

Business Update  
May 27, 2016

## Enhancement to Putnam's Money Market Fund Offerings

### Please Forward to All Mutual Fund Operations Personnel

As our industry addresses upcoming regulatory changes to Rule 2a-7 under the Investment Company Act, the rule governing money market funds, Putnam is making enhancements to its money market fund offerings.

Fund	Cusip	Quotron	Investor	NAV	Fees/Gates
Putnam Money Market Fund Cl A	746923101	PDDXX	Retail	Stable	Yes
Putnam Money Market Fund Cl B	746923200	PTBXX	Retail	Stable	Yes
Putnam Money Market Fund Cl C	746923309	PFCXX	Retail	Stable	Yes
Putnam Money Market Fund Cl M	746923408	PTMXX	Retail	Stable	Yes
Putnam Money Market Fund Cl R	746923606	PURXX	Retail	Stable	Yes
Putnam Money Market Fund Cl T	746923507	PMMXX	Retail	Stable	Yes
Putnam Government Money Market Fund Cl A	74680A505	PGDXX	Retail and Institutional	Stable	No
Putnam Government Money Market Fund Cl B (effective June 16, 2016)	74680A604	PGBXX	Retail and Institutional	Stable	No
Putnam Government Money Market Fund Cl C (effective June 16, 2016)	74680A703	PGEXX	Retail and Institutional	Stable	No
Putnam Government Money Market Fund Cl M (effective June 16, 2016)	74680A877	PGQXX	Retail and Institutional	Stable	No
Putnam Government Money Market Fund Cl R (effective June 16, 2016)	74680A851	PGRXX	Retail and Institutional	Stable	No
Putnam Government Money Market Fund Cl T (effective June 16, 2016)	74680A844	PGJXX	Retail and Institutional	Stable	No

Putnam launched Putnam Government Money Market Fund Class A effective April 14, 2016. Putnam Government Money Market Fund Classes B, C, M, R, and T will launch June 16, 2016. This fund is available to both retail and institutional investors. The fund will maintain a stable \$1.00 net asset value (NAV). The fund will not be subject to liquidity fees or redemption gates.

We will continue to offer Putnam Money Market Fund as a prime money market fund with a stable \$1.00 NAV. The fund is designated as a "retail" money market fund that is available exclusively to retail shareholders ("natural persons" as defined by the SEC). In addition, the fund is subject to liquidity fees and redemption gates, which would apply only under certain extreme market conditions, to help ensure the overall stability of the fund for retail shareholders.

### **Liquidity Fees and Redemption Gates.**

In accordance with SEC amendments to the rules governing money market funds, the fund has adopted policies and procedures permitting the Board of Trustees of the fund to impose a liquidity fee or to suspend temporarily redemptions from the fund (a “redemption gate”) if the fund’s weekly liquid assets fall below specified thresholds. If, at any time, the fund has invested less than 30% of its total assets in weekly liquid assets (cash, direct obligations of the U.S. Government, Government securities issued by agencies or instrumentalities that are issued at a discount and have a remaining maturity of 60 days or less, or securities that mature or are subject to a demand feature that is exercisable and payable within 5 business days), the fund may institute a liquidity fee of up to 2% or impose a redemption gate for a period of up to ten days in any rolling ninety day period, if the fund’s Trustees, including a majority of independent Trustees, determine that the liquidity fee or redemption gate is in the best interests of the fund. If, at the end of a business day, the fund’s weekly liquid assets equal less than 10% of its total assets, the fund must institute a liquidity fee of 1%, unless the Trustees, including a majority of the independent Trustees, determine that imposing the fee is not in the best interests of the fund. Any liquidity fee is assessed against, and deducted from, a shareholder’s proceeds from selling shares. For example, if a shareholder sells 1,000 shares worth \$1,000 when a 2% liquidity fee is imposed, the shareholder would receive \$980 and the fund would receive \$20 as the liquidity fee.

The fund will notify shareholders of the imposition or termination of any liquidity fee or redemption gate on the fund’s website at [putnam.com](http://putnam.com). Announcement of the imposition or termination of a liquidity fee or redemption gate will also be filed with the SEC on Form N-CR.

### **Social Codes**

The following social codes are considered to be Retail and will be allowed in Putnam Money Market Fund:

NSSC Social Code	NSSC Social Code Description	Status
1	INDIVIDUAL	Allowed
3	JOINT TENANTS	Allowed
8	IRA (FUND PROTOTYPE)	Allowed
9	IRA-ROLLOVER (FUND PROTOTYPE)	Allowed
11	PROFIT SHARING PLAN (NON-PROTOTYPE)	Allowed
12	401K PLAN (NON-PROTOTYPE)	Allowed
13	MONEY PURCHASE PENSION PLAN (NON-PROTOTYPE)	Allowed
14	UGMA/UTMA	Allowed
15	TRUST-RETAIL	Allowed
16	INDIVIDUAL FIDUCIARY	Allowed
17	IRA (NON PROTOTYPE)	Allowed
19	403(B) (NON-PROTOTYPE)	Allowed
20	457(B) PLAN (NON-PROTOTYPE)	Allowed
22	ROTH IRA (FUND-PROTOTYPE)	Allowed

23	ROTH IRA (NON-PROTOTYPE)	Allowed
24	ROTH CONVERSION IRA (FUND PROTOTYPE)	Allowed
25	ROTH CONVERSION IRA (NON-PROTOTYPE)	Allowed
27	EDUCATION IRA (NON-PROTOTYPE)	Allowed
28	IRA ROLLOVER (NON-PROTOTYPE)	Allowed
29	IRA SPOUSAL (FUND PROTOTYPE)	Allowed
30	IRA SPOUSAL (NON-PROTOTYPE)	Allowed
32	SIMPLE IRA (NON-PROTOTYPE)	Allowed
34	SEP IRA (NON-PROTOTYPE)	Allowed
36	SARSEP (NON-PROTOTYPE)	Allowed
42	BANK/TRUST FBO	Allowed
48	HEALTH SAVINGS ACCOUNT (NON-PROTOTYPE)	Allowed
50	SINGLE(K) (NON-PROTOTYPE)	Allowed
51	NON-QUALIFIED DEFERRED COMPENSATION PLAN	Allowed
54	SOLE PROPRIETORSHIPS	Allowed
58	ROTH 401(K) (NON-PROTOTYPE)	Allowed
60	ROTH 403(B) (NON-PROTOTYPE)	Allowed
70	457(F) PLANS (NON-PROTOTYPE)	Allowed
72	NON-QUALIFIED 403(B) PLANS (NON-PROTOTYPE)	Allowed
73	403(B) PLAN FBO PARTICIPANT NAME/ACCT # (NON-PROTOTYPE)	Allowed
78	401(K) PLAN FBO PARTICIPANT NAME/ACCT # (NON-PROTOTYPE)	Allowed
79	PROFIT SHARING PLAN FBO PARTIC NAME/ACCT # (NON-PROTOTYPE)	Allowed
80	MONEY PURCHASE PLAN FBO PARTIC NAME/ACCT # (NON-PROTOTYPE)	Allowed
81	HEALTH SAVINGS PLAN FBO PARTIC NAME/ACCT # (NON-PROTOTYPE)	Allowed
85	ESTATE ACCOUNT	Allowed
90	SIMPLE 401(K) PLAN (NON-PROTOTYPE)	Allowed
91	SIMPLE 401(K) FBO PARTIC NAME/ACCOUNT # (NON-PROTOTYPE)	Allowed

The following social codes are considered to be Institutional and will not be allowed in Putnam Money Market Fund:

NSSC Social Code	NSSC Social Code Description	Status
4	C CORPORATIONS	Not allowed
5	INSURANCE COMPANIES	Not allowed
7	BANK/TRUST OMNIBUS	Not allowed

18	BROKER-DEALER FBO	Not allowed
21	NONPROFIT ORGANIZATION	Not allowed
52	PARTNERSHIPS	Not allowed
53	DEFINED BENEFIT PLAN	Not allowed
55	GOVERNMENTAL ENTITIES	Not allowed
56	REAL ESTATE INVESTMENT TRUSTS (REITS)	Not allowed
63	S CORPORATION	Not allowed
64	RETIREMENT PLAN OMNIBUS	Not allowed
71	NON-QUALIFIED DEFERRED COMPENSATION PLAN (NON-PROTOTYPE)	Not allowed
82	GOVERNMENT SPONSORED PLAN (NON-PROTOTYPE)	Not allowed
83	INSURANCE COMPANY GROUP TRUST OR POOLED ASSETS	Not allowed
84	INVESTMENT CLUBS; UNIONS; UNINCORPORATED ASSOCIATION; MISC	Not allowed
93	SINGLE DEFINED BENEFIT PLAN (NON-PROTOTYPE)	Not allowed
95	TRUST - INSTITUTIONAL	Not allowed
99	OTHER	Not allowed

As a reminder, the following social codes are never accepted by Putnam in any Cusip:

NSCC Social Code	NSCC Description	Status
6	BROKER-DEALER OMNIBUS	Not Accepted
26	EDUCATION IRA (FUND PROTOTYPE)	Not Accepted
31	SIMPLE IRA (FUND PROTOTYPE)	Not Accepted
33	SEP IRA (FUND PROTOTYPE)	Not Accepted
35	SARSEP (FUND PROTOTYPE)	Not Accepted
37	529 PLAN	Not Accepted
38	UGMA/UTMA 529 PLAN	Not Accepted
39	529 TO NEW 529 PLAN	Not Accepted
40	IRA TO 529 PLAN	Not Accepted
41	SERIES E/I SAVINGS BONDS TO 529 PLAN	Not Accepted
43	PROFIT SHARING PLAN (FUND PROTOTYPE)	Not Accepted
44	401K (FUND PROTOTYPE)	Not Accepted
45	MONEY PURCHASE PENSION PLAN (FUND PROTOTYPE)	Not Accepted
46	403(B) (FUND PROTOTYPE)	Not Accepted
47	HEALTH SAVINGS ACCOUNT (FUND PROTOTYPE)	Not Accepted
49	SINGLE(K) (FUND PROTOTYPE)	Not Accepted

57	ROTH 401(K) (FUND-PROTOTYPE)	Not Accepted
59	ROTH 403(B) (FUND-PROTOTYPE)	Not Accepted
61	JOINT OWNER SECTION 529	Not Accepted
62	529 TRUST	Not Accepted
65	TRANSFER ON DEATH - INDIVIDUAL	Not Accepted
66	TRANSFER ON DEATH - JOINT TENANT	Not Accepted
67	SECTION 529 ACCOUNT - ENTITY	Not Accepted
68	SECTION 529 ACCOUNT - CORPORATE	Not Accepted
69	457B PLANS (FUND PROTOTYPE)	Not Accepted
74	40 ACT REGISTERED FUND OF FUNDS	Not Accepted
75	NON-40 ACT REGISTERED FUND OF FUNDS	Not Accepted
76	IRA BENEFICIARY DISTRIBUTION ACCOUNT (FUND-PROTOTYPE)	Not Accepted
77	ROTH IRA BENEFICIARY DISTRIBUTION ACCOUNT (FUND-PROTOTYPE)	Not Accepted
86	40 ACT REGISTERED FUND OF FUNDS - RETIREMENT ASSETS ONLY	Not Accepted
87	NON-40 ACT REGISTERED FUND OF FUNDS - RETIREMENT ASSETS	Not Accepted
88	COVERDELL ESA BENEFICIARY DISTRIB ACCT (FUND-PROTOTYPE)	Not Accepted
89	IRA - SUPER OMNIBUS (NON-PROTOTYPE)	Not Accepted
92	SIMPLE 401(K) FBO PARTIC NAME/ACCOUNT # (FUND-PROTOTYPE)	Not Accepted
94	NON-U.S. GOVERNMENTAL ENTITIES	Not Accepted

### **Mutual Fund Profile Service II (MFPS II) Security Database**

Putnam will populate the new data points made available in MFPS II in support of Money Market Reform.

- Money Market Indicator field
- Money Market Liquidity Fee/ Redemption Gate Eligibility Fund Indicator field

### **Timeline:**

**Effective June 30, 2016**, the Putnam Money Market Fund will close to new institutional investors.

All existing institutional investors in the Putnam Money Market Fund must move their positions out of the fund by **August 30, 2016**. Any institutional clients with assets in Putnam Money Market Fund will be liquidated at close of business and proceeds sent to the address of record.

Effective **October 10, 2016**, Putnam will have the ability to impose liquidity fees and redemption gates under the circumstances described above.

If you have any questions regarding this Business Update or require additional information, please contact your Dedicated Putnam Representative.