



October 05, 2016

## MEETING ADJOURNMENT

## Franklin California Insured Tax-Free Income Fund

The Special Meeting of Shareholders of the **Franklin California Insured Tax-Free Income Fund** held on **October 4, 2016** has been adjourned to **October 18, 2016**, allowing additional time for proxy solicitation.

Proxy Details	
Proxy Solicitor	AST Fund Solutions, LLC (AST)
Record Date	July 13, 2016
Mailing Date	On or about August 1, 2016
Original Meeting Date	October 4, 2016, at 2:00 p.m., Eastern Time
New Meeting Date	October 18, 2016, at 2:00 p.m., Eastern Time
Meeting Location	One Franklin Parkway, San Mateo CA, 94403-1906
Proxy Information Line	(800) 499-8410
Inbound Call Center Hours	Monday through Friday, 9:00 a.m.- 5:00 p.m., Eastern Time
Outbound Call Center Hours	Monday through Friday, 9:00 a.m. – 8:30 p.m. by time zone.

Our proxy solicitor, AST Fund Solutions, LLC, will continue to make solicitation phone calls to shareholders within the **Franklin California Insured Tax-Free Income Fund** until the **October 18, 2016** meeting date. As a reminder, all questions about the proxy proposals or voting should be directed to AST at (800) 499-8410.

For additional information regarding the proposals, please see the proxy statement posted on our [website](#).

**ETF LAUNCH****Franklin Liberty Investment Grade Corporate ETF**

Franklin Templeton Investments is pleased to announce the launch of **Franklin Liberty Investment Grade Corporate ETF**, scheduled to be available to the public on or about **October 5, 2016**. Please see the table below and on the following pages or visit [www.libertyshares.com](http://www.libertyshares.com), for more information on this new ETF product.

**New Product Overview**

<b>Franklin Liberty Investment Grade Corporate ETF</b>	
<b>Ticker Symbol</b>	FLCO
<b>CUSIP Number</b>	35473P 603
<b>Investment Goal</b>	Seeks a high level of current income as is consistent with prudent investing, while seeking preservation of capital.
<b>Target Effective Date</b>	October 5, 2016 (this ETF will be listed on the NYSE on or about October 5, 2016)
<b>Fiscal Year-End</b>	March 31
<b>Investment Manager</b>	Franklin Advisers, Inc.
<b>Sub-advisor</b>	Franklin Templeton Institutional, LLC
<b>Principal Investment Strategy</b>	Under normal market conditions, the Fund invests at least 80% of its net assets in investment grade corporate debt securities and investments. Investment grade debt securities are securities that are rated at the time of purchase in the top four ratings categories by one or more independent rating organizations such as Standard & Poor's (S&P <sup>®</sup> ) (rated BBB- or better) or Moody's Investors Service (Moody's) (rated Baa3 or higher) or, if unrated, are determined to be of comparable quality by the Fund's investment manager. Derivatives whose reference securities are investment grade are considered by the Fund to be investment grade investments. Corporate issuers may include corporate or other business entities in which a sovereign or governmental agency or entity may have, indirectly or directly, an interest, including a majority or greater ownership interest. The Fund invests primarily in U.S. dollar denominated corporate debt securities issued by U.S. and foreign companies. The Fund may invest in debt securities of any maturity or duration. The Fund's focus on the credit quality of its portfolio is intended to reduce credit risk and help to preserve the Fund's capital.
<b>Fund Category</b>	Fixed Income
<b>Risks</b>	All investments involve risks, including possible loss of principal. Bond prices generally move in the opposite direction of interest rates. Thus, as the prices of bonds in the fund adjust to a rise in interest rates, the fund's share price may decline. Distributions to shareholders may decline when prevailing interest rates fall or when the fund experiences defaults on debt securities it holds. Changes in the financial strength of a bond issuer or in a bond's credit rating may affect its value. The fund's investments in foreign securities involve certain risks including currency fluctuations, and economic and political uncertainties. Investments in developing markets involve heightened risks related to the same factors, in addition to those associated with their relatively small size and lesser liquidity. Investing in derivative securities and the use of foreign currency techniques involve special risks as such may not achieve the anticipated benefits and/or may result in losses to the fund. The fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results. Please consult the prospectus for a more detailed description of the fund's risks.

*Continued on the following page...*

Franklin Templeton Investor Services, LLC.  
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**If you have questions, please contact your Dedicated Service Team at 1-800/266-6768.**

New Product Overview	Franklin Liberty Investment Grade Corporate ETF
<b>Distributions</b>	Monthly
<b>Portfolio Management</b>	Marc Kremer, CFA* Franklin Templeton Institutional, LLC  Shawn Lyons, CFA* Franklin Advisers, Inc.
<b>Shareholder Servicing and Transfer Agency</b>	Servicing to be provided by State Street Bank
<b>Fund Administrator</b>	Franklin Templeton Services (FTS) is the Administrator and FTS will sub delegate the provision of certain administrative services to State Street Bank
<b>Custodian</b>	State Street Bank
<b>Listing Exchange</b>	NYSE Arca, Inc. (Beginning on or about October 5, 2016). Shares of this fund will be listed on a national securities exchange for trading during the trading day. Shares can be bought and sold throughout the trading day like shares of other publicly traded companies.
<b>Purchase and Sale of Fund Shares</b>	The fund is an ETF. Fund shares may only be purchased and sold on a national securities exchange through a broker-dealer. The price of fund shares is based on market price, and because ETF shares trade at market prices rather than NAV, shares may trade at a price greater than NAV (a premium) or less than NAV (a discount).

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#### Expenses and Fees

	Franklin Liberty Investment Grade Corporate ETF
Management fees	0.63%
Distribution and service (12b-1) fees	None
Other expenses <sup>1</sup>	0.20%
Total annual Fund operating expenses	0.83%
Fee waiver and/or expense reimbursement <sup>2</sup>	-0.43%
<b>Total annual Fund operating expenses after fee waiver and/or expense reimbursement</b>	<b>0.40%</b>

1. Other expenses are based on estimated amounts for the current fiscal year.
2. The investment manager has contractually agreed to waive or assume certain expenses so that total annual Fund operating expenses (excluding acquired fund fees and expenses and certain non-routine expenses) for the Fund do not exceed 0.40% until September 19, 2017. Contractual fee waiver and/or expense reimbursement agreements may not be changed or terminated during the time periods set forth above.

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