Investors domiciled in countries not listed above but where transactions in Shares of the Company are allowed under all applicable laws and regulations should contact the client service's representative of the nearest Franklin Templeton office. This information is available on the Internet site <http://www.franklintempleton.lu>.



**Definitions:**

CET: Central Europe time

EST: Eastern Standard time (USA)

SGT: Singapore Standard time

## APPENDIX B

### SHARIAH GUIDELINES

The business of the Funds shall at any time be managed in accordance with the guidelines below that shall apply in addition to the investment restrictions specified in Appendix C. In general, Shariah-compliant investment refers to contractual arrangements and investment guidelines that are in compliance with Shariah (as such guidelines shall be determined by the Shariah Supervisory Board). Subject to their investment objectives and policies, the Funds may only invest in transferable securities of companies whose business is permissible (*Halal*) and therefore not invest in the following forbidden sectors (*Haram*):

- Manufacturing or distributing alcohol or tobacco products;
- Gaming or gambling;
- Producing or distributing content for purely entertainment purposes through any medium;
- Manufacturing or distributing weapons and defense related products;
- Producing, processing, packaging or any other business activity relating to pork or pork products and other meats and poultry not specifically defined as acceptable products by Shariah;
- Conventional banking, insurance or any other interest related financial services activity; and
- Producing or distributing pornographic materials.

#### Shariah-Compliance Screening

##### **1. Securities and REITs Screening**

Shariah-compliance securities and REITs screening will apply to each Fund within the Company.

The Shariah Screening Provider chosen to perform the Shariah screening is IdealRatings, Inc. The Company may elect to change its Shariah Screening Provider in the future as appropriate, working in consultation with its Shariah Supervisory Board.

IdealRatings, Inc. has agreed to supply, on a quarterly basis and on an ad hoc basis, a list of companies screened according to criteria as required by the Company's Shariah Supervisory Board (the "**Criteria**"), as set forth below and as advised by Company's Shariah Supervisory Board from time to time.

The Criteria specifically agreed upon for the securities and REITs screening include but are not limited to the following:

##### Business Activities Screening:

Investment is not allowed in companies generating income from any of the following activities or in REITs generating income through tenants operating in any of the following activities where such activities represent more than 5% of their total income (cumulatively, in all such activities). Such activities are deemed to be "**prohibited activities**". Income that Islamic Financial Institutions derive from Financial Services will not be considered income from a prohibited activity. Islamic Financial Institutions will not be subject to the Financial Screening as defined further below.

##### *Prohibited Activities:*

Alcohol: distillers, vintners and producers of alcoholic beverages, including producers of beer and malt liquors, owners and operators of bars and pubs.

Tobacco: cigarettes and other tobacco products manufacturers and retailers.

Gambling / Casino: owners and operators of casinos and gaming facilities, including companies providing lottery and betting services.

Music: producers and distributors of music, owners and operators of radio broadcasting systems.

Cinema: companies engaged in the production, distribution, and screening of movies and television shows, owners and operators of television broadcasting systems and providers of cable or satellite television services.

Defense / Weapons: manufacturers of military aerospace and defense equipment, parts or products, including defense electronics and space equipment.

Pork related products: companies involved in the manufacture and retailing of pork products.

Conventional Financial Services: commercial banks involved in retail banking, corporate lending, investment banking; companies involved in mortgage and mortgage related services; providers of financial services, including insurance, capital markets and specialised finance; credit agencies; stock exchanges; specialty boutiques; consumer finance services, including personal credit, credit cards, lease financing, travel-related money services and pawn shops; financial institutions primarily engaged in investment management, related custody and securities fee-based services; companies operating mutual funds, closed-end funds and unit investment trusts; financial institutions primarily engaged in investment banking and brokerage services, including equity and debt underwriting, mergers and acquisitions; securities lending and advisory services institutions; and insurance and reinsurance brokerage firms, including companies providing property, casualty, life, disability, indemnity or supplemental health insurance.

Adult Entertainment: owners and operators of adult entertainment products and activities.

The Company retains the right to adjust the Business Activities Screening criteria listed above with the advice and consent of the Company's Shariah Supervisory Board, as appropriate.

### Financial Screening:

Shariah investment principles do not allow investment in companies deriving significant income (more than 5%) from interest. For REITs, the sum of interest-bearing income generated from conventional investments should not exceed 5% of the net income generated by the REIT. Shariah investment principles also do not allow investment in companies or REITs that have excessive leverage. Measures of excessive leverage are defined as follows:

For companies:

- (a) Total conventional debt divided by total assets not to exceed 33.33%;
- (b) Sum of a company's cash and interest-bearing securities divided by total assets not to exceed 33.33%; and
- (c) Sum of a company's accounts receivables and cash divided by total assets not to exceed 33.33%.

For Franklin Shariah Technology Fund and the Franklin Shariah Global Multi-Asset Income Fund the following measures apply:

- (a) Total conventional debt divided by the higher of (i) total assets or (ii) average market capitalization over last 24 months, not to exceed 33%;
- (b) Sum of a company's cash and interest-bearing securities divided by the higher of (i) total assets or (ii) average market capitalization over last 24 months, not to exceed 33%.

None of the financial ratios may exceed the above stated thresholds. Securities will be considered non-compliant with respect to financial screening if any of the financial ratios exceed these thresholds.

For REITs: Total sum of conventional debt should not exceed 33% of the assets market value as valued by independent third-party valuers and reported in the REITs financial statements. If the assets market value is not available through independent provider or the market value of assets is below the book value assets book value is used in the screening. For the United States of America, Canada and Japan based REITs, enterprise value (EV) is used for the REIT asset valuation according to the following formula:  $EV = \text{Average Trailing 12 months Market Value of Common Shares} + \text{Preferred Equity} + \text{Liabilities} + \text{Minority Interest} - \text{Cash}$ .

No investment in fixed income preferred shares is allowed.

The Company retains the right to adjust the financial ratios above with the advice and consent of the Company's Shariah Supervisory Board, as appropriate.

### *Other Permitted Investment*

- 1) Islamic money market instruments
- 2) Units or shares of Shariah compliant UCITS
- 3) Islamic deposits with any credit institutions – in the event there is no Islamic deposit available, then the cash of Fund must be placed in a non-interest bearing account
- 4) Shariah compliant financial derivative instrument – Sharia compliant credit linked notes

Note: The above list is not meant to be exhaustive. As the Islamic finance market is always evolving, the fund manager would be allowed to invest in newly introduced investment instruments if they are deemed as Shariah compliant by the SSB.

## **2. Sukuk Screening**

The specific standards to select Sukuk investments will follow the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) Shariah standards. These standards will adhere to the Gulf Cooperation Council (GCC) and Malaysian Shariah Advisory Council of SC screens.

Additionally, the Sukuk Screening Provider chosen to perform the sukuk screening is IdealRatings, Inc. The Company may elect to change its Shariah Screening Provider or Sukuk Rulebook in the future as appropriate, working in consultation with its Shariah Supervisory Board.

Where the Shariah Supervisory Board requests a change to the Shariah Guidelines, it shall give the Company and the Investment Managers a reasonable period of time to effect such change in the Prospectus in accordance with the requirements of any applicable law and regulation.

### **Purification of Prohibited Income**

The Shariah Supervisory Board will from time to time issue guidelines to quantify the annual amount of income of a Fund that should be donated to charity, being derived from eligible securities for investment pursuant to the investment objective, policy and restrictions set out in this Prospectus, but that are engaged in an activity or activities of a marginal nature which are not Shariah-compliant and which are not screened out by the Shariah restrictions. Such amount will be calculated on an annual basis, based on the purification ratios, expressed as a percentage of each target company's dividend payments. The resulting amount will be donated to a charity and will be detailed in the Company's annual report. Any such amounts will be deducted only upon their actual determination and no anticipated accrual thereof shall be made. An up-to-date list of the relevant charities is available on request and free of charge at the registered office of the Company.

### **Zakat**

This refers to the purification by way of payment of zakat by Muslims. The Fund do not pay zakat on behalf of Muslim Investor. Each Muslim Investor is responsible for the payment of its own Zakat.

## APPENDIX C

### INVESTMENT RESTRICTIONS

The assets of each Fund shall be managed in accordance with the following investment restrictions and policies which may be amended from time to time by the Board of Directors if and as they shall deem it to be in the best interests of the Company in which case this Prospectus will be updated.

The investment restrictions imposed by Luxembourg law must be complied with by each Fund. Those restrictions in paragraph 1. e) below are applicable to the Company as a whole.

However, the Board of Directors, the Management Company and the Investment Managers (based on the advices of the Shariah Supervisory Board) have determined that additional investment restrictions will apply at all times to each Fund of the Company, as set out under the Shariah Guidelines articulated in Appendix B and as may be amended from time to time.

#### **1. INVESTMENT IN TRANSFERABLE SECURITIES AND LIQUID ASSETS**

- a) The Company will invest in:
- (i) transferable securities and money market instruments admitted to or dealt in on a regulated market within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments; and/or
  - (ii) transferable securities and Shariah-compliant money market instruments dealt in on another market in a Member State which is regulated, operates regularly and is recognised and open to the public;
  - (iii) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State or dealt in on another market in a non-Member State, which is regulated, operates regularly and is recognised and open to the public;
  - (iv) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or on another regulated market, in the countries of the areas referred to under (i), (ii) and (iii) above, which operates regularly and is recognised and open to the public, and such admission is secured within one year of the issue;
  - (v) units of UCITS and/or other UCIs, whether or not established in a Member State, provided that:
    - such other UCIs have been authorised under the laws of any Member State or under laws which provide that they are subject to supervision considered by the Luxembourg supervisory authority to be equivalent to that laid down in EU law and that cooperation between authorities is sufficiently ensured,
    - the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended,
    - the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,
    - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs.

For the purpose of this restriction and the limits set forth in 1.f) below, the following definitions shall apply:

"UCITS" shall mean an undertaking for collective investment in transferable securities authorised according to the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended;

"other UCI" shall mean an undertaking for collective investment or investment fund within the meaning of Article 1, paragraph (2), point a) and b) of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended.

- (vi) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the Luxembourg supervisory authority as equivalent to those laid down in EU law;
- (vii) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in subparagraphs (i) to (iv) above, and/or financial derivative instruments dealt in over-the-counter ("**OTC derivatives**"), provided that:
  - the underlying consists of instruments covered by this appendix under 1. a), financial indices, foreign exchange rates or currencies, in which the Fund may invest according to its investment objectives,
  - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority,

- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative,

and/or

- (viii) Shariah-compliant money market instruments other than those dealt in on a regulated market and which fall under 1. a), if the issuer or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:
- issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
  - issued by an undertaking any securities of which are dealt in on regulated markets referred to above, or
  - issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by the EU law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg supervisory authority to be at least as stringent as those laid down by EU law, or
  - issued by other bodies belonging to the categories approved by the Luxembourg supervisory authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least 10 million euro and which presents and publishes its annual accounts in accordance with the fourth directive 78/660/EEC, is an entity which, within a group of companies which include one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.
- b) The Company may invest up to 10% of the net assets of any Fund in transferable securities and Shariah-compliant money market instruments other than those referred to in (a) above;
- c) Each Fund of the Company may hold ancillary liquid assets;
- d) (i) Each Fund of the Company may invest no more than 10% of its net assets in transferable securities and Shariah-compliant money market instruments issued by the same body. Each Fund of the Company may not invest more than 20% of its net assets in deposits made with the same body. The risk exposure to a counterparty of a Fund in an OTC derivative transaction may not exceed 10% of its assets when the counterparty is a credit institution referred to in 1. a) (vi) above or 5 % of its net assets in other cases.
- (ii) The total value of the transferable securities and Shariah-compliant money market instruments held in the issuing bodies in each of which any Fund invests more than 5 % of its net assets must not exceed 40 % of the value of its assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph 1. d) (i), a Fund may not combine:

- investments in transferable securities or Shariah-compliant money market instruments issued by a single body,
- deposits made with a single body, and/or
- exposures arising from OTC derivative transactions undertaken with a single body,

in excess of 20 % of its assets.

- (iii) The limit laid down under the first sentence of paragraph 1. d) (i) above shall be of 35 % where the Fund has invested in transferable securities or Shariah-compliant money market instruments issued or guaranteed by a Member State, by its local authorities, by a non-Member State or by public international bodies of which one or more Member States are members.
- (iv) The limit laid down under the first sentence of paragraph 1. d) (i) above shall be of 25 % 1. for Covered Bonds as defined under Article 3, point 1 of Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of Covered Bonds and Covered Bond public supervision and amending Directives 2009/65/EC and 2014/59/EU (hereafter "**Directive (EU) 2019/2162**"), and 2. for certain bonds when they are issued before 8 July 2022 by a credit institution which has its registered office in a Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds issued before 8 July 2022 must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued profit.

If a Fund invests more than 5 % of its net assets in the bonds above and issued by one issuer, the total value of such investments may not exceed 80 % of the value of the assets of the Fund.

- (v) The transferable securities and Shariah-compliant money market instruments referred to in paragraphs 1. d) (iii) and 1. d) (iv) are not included in the calculation of the limit of 40% referred to in paragraph 1. d) (ii).

The limit set out above under 1. d) (i), (ii), (iii) and (iv) may not be combined, and thus investments in transferable securities or Shariah-compliant money market instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with section 1. d) (i), (ii), (iii) and (iv) may not exceed a total of 35 % of the net assets of the Fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained under 1. d). A Fund may cumulatively invest up to 20 % of its net assets in transferable securities and money market instruments within the same group.

- (vi) Without prejudice to the limits laid down in paragraph e), the limits laid down in this paragraph d) shall be 20% for investments in shares and/or bonds issued by the same body when the aim of a Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the Luxembourg supervisory authority, provided
- the composition of the index is sufficiently diversified,
  - the index represents an adequate benchmark for the market to which it refers,
  - it is published in an appropriate manner.

The limit laid down in the subparagraph above is raised to 35% where it proves to be justified by exceptional market conditions in particular in regulated markets where certain transferable securities or Shariah-compliant money market instruments are highly dominant provided that investment up to 35% is only permitted for a single issuer.

- (vii) **Where any Fund has invested in accordance with the principle of risk spreading in transferable securities and Shariah-compliant money market instruments issued or guaranteed by any Member State, its local authorities, OECD member states, Singapore, Brazil, Russia, Indonesia and South Africa or any member state of the G20 or public international bodies of which one or more EU Member States are members or by any other State of the OECD, the Company may invest 100% of the assets of any Fund in such securities provided that such Fund must hold securities from at least six different issues and securities from one issue must not account for more than 30% of that Fund's assets.**

- e) The Company or any Fund may not invest in voting shares of companies allowing it to exercise a significant influence in the management of the issuer. Further, a Fund may acquire no more than (i) 10% of the non-voting shares of any single issuing body, (ii) 10% of the debt securities of any single issuing body, (iii) 25% of the units of any single collective investment undertaking, (iv) 10% of the money market instruments of any single issuing body. However, the limits laid down under (ii), (iii) and (iv) may be disregarded at the time of acquisition if, at that time, the gross amount of the bonds or of the Shariah-compliant money market instruments or the net amount of the instruments in issue cannot be calculated.

The limits under this section e) shall not apply to (i) transferable securities or Shariah-compliant money market instruments issued or guaranteed by a Member State, its local authorities, or public international bodies of which one or more Member States of the EU are members or by any other State, nor to (ii) shares held by the Company in the capital of a company incorporated in a State which is not a Member State of the EU investing its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Company can invest in the securities of issuing bodies of that State, provided that, however, the Company, in its investment policy, complies with the limits laid down in Articles 43 and 46 and in paragraphs (1) and (2) of Article 48 of the Law of 17 December 2010.

- f) (i) Unless otherwise provided in the investment policy of a specific Fund, each Fund will not invest more than 10% of its net assets in units of UCITS and/or other UCIs.
- (ii) In the case restriction f) (i) above is not applicable to a specific Fund, as provided in its investment policy, such Fund may acquire units of UCITS and/or other UCIs referred to in paragraph 1. a) (v), provided that no more than 20% of a Fund's net assets be invested in the units of a single UCITS or other UCI.

For the purpose of the application of this investment limit, each compartment of a UCITS and/or other UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-à-vis third parties is ensured.

- (iii) Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of a Fund.
- (iv) When a Fund invests in the units of UCITS and/or other UCIs linked to the Company by common management or control, or by a substantial direct or indirect holding, no subscription or redemption fees may be charged to the Company on account of its investment in the units of such other UCITS and/or UCIs.

In respect of a Fund's investments in units of other UCITS and other UCIs linked to the Company as described in the preceding paragraph, the total management fee (excluding any performance fee, if any) charged to such Fund and each of the UCITS or other UCIs concerned shall not exceed 2% of the value of the relevant investments. The Company will indicate in its annual report the total management fees charged both to the relevant Fund and to the UCITS and other UCIs in which such Fund has invested during the relevant period.

- (v) A Fund may acquire no more than 25% of the units of the same UCITS and/or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or other UCI with multiple compartments, this restriction is applicable by reference to all units issued by the UCITS/UCI concerned, all compartments combined.
- (vi) The underlying investments held by the UCITS or other UCIs in which the Funds invest do not have to be considered for the purpose of the investment restrictions set forth under 1. d) above.
- (vii) A Fund (the "**Investing Fund**") may subscribe, acquire and/or hold securities to be issued or issued by one or more Funds (each a "**Target Fund**") under the condition that:
- the Target Fund does not, in turn, invest in the Investing Fund invested in this Target Fund; and

- no more than 10% of the assets of the Target Fund whose acquisition is contemplated, may, according to its investment policy, be invested in units of other UCITS or other UCIs; and
  - the Investing Fund may not invest more than 20% of its net assets in units of a single Target Fund; and
  - for as long as these securities are held by the Investing Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the Law of 17 December 2010; and
  - there is no duplication of management/subscription or sale fees between those at the level of the Investing Fund having invested in the Target Fund, and this Target Fund.
- g) The Company may not (i) acquire for the benefit of any Fund securities which are partly paid or not paid or involving liability (contingent or otherwise) unless according to the terms of issue such securities will or may at the option of the holder become free of such liabilities within one year of such acquisition and (ii) underwrite or subunderwrite securities of other issuers for any Fund.
- h) The Company may not purchase or otherwise acquire any investment in which the liability of the holder is unlimited.
- i) The Company may not purchase securities or debt instruments issued by the Investment Managers or any connected person or by the Management Company. For the purpose of this investment restriction, the term "connected person" shall refer to any affiliate and subsidiary that is directly or indirectly owned by FRI.
- j) The Company may not purchase any securities on margin (except that the Company may, within the limits set forth in clause 2. e) below, obtain such short term credit as may be necessary for the clearance of purchases or sales of securities) or make uncovered sales of transferable securities, Shariah-compliant money market instruments or other financial instruments referred to above; except that the Company may make initial and maintenance margin deposits in respect of futures and forward contracts (and options thereon).

## 2. INVESTMENT IN OTHER ASSETS

- a) The Company may not purchase real estate, nor acquire any options, rights or interest in respect thereof, provided that the Company may invest for the account of any Fund in securities secured by real estate or interest therein or in securities of companies investing in real estate.
- b) The Company may not make investments in precious metals or certificates representing them.
- c) The Company may not enter into direct commodities transactions or commodity contracts, except that the Company may, in order to hedge risk, enter into financial derivative instruments giving exposure, through financial indices, to commodities within the limits laid down in the Shariah Guidelines and clause 3 below.
- d) The Company may not extend financing to other persons or act as a guarantor on behalf of third parties or assume, endorse or otherwise become directly or contingently liable for, or in connection with, any obligation or indebtedness or any person in respect of borrowed monies.
- e) The Company may not seek financing for the account of any Fund, other than amounts which do not in aggregate exceed 10% of the net assets of the Fund, taken at market value and then only as a temporary measure.
- f) The Company may not mortgage, pledge, hypothecate or in any manner transfer as security for indebtedness, any of the securities or other assets of any Fund, except as may be necessary in connection with the financings mentioned in clause e) above. The purchase or sale of securities on a when-issued or delayed-delivery basis, and collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed the pledge of the assets.

## 3. FINANCIAL DERIVATIVE INSTRUMENTS

As specified in clause 1. a) (vii) above, the Company may, in respect of each Fund, use Shariah-compliant financial derivative instruments for hedging purposes only (unless otherwise indicated for a specific Fund in its investment policy).

The Company shall ensure that the Global Exposure of each Fund relating to financial derivative instruments does not exceed the total net assets of that Fund. The Fund's overall risk exposure shall consequently not exceed 200% of its total net assets. In addition, this overall risk exposure may not be increased by more than 10% by means of temporary borrowings (as referred to in clause 2. e) above) so that it may not exceed 210% of any Fund's total net assets under any circumstances.

The Company on behalf of a relevant Fund may only choose swap counterparties that are first class financial institutions selected by the Board of Directors and that are subject to prudential supervision and belonging to the categories approved by the CSSF for the purposes of OTC derivative transactions and specialized in these types of transactions.

As the case may be, collateral received by each Fund in relation to OTC derivative transactions may offset net exposure by counterparty if it complies with the criteria set out in applicable laws, regulations and circulars issued by the CSSF from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability as further set out below. Collateral primarily consist of cash and highly rated sovereign fixed income securities. Collateral value is reduced by a percentage (a "haircut") which provides for short term fluctuations in the value of the collateral. Net exposures are calculated daily by counterparty and subject to the terms of the agreements, including a minimum transfer amount, collateral levels may fluctuate between the Fund and the counterparty depending on the market movement of the exposure. Non-cash collateral received is not sold, reinvested or pledged. Cash collateral may be reinvested in a manner consistent with the Shariah Guidelines, where applicable the provisions established in the

Credit Support Annex ("CSA") of the International Swaps and Derivatives Association Master Agreement ("ISDA Master Agreement") executed with the relevant counterparty and with the risk diversification requirements detailed in Appendix C "Investment Restrictions" in (a) shares or units issued by short term money market undertakings for collective investment as defined in the Guidelines on a Common Definition of European Money Market Funds, (b) deposits with credit institution having its registered office in a Member State or with a credit institution situated in a non-Member State provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law, (c) high quality government fixed income securities that are deemed eligible collateral according to the terms of the CSA of the ISDA Master Agreement (where applicable), and (d) reverse repurchase agreement transactions provided the transactions are with credit institutions subject to the prudential supervision and the Company may recall at any time the full amount of cash on accrued basis. The Company has policies with respect to the reinvestment of collateral (specifically, that derivatives or other instruments that may contribute to leverage may not be used) such that it would not impact the Global Exposure calculation.

The Global Exposure relating to financial derivative instruments is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

Each Fund may invest in financial derivative instruments within the limits laid down in clause 1. a) (vii) provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in clause 1. d) (i) to (v). When a Fund invests in index-based financial derivative instruments, these investments do not have to be combined in respect of the limits laid down in clause 1. d). When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this restriction.

The Funds may use financial derivative instruments for hedging or investment purposes, within the limits of the Law of 17 December 2010 and of the Shariah Guidelines. Under no circumstances shall the use of these instruments and techniques cause a Fund to diverge from its investment policy.

Where appropriate, the Funds apply either the Value-at-Risk (VaR) approach or the Commitment Approach to calculate their Global Exposure, whichever is deemed to be appropriate.

When the investment objective of a Fund indicates a benchmark against which the performance might be compared, the method used to calculate the Global Exposure may consider a different benchmark than the one mentioned for performance or volatility purposes in said Fund's investment objective.

#### **Total return swaps transactions**

Investments in total return swaps by a Fund are only permitted to the extent they comply with the Shariah Guidelines as described in Appendix B.

A Fund which is authorised as per its investment policy to invest in total return swaps but which does not enter into such transactions as of the date of this Prospectus may however enter into total return swaps transactions provided that the maximum proportion of the net assets of that Fund that could be subject to such transactions does not exceed 20% and that the relevant section relating to this individual Fund is updated accordingly at the next available opportunity. In such cases, the counterparty to the transaction will be a counterparty approved and monitored by the Management Company or the Investment Manager. At no time will a counterparty in a transaction have discretion over the composition or the management of a Fund's investment portfolio or over the underlying of the total return swap. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The Funds' actual activity in total return swaps is disclosed in the Company's financial statements for all Funds which are engaged in total return swap contracts.

The following types of assets can be subject to total return swaps: currency or commodity indices and fixed income securities or indices, most notably domestic currency denominated treasury securities, high yield corporate exposures.

The risk of counterparty default and the effect on investors returns are more fully described under section "Risk Considerations".

Where a Fund enters into total return swaps transactions as of the date of this Prospectus, the expected proportion of such Fund's net assets that could be subject to total return swaps transactions shall be calculated as the sum of notional of the derivatives used and is set out in the "Fund Information, Objectives and Investment Policies" section of the relevant Fund. If and when a Fund enters into total return swaps transactions, it is for the purpose of generating additional capital through the change in value of the underlying reference asset and receipt of any income generated by the reference asset and/or to mitigate investment risk within the portfolio through taking a short position on an underlying reference asset.

All revenues arising from total return swaps transactions will be returned to the relevant Fund, and the Management Company will not take any fees or costs out of those revenues additional to the investment management fee for the relevant Fund as set out under section "Investment Management Fees".

#### **4. USE OF TECHNIQUES AND INSTRUMENTS RELATING TO TRANSFERABLE SECURITIES AND SHARIAH-COMPLIANT MONEY MARKET INSTRUMENTS**

As of the date of this Prospectus, no Funds are authorized to enter into repurchase agreements and reverse repurchase agreements nor in the other transactions covered by Regulation (EU/2015/2365) on transparency of securities financing transactions and of reuse ("SFTR"), except for the Franklin Global Sukuk Fund which may invest in Shariah compliant total return swaps as further described in the appendix relating to this Fund. If another Fund uses any such transactions in the future, the Prospectus will be amended in accordance with SFTR.

#### **5. ADDITIONAL LOCAL RESTRICTIONS**

- a) If and for so long as a Fund is authorised by the Financial Sector Conduct Authority in South Africa in terms of section 65 as foreign collective investment schemes in securities and in respect of any Fund registered with it, derivative instruments will be used for hedging. No gearing, leveraging and/or margining shall be permitted.



- b) If and for so long as the following Funds accepts investment by The Central Provident Fund (CPF), the CPF Investment Guidelines issued by the Central Provident Fund Board of Singapore, which guidelines may be amended from time to time, shall be applicable to them:
- Templeton Shariah Global Equity Fund
- c) If and for so long as any Fund of the Company accepts investment by any Malaysia-domiciled feeder fund(s) managed by Franklin Templeton GSC Asset Management Sdn. Bhd. or any other Malaysian investment funds authorised by the Securities Commission Malaysia, the Fund's investments in a foreign market shall be limited to (i) markets where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions (IOSCO) and (ii) securities and instruments issued by supranational organisations.
- d) If and for so long as the Company is authorised by the Securities and Futures Bureau in Taiwan and in respect of any Fund registered with it, the following shall apply:
- (i) the aggregate commitments arising from the derivative instruments may not (except with the approval of the Securities and Futures Bureau), at any time, exceed 40% of the relevant Fund's net assets and 100% for hedging purpose;
  - (ii) the total amount of a Fund invested in the securities traded in the securities market in Mainland China, including bonds circulated on the China Interbank Bond Market (CIBM), will not exceed twenty percent (20%) of the then most current Net Asset Value of the Fund, unless otherwise determined by relevant regulator;
  - (iii) the total amount of a Fund invested in Taiwan securities shall not exceed fifty percent (50%) of the Net Asset Value of the Fund, or such other percentage as the Taiwan regulator may decide.
- e) To ensure eligibility for the partial tax exemption for equity funds for Investors resident in Germany, the following Fund will invest more than 50% of its assets in equity securities as defined in Section 2 para. 8 of the German Investment Tax Act:

1) Franklin Shariah Technology Fund

In case that the Fund invests into other investment funds, those investment funds may be considered as equity securities in the sense of the German Investment Tax Act to the extent of the equity ratio published by these funds on each valuation day or, alternatively, to the extent of the minimum equity ratio as per the funds' investment policy.

#### **RISK MANAGEMENT**

The Management Company will employ a risk-management process which enables it with the Investment Managers to monitor and measure at any time the risk of the positions of the Company and their contribution to the overall risk profile of each portfolio. The Management Company or the Investment Managers will employ a process for accurate and independent assessment of the value of OTC derivative instruments.

Upon request of an investor, the Management Company will provide supplementary information relating to the quantitative limits that apply in the risk management of each Fund, to the methods chosen to this end and to the recent evolution of the risks and yields of the main categories of instruments.

## APPENDIX D

### ADDITIONAL INFORMATION

1. The Company is an investment company with limited liability organised as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and is qualified as a *société d'investissement à capital variable*. The Company was incorporated in Luxembourg on 3 July 2012, for an undetermined period. The Company is registered with the *Registre de Commerce et des Sociétés de Luxembourg*, under number B-169.965. Copies of the Articles as amended are available for inspection at the *Registre de Commerce et des Sociétés de Luxembourg* and the registered office of the Company and of the Management Company.

2. The minimum capital of the Company is 1,250,000 Euro or the equivalent in US dollars.

3. The Company may be dissolved upon decision of an extraordinary general meeting of its Shareholders. If the capital of the Company falls below two thirds of the minimum capital, the Board of Directors must submit the question of the dissolution of the Company to a general meeting for which no quorum shall be prescribed and which shall be decided by a simple majority of the holders of Shares represented at the meeting. If the capital of the Company falls below one-fourth of the minimum capital, the Board of Directors must submit the question of the dissolution of the Company to a general meeting for which no quorum shall be prescribed; dissolution may be resolved by Shareholders holding one-fourth of the Shares at the meeting. If the Company should be liquidated, its liquidation will be carried out in accordance with the provisions of the laws of the Grand Duchy of Luxembourg which specify the steps to be taken to enable Shareholders to participate in the liquidation distribution(s) and in that connection provides for deposit in escrow at the *Caisse de Consignation* of any such amounts which have not been promptly claimed by any Shareholders. Amounts not claimed from escrow within the prescribed period would be liable to be forfeited in accordance with the provisions of the laws of the Grand Duchy of Luxembourg. Any amount transferred to the *Caisse de Consignation* is subject to a "*taxe de consignation*" and as a consequence, the initial amount might not be refunded.

4. The Board of Directors may decide to liquidate a Fund if the net assets of such Fund fall below USD 50 million or if a change in the economic or political situation relating to the Fund concerned would justify such liquidation or if it is required by the interests of the Shareholders of the Fund concerned. The decision to liquidate the Fund will be published or notified, if appropriate, by the Company prior to the liquidation and the publication and/or notification will indicate the reasons for, and the procedures of, the liquidation operations. Unless the Board of Directors otherwise decides in the interests of, or to keep equal treatment between the Shareholders, the Shareholders of the Fund concerned may continue to request sale or switch of their Shares. Assets which could not be distributed to their beneficiaries upon the close of the liquidation period of the Fund will be deposited with the *Caisse de Consignation* on behalf of their beneficiaries. Any amount transferred to the *Caisse de Consignation* is subject to a "*taxe de consignation*" and as a consequence, the initial amount might not be refunded.

Any merger of a Fund with another Fund of the Company or with another UCITS (whether subject to Luxembourg law or not) shall be decided by the Board of Directors unless the Board of Directors decides to submit the decision for such merger to the meeting of Shareholders of the Fund concerned. In the latter case, no quorum is required for such meeting and the decision for such merger is taken by a simple majority of the votes cast. In case of a merger of one or more Funds where, as a result, the Company ceases to exist, the merger shall, notwithstanding the foregoing, be decided by a meeting of Shareholders resolving in accordance with the quorum and majority requirements for the amendment of the Articles.

Under the same circumstances as described in the first paragraph above, the Board of Directors may decide to close down a Share Class by contribution into another Fund or UCITS governed by Part I of the Law of 17 December 2010. Such decision will be published in the same manner as described above and, in addition, the publication will contain information in relation to the other undertaking for collective investment. Such publication will be made within one (1) month before the date on which the merger becomes effective in order to enable Shareholders to request sale or switch of their Shares, free of charge, before the operation involving contribution into another Fund or another UCITS governed by Part I of the Law of 17 December 2010 becomes effective.

The Board of Directors may also decide upon the reorganisation of any Fund by means of a division into two or more separate Funds, if required by the interests of the Shareholders of the Fund concerned or if a change in the economic or political situation relating to the Fund concerned would justify such reorganisation. Such decision will be published in the same manner as described above and, in addition, the publication will contain information in relation to the two or more separate Funds resulting from the reorganisation. Such publication will be made within one (1) month before the date on which the reorganisation becomes effective in order to enable Shareholders to request sale or switch of their Shares, free of charge, before the reorganisation becomes effective.

Where the Board of Directors does not have the authority to do so or where the Board of Directors determines that the decision should be put for Shareholders' approval, the decision to liquidate or to reorganise a Fund or to merge a Share Class may be taken at a meeting of Shareholders of the Fund or Share Class to be liquidated, merged or reorganised instead of being taken by the Board of Directors. At such Share Class meeting, no quorum shall be required and the decision to liquidate, merge or reorganise must be approved by Shareholders holding at least a simple majority of the Shares present or represented. A publication of such decision will be made at least thirty (30) days before the last date for requesting sale or switch free of charge in order to enable Shareholders to request sale, redemption or switch of their Shares, free of charge, before the liquidation, merger or reorganisation becomes effective.

5. As a matter of policy, the Management Company aims to exercise the voting rights that may be associated with the Company's various investments in transferable securities. Proxy voting records are available free of charge and upon request at the registered office of the Company and of the Management Company.

## APPENDIX E

### DETERMINATION OF THE NET ASSET VALUE OF SHARES

#### CALCULATION OF THE NET ASSET VALUE

The Net Asset Value per Share ("NAV") of each Share Class of each Fund shall be expressed in the currency of the relevant Fund or of the relevant Class as a per Share figure, and shall be determined in respect of any Valuation Day by dividing the net assets of the Company corresponding to each Share Class of each Fund, being the value of the assets of the Company corresponding to such Fund less liabilities attributable to such Fund, by the number of Shares then outstanding and shall be rounded up or down to two decimal places as the Board of Directors may decide.

#### VALUATION

The assets of the Company shall be deemed to include:

- (a) all cash on hand or on deposit, including Hibah or profit accrued thereon;
- (b) all bills and demand notes and accounts receivable (including proceeds of securities sold but not delivered);
- (c) all fixed-income securities, Sukuk, shares, stock, subscription rights, warrants, options and other investments and securities owned or contracted for by the Company;
- (d) all stock, stock dividends, cash dividends and cash distributions receivable by the Company (provided that the Company may make adjustments with regard to fluctuations in the market value of securities caused by trading ex-dividends, ex-rights, or by similar practices);
- (e) all profit accrued on any Hibah/profit-bearing securities owned by the Company, except to the extent that the same is included or reflected in the principal amount of such security;
- (f) the formation expenses of the Company insofar as the same have not been written off; and
- (g) all other assets of every kind and nature, including prepaid expenses.

The total liabilities of the Company shall be deemed to include:

- (a) all bills and accounts payable;
- (b) all accrued or payable administrative expenses (including management and/or advisory fees, depositary fees and corporate agents' fees);
- (c) all known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid dividends declared by the Company where the Valuation Day falls on the record date for determination of the person entitled thereto or is subsequent thereto;
- (d) an appropriate provision for future taxes based on capital and income to the Valuation Day, as determined from time to time by the Company, and other provisions, if any, authorized and approved by the Board of Directors covering, among others, liquidation expenses; and
- (e) all other liabilities of the Company of whatsoever kind and nature except liabilities represented by Shares in the Company. In determining the amount of such liabilities the Company shall take into account all relevant expenses payable by the Company comprising formation expenses, fees and expenses at the accounts, fees payable to the Management Company for the performance of its various services and for those rendered by the Investment Managers and/or investment advisers, the Shariah Supervisory Board, the Shariah Screening Provider, the Depositary Bank and local Paying Agents and permanent representatives in places of registration as well as costs incurred in obtaining and maintaining registrations in different countries, any other agent employed by the Company, fees for facilities services, fees for company secretary services, fees for legal and auditing services, printing, reporting and publishing expenses, including the cost of advertising and/or preparing and printing of the prospectuses, KIDs, explanatory memoranda, or registration statements, investment research fees, taxes or governmental or supervisory charges, all other operating expenses, including the cost of buying and selling assets, bank charges and brokerage commissions, postage, telephone, telex, telefax message and facsimile (or other similar means of communication). The Company and/or the Administrative Agent, as appropriate, may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period.

The value of such assets shall be determined as follows:

- 1) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends, cash distributions and profit accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Company may consider appropriate in such case to reflect the true value thereof.
- 2) The value of transferable securities, money market instruments and financial derivative instruments are valued on the basis of the last available price at the closing of the relevant stock exchange or regulated market on which these securities or assets are traded or admitted for trading. Where such securities or other assets quoted or dealt in on one or more than one stock exchange or regulated market, the Board of Directors shall make rules as to the order of priority in which such stock exchanges or other regulated markets shall be used for the provisions of prices of securities or assets.

- 3) If a transferable security or money market instrument is not traded or admitted on any official stock exchange or a regulated market, or in the case of transferable securities or money market instruments so traded or admitted where the last available price is not representative of their fair market value, the Board of Directors shall proceed on the basis of their reasonably foreseeable sales price, which shall be valued with prudence and in good faith.
- 4) The financial derivative instruments which are not listed on any official stock exchange or traded on any other regulated market will be valued in accordance with market practice.
- 5) Units or shares of undertakings for collective investment, including Fund(s), shall be valued on the basis of their last available net asset value as reported by such undertakings.
- 6) Liquid assets and money market instruments may be valued at nominal value plus any accrued profit or on an amortized cost basis. All other assets, where practice allows, may be valued in the same manner.
- 7) If any of the aforementioned valuation principles do not reflect the valuation method commonly used in specific markets or if any such valuation principles do not seem accurate for the purpose of determining the value of the Company's assets, the Board of Directors may fix different valuation principles in good faith and in accordance with generally accepted valuation principles and procedures.
- 8) Any assets or liabilities in currencies other than the base currency of the respective Funds will be converted using the relevant spot rate quoted by a bank or other recognised financial institution.

Islamic foreign exchange hedging instruments (including Wa'd structured foreign exchange swaps) may be utilised for the benefit of Hedged Share Classes. As such, cost and related liabilities and/or benefits of such hedging activities shall be for the account of that class only. Accordingly, such costs and related liabilities and/or benefits will be reflected in the Net Asset Value per Share for Shares of any such Hedged Share Class. The currency exposures of the assets of the relevant Fund will not be allocated to separate classes. Foreign exchange hedging shall not be used for speculative purposes and shall not contain the element of riba (i.e. interest). The periodic reports of the Company will indicate how hedging transactions have been utilised.

The net asset value may be adjusted as the Board of Directors or the Management Company may deem appropriate to reflect, among other considerations, any dealing charges including any dealing spreads, fiscal charges and potential market impact resulting from shareholders' transactions.

In determining the NAV of the Company, the Management Company and/or the Administrative Agent, values cash and receivables at their realisable amounts and records dividends on the ex-dividend date. The Management Company and/or the Administrative Agent generally utilises two independent pricing services to assist in determining a current market value for each security. If market quotations are readily available for portfolio securities quoted or dealt in on a stock exchange, the Management Company and/or the Administrative Agent will value those securities at their latest available price on said stock exchange (last quoted sale price or official closing price of the day, respectively), or if there is no reported sale, within the range of the most recent bid and ask prices. Securities dealt in on an organised market will be valued in a manner as near as possible to that for quoted securities. The Management Company and/or the Administrative Agent values over-the-counter portfolio securities acquired by a specific Fund in accordance with the investment restrictions set forth in Appendix B and C above, within the range of the most recent bid and ask prices. If portfolio securities trade both in the over-the-counter market and on a stock exchange, the Management Company and/or the Administrative Agent values them according to the broadest and most representative market as determined by the Board of Directors.

Generally, trading in corporate Sukuk, government securities or money market instruments is substantially completed each day at various times before the close of the New York Stock Exchange. The value of these securities used in computing the NAV is determined as of such times. Occasionally, events affecting the values of these securities may occur between the times at which they are determined and the close of the New York Stock Exchange that will not be reflected in the computation of the NAV. The Management Company and/or the Administrative Agent relies on third party pricing vendors to monitor for events materially affecting the value of these securities during this period. If an event occurs the third party vendors will provide revised values to the Management Company and/or the Administrative Agent. The value of securities not quoted or dealt on a stock exchange or an organised market and of securities which are so quoted or dealt in, but in respect of which no price quotation is available or the price quoted is not representative of the securities' fair market value shall be determined by or under the direction of the Board of Directors. Short-dated debt transferable securities and money market instruments not traded on a regulated exchange are usually valued on an amortised cost basis.

Since the Company may, in accordance with the investment restrictions set forth in Appendix C above, invest in securities that are restricted, unlisted, traded infrequently, thinly traded, or relatively illiquid, there is the possibility of a differential between the last available market prices for one or more of those securities and the latest indications of market values for those securities. The Management Company and/or the Administrative Agent has procedures to determine the fair value of individual securities and other assets for which market prices are not readily available (such as certain restricted or unlisted securities and private placements) or which may not be reliably priced (such as in the case of trade suspensions or halts, price movement limits set by certain foreign markets, and thinly traded or illiquid securities). Some methods for valuing these securities may include: fundamental analysis (earnings multiple, etc.), matrix pricing, discounts from market prices of similar securities, or discounts applied due to the nature and duration of restrictions on the disposition of the securities.

The application of fair value pricing procedures represents a good faith determination based upon specifically applied procedures. There can be no assurance that the Company could obtain the fair value assigned to a security if it were able to sell the security at approximately the time at which the Management Company and/or the Administrative Agent determines the Company's NAV per Share.

Trading in securities on foreign securities stock exchanges and over-the-counter markets, such as those in Europe and Asia, may be normally completed well before the New York Stock Exchange closing time on each day that the New York Stock Exchange is open. Trading in European or Far Eastern securities generally, or in a particular country or countries, may not take place on every Valuation Day. Furthermore, trading may take place in various foreign markets on days that are not Valuation Days and on which the Fund's net asset value is not calculated. Thus, the calculation of the Shares' net asset value does not take place contemporaneously with the determination of the prices of many of the portfolio securities used in the calculation and, if events materially affecting the values of these foreign securities occur, the securities will be valued at fair value as determined and approved in good faith by or under the direction of the Management Company.

## **SWING PRICING ADJUSTMENT**

A Fund may suffer reduction of the Net Asset Value per Share due to Investors purchasing, selling and/or switching in and out of the Fund at a price that does not reflect the dealing costs associated with this Fund's portfolio trades undertaken by the Investment Manager to accommodate cash inflows or outflows.

To counter this dilution impact and to protect Shareholders' interests, a swing pricing mechanism may be adopted by the Company as part of its valuation policy.

The Fund operates a swing pricing mechanism which is applied when the total capital activity (aggregate of inflows and outflows) at a Fund level exceeds a pre-determined threshold as determined as a percentage of the net assets of that Fund for the Valuation Day. Funds can operate a full swing pricing mechanism where the threshold is set to zero or a partial swing pricing mechanism where the threshold is greater than zero.

Typically, such adjustment will increase the Net Asset Value per Share when there are net inflows into the Fund and decrease the Net Asset Value per Share when there are net outflows. The Net Asset Value per Share of each Share Class in a Fund will be calculated separately but any adjustment will, in percentage terms, affect the Net Asset Value per Share of each Share Class in a Fund identically. Swing pricing does not address the specific circumstances of each individual investor transaction.

The adjustments will seek to reflect the anticipated prices at which the Fund will be buying and selling assets, as well as estimated transaction costs. Investors are advised that the volatility of the Fund's Net Asset Value might not reflect the true portfolio performance as a consequence of the application of swing pricing.

The size of the adjustment impact is determined by factors such as the volume of transactions, the purchase or sale prices of the underlying investments and the valuation method adopted to calculate the value of such underlying investments of the Fund.

The swing pricing mechanism may be applied across all Funds of the Company. The extent of the price adjustment will be reset by the Company on a periodic basis to reflect an approximation of current dealing and other costs. Such adjustment may vary from Fund to Fund and under normal market conditions will not exceed 2% of the original Net Asset Value per Share. The Board of Directors can approve an increase of this limit in case of exceptional circumstances, unusually large Shareholders trading activities, and if it is deemed to be in the best interest of Shareholders.

The Management Company mandates authority to the Swing Pricing Oversight Committee to implement and on a periodic basis review, the operational decisions associated with swing pricing. This committee is responsible for decisions relating to swing pricing and the ongoing approval of swing factors which form the basis of pre-determined standing instructions.

The price adjustment is available on request from the Management Company at its registered office.

On certain share classes, the Management Company may be entitled to a performance fee, where applicable, this will be based on the unsprung NAV.

Additional information on swing pricing can be found at: <https://www.franklintempleton.lu/investor/resources/investor-tools/swing-pricing>

## **SUSPENSION OF CALCULATION OF NET ASSET VALUE**

1. The Company may suspend the determination of the net asset value of the Shares of any particular Fund and the purchase and sale of the Shares and the switch of Shares from and to such Fund during:
  - (a) any period when any of the principal stock exchanges or markets on which any substantial portion of the investments of the Company attributable to such Fund from time to time are quoted is closed, or during which dealings therein are restricted or suspended;
  - (b) the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of assets owned by the Company attributable to such Fund would be impracticable;
  - (c) any breakdown or restriction in the means of communication normally employed in determining the price or value of any of the investments of any particular Fund or the current price or value on any stock exchange or market;
  - (d) any period when the Company is unable to repatriate funds for the purpose of making payments due on redemption of Shares of such Fund or any period when the transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot, in the opinion of the Board of Directors, be effected at normal rates of exchange;
  - (e) any period when the net asset value of Shares of any Fund or Share Class may not be determined accurately; or
  - (f) during any period when in the opinion of the Directors there exist unusual circumstances where it would be impractical or unfair towards the Shareholders to continue dealing in the Shares of the Company or of any Fund or any other circumstances, or circumstances where a failure to do so might result in the Shareholders or a Fund incurring any liability to taxation or suffering other pecuniary disadvantage or other detriment which the Shareholders or a Fund might not otherwise have suffered;
  - (g) if the Company or a Fund or a Share Class is being or may be wound-up, on or following the date on which such decision is taken by the Board of Directors or notice is given to Shareholders of a general meeting of Shareholders at which a resolution to wind-up the Company or a Fund or a Share Class is to be proposed;
  - (h) in the case of a merger, if the Board of Directors deems this to be justified for the protection of the Shareholders; or

- (i) in the case of a suspension of the calculation of the net asset value of one or several underlying investment funds in which a Fund has invested a substantial portion of assets.

In accordance with the Law of 17 December 2010, the issue and redemption of Shares shall be prohibited:

- (i) during the period where the Company has no depositary; and
  - (ii) where the Depositary is put into liquidation or declared bankrupt or seeks an arrangement with the creditors, a suspension of payment or a controlled management or is the subject of similar proceedings.
2. Any such suspension shall be publicized, if appropriate, by the Company and shall be notified to Shareholders requesting purchase, sale or switch of their Shares by the Company at the time of the filing of the written request for such purchase, sale or switch.

#### **ALLOCATION OF ASSETS AND LIABILITIES**

The Board of Directors shall establish a pool of assets for the Shares of each Fund in the following manner:

1.
  - (a) the proceeds from the issue of Shares of each Share Class of each Fund shall be applied in the books of the Company to the pool of assets established for that Fund, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such pool;
  - (b) where any asset is derived from another asset, such derivative asset shall be applied in the books of the Company to the same pool as the assets from which it was derived and in each revaluation of an asset, the increase or diminution in value shall be applied to the relevant pool;
  - (c) where the Company incurs a liability which relates to any asset of a particular pool or to any action taken in connection with an asset of a particular pool, such liability shall be allocated to the relevant pool;
  - (d) in the case where any asset or liability of the Company cannot be considered as being attributable to a particular pool, such asset or liability shall be equally divided between all the pools or, as in so far as justified by the amounts, shall be allocated to the pools pro rata to the net asset value of the relevant pool;
  - (e) upon the record date for determination of the person entitled to any dividend on the Shares of each Share Class of any Fund, the net asset value of the Shares of such Fund shall be reduced by the amount of such dividend declared.
2. If there have been created within any Fund two or several Share Classes, the allocation rules set out above apply, *mutatis mutandis*, to such Share Classes.
3. For the purpose of the calculation of the net asset value, the valuation and the allocation as aforesaid, Shares of the Company to be redeemed shall be treated as existing and taken into account until immediately after the close of business on the Valuation Day, and from time to time, until the price therefor has been paid, shall be deemed to be a liability of the Company; all investments, cash balances and other assets of the Company expressed in currencies other than the currency of the relevant Fund shall be valued after taking into account the market rate or rates of exchange in force at the date and time for determination of the net asset value of Shares; and effect shall be given on any Valuation Day to any purchases or sales of securities contracted for by the Company on such Valuation Day, to the extent practicable.

## **APPENDIX F**

### **FRANKLIN TEMPLETON SHARIAH FUNDS**

#### **CHARGES, FEES AND EXPENSES**

##### **1. COMPANY CHARGES AND EXPENSES**

###### **i. Management Company Fees**

For providing management company and ancillary services, the Management Company receives an annual fee from the Company of up to 0.20% of the Net Asset Value of the relevant Share Class and an additional amount (consisting of a fixed and variable component) per Investor Holding at the relevant Share Class level over each one (1) year period. Such remuneration will be calculated and accrued daily and will be paid monthly in arrears. Management company and ancillary services include but are not limited to, the performance of investment risk management and governance services (including but not limited to monitoring activities on the performance of delegated activities of the Funds, compliance and legal services, money laundering controls, regulatory oversight, internal audit, corporate, domiciliary and administrative functions) for the Company. This annual fee covers any remuneration paid to (i) J.P. Morgan SE, Luxembourg Branch for its services rendered to the Company as Administrative Agent and (ii) Virtus Partners Fund Services Luxembourg S.à r.l. for its services rendered to the Company as Registrar and Transfer Agent.

Pursuant to Article 111bis of the Law of 17 December 2010, the Management Company has established and apply a remuneration policy which is consistent with, and promote sound and effective risk management. Such policies and practices must not encourage risk taking which is inconsistent with the risk profile, Prospectus or Articles of the Company, and must not impair compliance with the Management Company's duty to act in the best interest of the Company.

The remuneration requirements apply to categories of staff, including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the Management Company or the Company. The remuneration includes a fixed (essentially the base salary) and variable component (annual bonuses). The level of funding of the annual bonus (which can be paid in cash, equity awards or a combination of both) is dependent on overall FRI corporate performance, is approved by a compensation committee and is granted with reference to the actual performance of the relevant individual. A significant portion of the bonus can be deferred for at least three years and payment of bonus is subject to claw back provisions.

The details of the up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, how it is consistent with the integration of sustainability risks, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the compensation committee is available on the Internet site: <http://www.frnkintempleton.lu> (a paper copy will be made available free of charge upon request).

###### **ii. Principal Distributor Fees**

The Principal Distributor may be entitled to receive any applicable entry charge, of up to 5.75% of the total amount invested as further described in the section "Share Classes". The entry charge shall in no case exceed the maximum permitted by the laws, regulations and practice of any country where the Shares are sold.

The Principal Distributor may enter into contractual arrangements with various sub-distributors, intermediaries, Brokers/Dealers and/or professional investors for the distribution of Shares outside the United States of America. Payments of fees or commissions to various sub-distributors, Brokers/Dealers or other intermediaries may be made out of the maintenance charges or other related similar fees normally paid to the Principal Distributor, when such payments are expected to enhance the quality of the distribution or other services provided to the Investors, including but not limited to the improvement of the communication of ongoing information to Investors, the transaction processing or other shareholder and/or administrative services.

###### **iii. Shariah Supervisory Board Fees**

The Shariah Supervisory Board shall be entitled, for its Shariah advisory services in relation to each Fund, to receive an annual fee of USD 15,000 per Fund to be paid out of the expenses of each Fund.

###### **iv. Shariah Screening Provider Fees**

IdealRatings, Inc. in its capacity as Shariah Screening Provider will receive as remuneration from each Fund an annual fee of USD 10,000 plus an additional amount up to 0.05% of the total assets under management of the relevant Fund.

###### **v. Depositary Fees**

As remuneration for the services rendered to the Company as Depositary Bank, J.P. Morgan SE, Luxembourg Branch will receive an annual fee depending on the nature of the investments of the different Funds in a range from 0.001% to 0.005% of the net asset values of the assets of the different Funds, with possible higher depositary annual fees for those Funds the investment objectives and policies of which provide for investments in securities of issuers in developing countries, as reflected in more detail in the Funds' relevant total expense ratio (TER) and in the Company financial reports. Such fee will be calculated and accrued daily and will be paid monthly in arrears to the Depositary Bank by the Company.

Such fees do not include normal banking and brokerage fees and commissions on transactions relating to the assets and liabilities of the Company as well as any reasonable out-of-pocket expenses incurred in connection with the Company, and chargeable to the Company and fees for other services as agreed from time to time. The amounts effectively paid will be shown in the Company's financial statements.

vi. **Other Fees**

The Company bears its other operational costs including, but not limited to, the costs of buying and selling underlying securities, governmental and regulatory charges, legal and auditing fees, reporting and publication expenses, postage, telephone and facsimile expenses. All expenses are estimated and accrued daily in the calculation of the Net Asset Value of each Fund. The Company may, from time to time, pay certain fees to the Management Company for onward allocation to various sub-distributors, intermediaries, Brokers/Dealers and/or professional investors relating to placing certain Funds on sales platforms designed to bring about a wider distribution of Fund Shares. Such costs would only be allocated among the Funds placed on such platforms.

All charges and expenses pursuant to the above are exclusive of value added taxes or other taxes chargeable thereon, which should be paid by the Fund as required.

**2. ENTRY CHARGE AND CDSC**

**Entry Charge**

Share Class Overview	Class A	Class AS	Class C	Class D*	Class I	Class M	Class N	Class W <sup>8</sup>	Class X	Class Y	Class Z <sup>9</sup>	Classes P2, S	Class P1
Investor Category	Retail Institutional	Retail Institutional	Retail Institutional	Retail Institutional	Institutional	Retail Institutional	Retail Institutional	Retail Institutional	Institutional	Institutional	Retail Institutional	Retail Institutional	Institutional
Entry Charge - Equity and Multi-Asset Funds	Up to 5.75% See also CDSC table below	No	See CDSC table below	No	No	No	Up to 3%	No	No	No	No	No	No
Entry Charge - Fixed Income Funds	Up to 5.00% See also CDSC table below	No	See CDSC table below	See also CDSC table below	No	No	Up to 3%	No	No	No	No	No	No

\* Intermediaries or distributors selling Class D Shares may apply their own selling charges, but which should not exceed 3.00%.

**CDSC**

The amount of the CDSC is calculated by multiplying the percentages indicated in the following chart by the Net Asset Value of the Shares when purchased, or their Net Asset Value when sold, whichever is applicable.

CDSC for Class A Shares on qualified investments of USD 1 million or more		CDSC for Class C Shares	
Period since purchase	Percentage	Period since purchase	Percentage
Less than 18 months	Up to 1%	Less than 12 months	1%
Equal or more than 18 months	0%	Equal or more than 12 months	0%

CDSC for D share class	
Period since purchase	Percentage
Less than one year	0.48%
Equal or more than 1 year but less than 2	0.36%
Equal or more than 2	0.24%

<sup>8 9</sup> Intermediaries or distributors selling Class W or Z Shares may apply their own selling charges, but which should not exceed 5.75%.



years but less than 3	
Equal or more than 3 years but less than 4	0.12%
Equal to 4 years	0%

## 2. INVESTMENT MANAGEMENT FEES (PER ANNUM)

As Class Y Shares are, inter alia, designed to accommodate an alternative charging structure whereby the Investor is a client of Franklin Templeton and is charged an annual management charge directly by Franklin Templeton, no annual management charge will be payable in respect of Class Y Shares out of the net assets of the relevant Fund.

The following investment management fees apply in respect of the Shares as indicated below:

Fund Names	Classes A, AS, C, N, Z	Classes D	Class P1	Class P2	Class S	Class I	Class M	Class W
Franklin Global Sukuk Fund	1.00%	N/A	Up to 0.70%	Up to 0.30%	Up to 0.70%	0.70%	- From USD 0 to USD100m: 0.45% - From USD100m to USD250m : 0.40% - Above USD250m : 0.35%	0.70%
Templeton Shariah Global Equity Fund	1.00%	N/A	Up to 0.70%	Up to 0.70%	Up to 0.70%	0.70%	N/A	0.70%
Franklin Shariah Technology Fund	1.00%	N/A	Up to 0.70%	Up to 0.70%	Up to 0.70%	0.70%	N/A	0.70%
Franklin Shariah Global Multi-Asset Income Fund	1.00%	N/A	Up to 0.70%	Up to 0.70%	Up to 0.70%	0.70%	N/A	0.70%

## 3. MAINTENANCE CHARGES

The following maintenance charges apply in respect of the Class A Shares, Class AS Shares, Class C Shares, Class D Shares, Class M Shares and Class N Shares:

Fund Names	Class A*	Class AS	Class C	Class D	Classes P1, P2, S	Class M	Class N*
Franklin Global Sukuk Fund	Up to 0.30%	0.40%	1.08%	N/A	N/A	1.23%	Up to 1.25%
Templeton Shariah Global Equity Fund	Up to 0.50%	0.40%	1.08%	N/A	N/A	N/A	Up to 1.25%
Franklin Shariah Technology Fund	Up to 0.50%	0.40%	1.08%	N/A	N/A	N/A	Up to 1.25%
Franklin Shariah Global Multi-Asset Income Fund	Up to 0.50%	N/A	N/A	N/A	N/A	N/A	N/A

\* Maintenance charge per annum applied to the average Net Asset Value of the Share Class.

## 4. SERVICING CHARGES

### Class D Shares

A servicing charge of 0.125% per annum is applicable to the average Net Asset Value of Class D Shares.

## APPENDIX G

### BENCHMARK DISCLOSURES

- **Franklin Global Sukuk Fund**

The benchmark of the Franklin Global Sukuk Fund is the Dow Jones Sukuk Index. The benchmark is used solely as a reference for Investors to compare against the Fund's performance, and this benchmark is neither used as a constraint on how the Fund's portfolio is to be constructed nor set as a target for the Fund's performance to beat. The Fund is actively managed.

- **Franklin Shariah Global Multi-Asset Income Fund**

The benchmarks of the Franklin Shariah Global Multi-Asset Income Fund are blended 60% MSCI AC World Islamic-NR + 40% Dow Jones Sukuk Index. The benchmarks are used solely as a reference for Investors to compare against the Fund's performance, and these benchmarks are neither used as a constraint on how the Fund's portfolio is to be constructed nor set as a target for the Fund's performance to beat. The Fund is actively managed.

- **Franklin Shariah Technology Fund**

The benchmark of the Franklin Shariah Technology Fund is the S&P Global 1200 Shariah Information Technology Index. The benchmark is used solely as a reference for Investors to compare against the Fund's performance, and this benchmark is neither used as a constraint on how the Fund's portfolio is to be constructed nor set as a target for the Fund's performance to beat. The Fund is actively managed.

- **Templeton Shariah Global Equity Fund**

The benchmark of the Templeton Shariah Global Equity Fund is the MSCI AC World Islamic Index. The benchmark is used solely as a reference for Investors to compare against the Fund's performance, and this benchmark is neither used as a constraint on how the Fund's portfolio is to be constructed nor set as a target for the Fund's performance to beat. The Fund is actively managed.