




Operations Alert

January 8, 2019

REMINDER Franklin Small Cap Growth Fund: Remaining Share Classes Reopening to New Investors Effective January 17, 2019

Franklin Small Cap Growth Fund is scheduled to reopen its remaining share classes to new investors effective **January 17, 2019**. The fund's Class R6 shares are currently open to new eligible investors. Please see the prospectus supplement for additional information.

<i>Prospectus Supplement</i>	 FSS1_P1_1118.pdf
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Fund Name	Share Class	Fund Number	CUSIP	NASDAQ
Franklin Small Cap Growth Fund	Advisor	665	354 713 653	FSSAX
	A	465	354 713 620	FSGRX
	C	565	354 713 646	FCSGX
	R	865	354 713 539	FSSRX
	R6	335	354 713 349	FSMLX

Financial Advisor Communications

Date	Communication
November 15, 2018	Messaging regarding the fund's reopening posted to the fund's pages on franklintempleton.com
November 19, 2018	Financial advisor email (or letter for advisors without an email on file) along with the prospectus supplement

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If you have questions, please contact your Dedicated Service Team at 1-800/266-6768.

**REMINDER Upcoming Changes to Franklin Balanced Fund Effective
March 1, 2019**

Effective on or about **March 1, 2019**, Franklin Balanced Fund will:

- Reposition to become an income strategy
- Be renamed to **Franklin Managed Income Fund**
- Offer fixed rate monthly distributions
- Reduce investment management fees
- Change its primary benchmark to the Bloomberg Barclays U.S. Aggregate Bond Index

Please refer to the tables below for additional details on the upcoming changes. Attached is the prospectus supplement which contains additional information.

<i>Prospectus Supplement</i>	 FIST1_P3_1218.pdf
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Fund	Share Class	Fund Number	CUSIP	NASDAQ
Franklin Balanced Fund	Advisor	624	353 612 658	FBFZX
	A	424	353 612 682	FBLAX
	C	517	353 612 674	FBMCX
	R	817	353 612 666	FBFQX
	R6	317	353 612 575	FBFRX

Summary of Changes:

Type of Change	Current	Changes scheduled for March 1, 2019
Fund Name	Franklin Balanced Fund	Franklin Managed Income Fund
Fund Investment Goal	Seeks both income and capital appreciation.	Seeks to maximize income to support monthly distributions, while maintaining the prospects for capital appreciation.
Primary Benchmark	S&P 500® Index	Bloomberg Barclays U.S. Aggregate Bond Index
Dividend Policy	Variable rate or "floating" monthly distributions	Fixed rate monthly distributions
Investment Management Fees	Refer to prospectus supplement	Reduced fee rates. Refer to prospectus supplement

Financial Advisor and Shareholder Communications

Date	Communication
December 18, 2018	Messaging regarding the proposed changes posted to the fund's pages on franklintempleton.com
December 20, 2018	Financial advisor email (or letter for advisors without an email on file) along with the prospectus supplement
December 28, 2018	Prospectus supplement mailed to shareholders
Early January 2019	Messaging on shareholders' Franklin Templeton quarterly asset summary statement

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