



April 20, 2016

Franklin K2 Alternative Strategies Fund New Sub-Advisor Addition

Franklin K2 Alternative Strategies Fund (the “Fund”), a series of Franklin Alternative Strategies Funds (the “Trust”), has undergone changes involving the investment management of the Fund. On February 23, 2016, the Trust’s Board of Trustees, on behalf of the Fund, approved a new sub-advisory agreement between K2 Advisors and Portland Hill Capital LLP (“Portland Hill”), pursuant to which Portland Hill began managing an allocated portion of the Fund’s assets on April 12, 2016. An Information Statement will be available online beginning on or about April 20, 2016 at <http://www.franklintempleton.com/K2PortlandHillInfo>.

The addition of Portland Hill as a sub-advisor to the Fund has had no impact on the investment management fees charged to the Fund or the fees paid by Fund shareholders, and has not materially changed the manner in which the Fund seeks to achieve its investment goal or the level of services that are provided to the Fund.

Fund Name	Share Class	Fund Number	CUSIP	NASDAQ
Franklin K2 Alternative Strategies Fund	A	068	352 41W 104	FAAAX
	C	520	352 41W 203	FASCX
	R	820	352 41W 302	FSKKX
	R6	830	352 41W 401	FASRX
	Advisor	010	352 41W 500	FABZX

How will financial advisors and shareholders be notified?

- A message will be posted to the Franklin K2 Alternative Strategies Fund's main page on franklintempleton.com, with a link to the Information Statement, on or about April 20, 2016.
- Financial advisors will be sent an email with a link to the Information Statement, on or about April 20, 2016. For financial advisors that do not have an email address on file, a letter will be mailed to them on or about the same date.
- Shareholders will be mailed a Notice of Internet Availability of the Information Statement beginning on or about April 20, 2016.

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

Reminder**Reorganization of Franklin Flex Cap Growth Fund into Franklin Growth Opportunities Fund**


The Board of Trustees of Franklin Strategic Series, on behalf of the **Franklin Flex Cap Growth Fund** (the "Fund") has approved a proposal to reorganize the fund with and into **Franklin Growth Opportunities Fund**, at the close of market on or about **August 26, 2016** (reorganization date), subject to shareholder approval. Please see the enclosed prospectus supplement for more information.

In preparation for the proposed reorganization, the Fund will close to **new** investors at the close of market on or about **April 25, 2016**. Existing shareholders may continue to make investments in the fund as well as:

- Clients of discretionary investment allocation programs where such programs had investments in the Fund prior to the Fund closing to new investors.
- Employer sponsored retirement plans or benefit plans and their participants where the Fund was available to participants prior to the Fund closing to new investors.

If the reorganization is approved by shareholders at a meeting expected to be held on or about **August 5, 2016**, the Fund is expected to close to all investments on or about **August 19, 2016**, shortly before the completion of the reorganization on or about August 26, 2016. Shares of Franklin Flex Cap Growth Fund share classes A, C, R, R6 and Advisor will be exchanged for shares of Franklin Growth Opportunities Fund shares classes A, C, R, R6 and Advisor respectively.

Shareholders will receive shares of Franklin Growth Opportunities Fund, which will have the same aggregate net asset value as their investment in Franklin Flex Cap Growth Fund. The exchange of shares will be based on each fund's net asset value per share on August 26, 2016, and processed on or about **August 29, 2016**.

Fund Name	Share Class	Fund #	CUSIP	NASDAQ	Prospectus Supplement
Franklin Flex Cap Growth Fund	A	180	352 51D 103	FKCGX	 180P10316.pdf
Franklin Flex Cap Growth Fund	C	280	352 51D 202	FCIIX	
Franklin Flex Cap Growth Fund	R	880	354 713 562	FRCGX	
Franklin Flex Cap Growth Fund	R6	393	354 713 372	FFCRX	
Franklin Flex Cap Growth Fund	Advisor	683	354 713 463	FKCAX	

Fund Name	Share Class	Fund #	CUSIP	NASDAQ
Franklin Growth Opportunities Fund	A	462	354 713 687	FGRAX
Franklin Growth Opportunities Fund	C	562	354 713 711	FKACX
Franklin Growth Opportunities Fund	R	862	354 713 513	FKARX
Franklin Growth Opportunities Fund	R6	352	354 713 356	FOPPX
Franklin Growth Opportunities Fund	Advisor	662	354 713 729	FRAAX

How are financial advisors and shareholders being notified?

- A message was posted to the Franklin Flex Cap Growth Fund's main page on franklintempleton.com on March 24, 2016.
- Financial advisors were sent an email detailing these changes on March 31, 2016; for financial advisors without an email address on file, a letter was mailed to them on the same date.
- A prospectus supplement detailing the proposed fund reorganization was included with shareholders' asset summary statements, which were mailed in early April 2016. Shareholders of record will be mailed a combined prospectus/proxy statement on or about May 23, 2016.

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Operational Details

Additional operational details will be provided as the merger date approaches if the proposal receives shareholder approval. For questions that are not addressed in this notification, please contact your Dedicated Service Team.

Dedicated Service Teams will perform a review of accounts with networked and omnibus positions in the funds, and contact your firm to discuss any questions or obtain processing instructions, as needed.

Merged Account Listing	If your firm requires a final listing of all merged account numbers, please contact your Dedicated Service Team.
Account Options	Account options will be carried over from the Franklin Flex Cap Growth Fund account to the new Franklin Growth Opportunities Fund account.
Existing Accounts with Matching Registrations	Shareholders that have an existing account in the Franklin Growth Opportunities Fund that matches the registration on their Franklin Flex Cap Growth Fund account will have their shares exchanged into the existing account.
Tax Implications	The fund reorganization is a nontaxable event. While the transaction is intended to qualify as a tax-free reorganization for federal tax income purposes, please note that redemptions made before the reorganization date may be taxable. Shareholders should consult their tax advisor about the effect, if any, of the transaction in light of their individual circumstances.
T+1 Trading Dates	Trades placed on or after August 24, 2016 with a T+1 next day settlement indicator will follow normal NSCC processing rules. The Dedicated Service Teams will contact firms regarding trades that have been placed, but have not settled on August 29, 2016 to coordinate proper handling of the trades.
F55 Activity	<p>The merger is being processed on August 29, 2016 as of April 26, 2016. Merger activity will be transmitted in the F55 activity file that will be transmitted around 5:00 am EST on August 30, 2016.</p> <p>Shares moving from the Franklin Flex Cap Growth Fund as part of the reorganization will be processed as an exchange with a literal translation of "Fund Merger Out/Non-taxable" using a four digit NAV methodology. Fund reorganization activity will be included in the NSCC F55 networking activity record with the transaction type code of W0.</p> <p>Shares moving into the Franklin Growth Opportunities Fund as part of the reorganization will be processed as an exchange with a literal translation of "Fund Merger In/Non-taxable" using a two digit NAV calculation methodology. Fund reorganization activity will be included in the NSCC F55 networking activity record with the transaction type code of W0.</p>
Final Distribution & Important Dates	<p>Final distribution information will be provided as soon as possible if it is determined the fund has earnings to distribute prior to the merger.</p> <p>Both the Franklin Flex Cap Growth Fund and the Franklin Growth Opportunities Fund are ex-dividend funds that distribute earnings at least annually.</p>
Merger Conversion Ratio	A communication including the merger conversion ratio used to process the transaction will be provided as soon as possible following the merger processing date. The merger conversion ratio is extended five decimal places.
Net Asset Value	<p>A communication including the Net Asset Value used to process the transaction will be provided as soon as possible following the merger processing date.</p> <p>Shares moving from the Fund as part of the reorganization will be processed using a four digit NAV.</p> <p>Shares moving to the Fund as part of the reorganization will be processed using a two digit NAV.</p>

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Additional Information

Conrad Herrmann, Senior Vice President and Portfolio Manager with Franklin Advisers, Inc., and lead portfolio manager of Franklin Flex Cap Growth Fund, recently announced his plans to retire effective May 2, 2016. We are grateful to Mr. Herrmann for his 27 years of dedicated service, and we wish him the very best in his future endeavors.

Mr. Herrmann will retain his various portfolio management responsibilities during the transition period. As part of Mr. Herrmann's transition period, please note the following change:

Effective May 1, 2016, Matthew Moberg, who has been portfolio manager of the Fund since January 2000, will become lead portfolio manager. Robert Stevenson, CFA[®], who joined the portfolio management team of the Fund in September 2013, will continue as portfolio manager of the Fund.

These portfolio management changes do not impact our proposal to reorganize **Franklin Flex Cap Growth Fund** into **Franklin Growth Opportunities Fund**.