



# Franklin LifeSmart™ Retirement Income Fund

Asset Allocation  
December 31, 2019

## Fund Fact Sheet | Share Classes: A, C

### Fund Description

The fund seeks to make monthly distributions, while preserving the investors' capital over the long term. The fund has a strategic allocation of assets primarily among equity and fixed-income underlying fund investments (largely Franklin Templeton funds) and an income generation strategy, which will include derivatives. The fund also employs a managed distribution policy that is designed to provide regular level monthly payments (in retirement plans that permit such cash distributions or if the fund is held outside of a qualified plan).

### Fund Overview

|                                      |              |
|--------------------------------------|--------------|
| Total Net Assets [All Share Classes] | \$51 million |
| Fund Inception Date                  | 8/1/2006     |
| Distribution Frequency               | Monthly      |
| Number of Holdings                   | 9            |

### Share Class Information

| Share Class | CUSIP       | NASDAQ Symbol |
|-------------|-------------|---------------|
| Advisor     | 354 72P 620 | FLRDY         |
| A           | 354 72P 653 | FTRAX         |
| C           | 354 72P 646 | FRTCX         |
| R           | 354 72P 638 | FBRLX         |
| R6          | 354 72P 398 | FLMTX         |

### Fund Management

|                    | Years with Firm | Years of Experience |
|--------------------|-----------------|---------------------|
| Thomas Nelson, CFA | 12              | 28                  |
| May Tong, CFA      | 1               | 18                  |

### Maximum Sales Charge

**Class A:** 5.50% initial sales charge  
**Class C:** 1.00% contingent deferred sales charge (CDSC) in the first year only

### Total Annual Operating Expenses

| Share Class | With Waiver | Without Waiver |
|-------------|-------------|----------------|
| A           | 0.71%       | 1.41%          |
| C           | 1.46%       | 2.16%          |

### 30-Day Standardized Yield

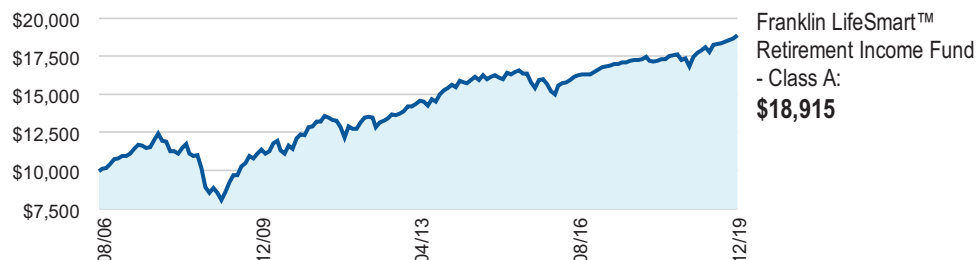
| Share Class | With Waiver | Without Waiver |
|-------------|-------------|----------------|
| A           | 2.97%       | 2.32%          |
| C           | 2.36%       | 1.69%          |

### Asset Allocation (%)

|                         |       |
|-------------------------|-------|
| Fixed Income Funds      | 67.95 |
| Domestic Equity         | 30.25 |
| Cash & Cash Equivalents | 1.80  |

### Performance

#### Growth of a \$10,000 Investment - Without Sales Charge (from 08/01/2006-12/31/2019)



### Total Returns % (as of 12/31/2019)

| Share Class |                      | YTD   | AVERAGE ANNUAL |       |       |        |      | Since Inception | Inception Date |
|-------------|----------------------|-------|----------------|-------|-------|--------|------|-----------------|----------------|
|             |                      |       | 1 Yr           | 3 Yrs | 5 Yrs | 10 Yrs |      |                 |                |
| A           | With Sales Charge    | 5.79  | 5.79           | 2.63  | 2.08  | 4.59   | 4.43 | 8/1/2006        |                |
|             | Without Sales Charge | 11.93 | 11.93          | 4.59  | 3.24  | 5.18   | 4.87 | 8/1/2006        |                |
| C           | With Sales Charge    | 10.14 | 10.14          | 3.80  | 2.48  | 4.42   | 4.12 | 8/1/2006        |                |
|             | Without Sales Charge | 11.14 | 11.14          | 3.80  | 2.48  | 4.42   | 4.12 | 8/1/2006        |                |

### Calendar Year Total Returns % - Without Sales Charge

| Share Class | 2019  | 2018   | 2017 | 2016 | 2015  | 2014 | 2013  | 2012 | 2011  | 2010  |
|-------------|-------|--------|------|------|-------|------|-------|------|-------|-------|
| A           | 11.93 | -2.48  | 4.84 | 5.25 | -2.59 | 3.07 | 12.27 | 9.20 | -0.82 | 12.77 |
| C           | 11.14 | -3.29  | 4.07 | 4.50 | -3.32 | 2.39 | 11.46 | 8.44 | -1.51 | 11.91 |
| Share Class | 2009  | 2008   | 2007 | 2006 | 2005  | 2004 | 2003  | 2002 | 2001  | 2000  |
| A           | 28.50 | -25.55 | 9.84 | N/A  | N/A   | N/A  | N/A   | N/A  | N/A   | N/A   |
| C           | 27.75 | -26.09 | 9.02 | N/A  | N/A   | N/A  | N/A   | N/A  | N/A   | N/A   |

Performance data represents past performance, which does not guarantee future results. Current performance may differ from figures shown. The fund's investment returns and principal values will change with market conditions, and you may have a gain or a loss when you sell your shares. Please call Franklin Templeton at (800) DIAL BEN/(800) 342-5236 or visit [franklintempleton.com](http://franklintempleton.com) for the most recent month-end performance.

If the sales charge had been included, the return would have been lower.

The fund has an expense reduction contractually guaranteed through April 30, 2020. Fund investment results reflect the expense reduction; without this reduction, the results would have been lower.

### Top Ten Holdings (% of Total)

| Security Name                                      | % of Total |
|--|------------|
| Franklin Income Fund, Class R6                     | 20.14      |
| Franklin U.S. Government Securities Fund, Class R6 | 19.90      |
| Franklin Liberty U.S. Core Bond ETF                | 19.77      |
| Franklin LibertyQ U.S. Equity ETF                  | 10.11      |
| iShares Core U.S. Aggregate Bond ETF               | 9.90       |
| UBS AG London Branch, senior note, 144A, 5/07/21   | 5.05       |
| Vanguard Intermediate-Term Corporate Bond ETF      | 4.96       |
| Credit Suisse AG, senior note, 2/08/21             | 4.81       |
| Templeton Global Total Return Fund, Class R6       | 3.55       |

### Fund Measures

|   |       |
|---|-------|
| Standard Deviation (3 Yrs) - Class A                        | 3.83% |
| Beta (3 Yrs, vs. Blended Benchmark <sup>A</sup> ) - Class A | 0.70  |

### What Are the Risks?

All investments involve risks, including possible loss of principal. Since the fund invests in underlying funds, including exchanged-traded funds (ETFs), which may engage in a variety of investment strategies involving certain risks, the Franklin LifeSmart Retirement Income Fund is subject to those same risks. Stock prices fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. 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. Foreign investing carries additional risks such as currency and market volatility and political or social instability, risks which are heightened in developing countries. Investments in equity-linked notes (ELNs) often have risks similar to their underlying securities, which could include management, market, and, as applicable, foreign securities and currency risks. In addition, ELNs are subject to certain debt securities risks, such as interest rate and credit risks, as well as counterparty and liquidity risk. Investments in equity index-linked notes (ILNs) often have risks similar to securities in the underlying index, which could include management risk, market risk and, as applicable, foreign securities and currency risks. Investments in derivatives involve costs and can create economic leverage, which may result in significant volatility and cause the fund to participate in losses (as well as gains) that exceed the fund's initial investment.

**Managed Distribution Policy Risks** - The Franklin LifeSmart Retirement Income Fund is not guaranteed to achieve its investment goal of preserving capital while making monthly distributions nor is there any guarantee that the fund will provide sufficient income at or through the investor's retirement. In addition, some of its distributions may be treated in part as a return of capital which will decrease shareholders' cost basis in the fund and affect the amount of any capital gain or loss that they realize when selling or exchanging fund shares. The annual payout rate may be adjusted higher or lower from year to year, and could vary substantially over time. It is possible for the fund to suffer substantial investment losses and simultaneously experience additional asset reductions as a result of its distributions to shareholders under the managed distribution policy. Investors who hold the fund within a tax-advantaged retirement account should consult their tax advisors to discuss tax consequences of receiving cash distributions. In addition, use of the fund or election of the option to receive distribution payments in cash may be restricted in certain retirement plans by the terms of the governing plan documents and/or the discretion of the plan administrator. Investors are strongly advised to consult with their financial advisor for assistance before selecting the appropriate fund, based on their goals and personal situations, including time horizon, retirement income needs, risk tolerance, and tax bracket. These and other risks are described more fully in the fund's prospectus.

### Glossary

**Beta:** A measure of the fund's volatility relative to the market, as represented by the stated Index. A beta greater than 1.00 indicates volatility greater than the market.

**Standard Deviation:** A measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return.

### Important Information

*Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. To obtain a summary prospectus and/or prospectus, which contains this and other information, talk to your financial advisor, call us at (800) DIAL BEN/342-5236 or visit franklintempleton.com. Please carefully read a prospectus before you invest or send money.*

Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change.

Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

**Fund Management:** CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

**Asset Allocation:** The asset class of each underlying fund is based on its predominant investments under normal market conditions. Alternative Funds refers to the fund's investments in underlying Franklin commodities and multi-manager alternative strategies funds.

Percentage may not equal 100% due to rounding.

**Performance:** The fund offers other share classes subject to different fees and expenses, which will affect their performance.

Class A: Prior to 9/10/18, these shares were offered at a higher initial sales charge of 5.75%; thus actual returns would have differed. Total returns with sales charges have been restated to reflect the current maximum initial sales charge of 5.50%.

**30-Day Standardized Yield:** The fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the fund's actual income distribution rate, which reflects the fund's past dividends paid to shareholders.

**Top Ten Holdings:** The portfolio manager for the fund reserves the right to withhold release of information with respect to holdings that would otherwise be included.

**Fund Measures:** ^The fund's blended benchmark is an allocation of 30% MSCI AC World Index and 70% Bloomberg Barclays Multiverse Index. Allocations for the fund's Blended Benchmark reflect or map the fund's current target asset class allocations and may not be representative of the fund's historical asset class allocations. Prior to May 1, 2019, the Blended Benchmark had an allocation to FTSE 3-Month U.S. T-Bill Index.