

Dear Shareholders,

Effective May 16th, the FTIF Franklin Biotechnology Discovery Fund (the “Fund”) will re-open to new investors.

The Fund “soft closed” in July 2014. The “soft close” meant that only existing shareholders could add to their existing positions. The closure was enacted as a result of strong performance and rapidly growing inflows.

Since the closure, the Fund has declined in AUM, and we recently saw a sharp pullback in biotechnology stocks which has in our view, created compelling valuations. We believe that at current AUM levels we have additional capacity within the strategy and that recent market weakness has created attractive investment opportunities in the sector.

The Fund’s strategy has meaningful exposure to small and mid-cap stocks and we continue to believe we have limited capacity within the strategy. Once the Fund’s strategy receives an additional \$1 billion in new investment flows, the Fund will again initiate a soft close to new investors consistent with terms of the current soft close, which provides for certain limited exceptions that permit certain categories of investors to open new accounts. These categories are set forth below. Management believes that these exceptions will not interfere with the objective of smaller and more manageable flows into the Fund should the soft close be enacted and that they will help offset any future redemption activity and maintain a limited positive cash flow into the Fund.

#### Share Class Details

Class	ISIN
A (acc) USD	LU0109394709
A (acc) CHF-H1	LU0959058974
A (acc) HKD	LU0889565916
A (acc) SGD	LU0320765992
B (acc) USD	LU0109394881
C (acc) USD	LU0260873095
I (acc) USD	LU0195948822
I (acc) EUR-H1	LU0889565759
N (acc) USD	LU0122613499
W(acc) USD	LU0976566496
Z(acc) GBP	LU0774687577

*\*No direct purchases into B share class are allowed. This share class can only be acquired by switching in from a different Class B subfund*

Franklin Templeton Investments remains dedicated to helping you and your clients accomplish your investment goals.

If you have any questions about this change, please contact your relevant Sales support or Client Dealer Services team.

