MAY 7, 2014

The Food Employers Labor Relations Association

Brian Henry, CFA
Institutional Portfolio Manager
Franklin Templeton Fixed Income Group

Michael S. Raub
Franklin Templeton Institutional
Franklin Templeton Institutional, LLC

Data as of March 31, 2014

FRANKLIN TEMPLETON
INSTITUTIONAL

Effective March 31, 2014, Franklin Templeton Global Bond Plus Composite was renamed Templeton Global Bond Plus Composite.

Topics for Discussion

Investment Platform Overview

FRANKLIN TEMPLETON INVESTMENTS
Total Combined Assets Under Management (Total AUM) : US$886.9 Billion

Institutional AUM : US$208.7 Billion
Single Business Development, Relationship Management, and Consultant Relations Platform

	Franklin Equity Group	Templeton Emerging Markets Group	Templeton Global Equity Group	Mutual Series	Franklin Templeton Fixed Income Group	Franklin Templeton Local Asset Management	Franklin Templeton Real Asset Advisors	Franklin Templeton Solutions
Established	1947	1987	1940	1949	1970	1993	1984	1994
Focus	U.S. Equity Global Equity International Equity	Emerging Markets Equity	Global Equity International Equity	Global Equity International Equity U.S. Equity Distressed Debt & Merger Arbitrage	Global Fixed Income Regional Fixed Income Emerging Market Debt	Global Equity & Fixed Income Regional Equity & Fixed Income Single-Country Equity & Fixed Income	Global Private Real Estate Global Listed Real Estate Securities Global Listed Infrastructure	Multi-Asset Strategy Global Tactical Asset Allocation Custom / Advisory Solutions - Alternative & Traditional Hedge Fund Portfolios (Multi- & Single Strategy) & Replication
Style	**Growth, Value, Core/Hybrid**	**Core Value**	**Core Value**	**Deep Value**	**Single Sector, Multi-Sector**	**Multi-Sector, Single- or Multi-Region**	**Multi-Sector, Multi-Region**	**Multi-Style, Multi-Region, Hedged**
AUM	**US$198.0 Billion**	**US$43.6 Billion**	**US$129.5 Billion**	**US$76.4 Billion**	**US$347.5 Billion**	**US$56.0 Billion**	**US$4.6 Billion**	**US$41.3 Billion**

Source: Franklin Templeton Investments, as of March 31, 2014 unless otherwise noted, based on latest available data. Total combined Assets Under Management (Total AUM) combines the U.S. and non-U.S. AUM of the investment management subsidiaries of the parent company, Franklin Resources, Inc. [NYSE: BEN], a global investment organization operating as Franklin Templeton Investments (FTI). Total and platform AUM includes discretionary and advisory accounts, including pooled investment vehicles, separate accounts and other vehicles, as well as some accounts that may not be eligible for inclusion in composites as defined by the firm's policies. Total and platform AUM may also include advisory accounts with or without trading authority. In addition, assets for which certain FTI advisers provide limited asset allocation advisory services, and assets that are not allocated to FTI products are not included in the AUM figures shown.
Franklin Templeton Solutions (FT Solutions) invests in various investment platforms advised by a number of investment advisory entities within FTI. Platform AUM reported for FT Solutions therefore includes certain AUM separately reported under each utilized investment platform. Total AUM also includes assets managed by certain FTI advisers that do not form part of the selected investment platforms shown. As a result, the combined platform AUMs may not equal Total AUM and may be calculated and reported separately for regulatory or other purposes under each investment adviser.
Each local asset manager may be considered as an entity affiliated with or associated to FTI by virtue of being a direct or indirect wholly-owned subsidiary of Franklin Resources, Inc. (FRI), an entity or joint venture in which FRI owns a partial interest, which may be a minority interest, or a third party asset management company to which investment advisory services have been delegated by an FTI adviser.
Please refer to the "Important Disclosures" slide for additional information.
For firms claiming compliance with the Global Investment Performance Standards (GIPS®), figures for the assets under management above may not correspond to the assets under management as defined by GIPS®. For GIPS® purposes, Franklin Equity Group and Franklin Templeton Fixed Income Group are both units of the firm Franklin; Templeton Emerging Markets Group and Templeton Global Equity Group are both units of the firm Templeton.

Strategy General Goals

- Diversify overall fixed income allocation via an active global bond and currency investment strategy
- Capitalize on the large, expanding opportunity set in global bonds
- Diversify overall portfolio with an investment strategy that has historically had low correlations to many other asset classes
- Capture potential alpha opportunities in global fixed income and currencies
- Achieve solid, long-term, risk-adjusted returns in diverse market conditions

There is no assurance any goal or target will be achieved.

Strategy Overview

Investment Objectives[1]

- Seek to maximize total return
- Take advantage of an unconstrained worldview independent from the JP Morgan Global Government Bond Index
- Seek to maintain a portfolio risk profile commensurate with the volatility of the benchmark (6% to 9% standard deviation annually under normal market conditions)

Investment Focus

- Focus on global government and government-related debt securities, global currencies and related derivatives
- Limit below-investment grade country exposure typically to no more than 25% of the total net assets of the portfolio
- May include allocations to both developed and emerging markets

Potential Sources of Value Added

- May utilize three independent sources of alpha potential:
  - Yield Curve
  - Currencies
  - Sovereign credit

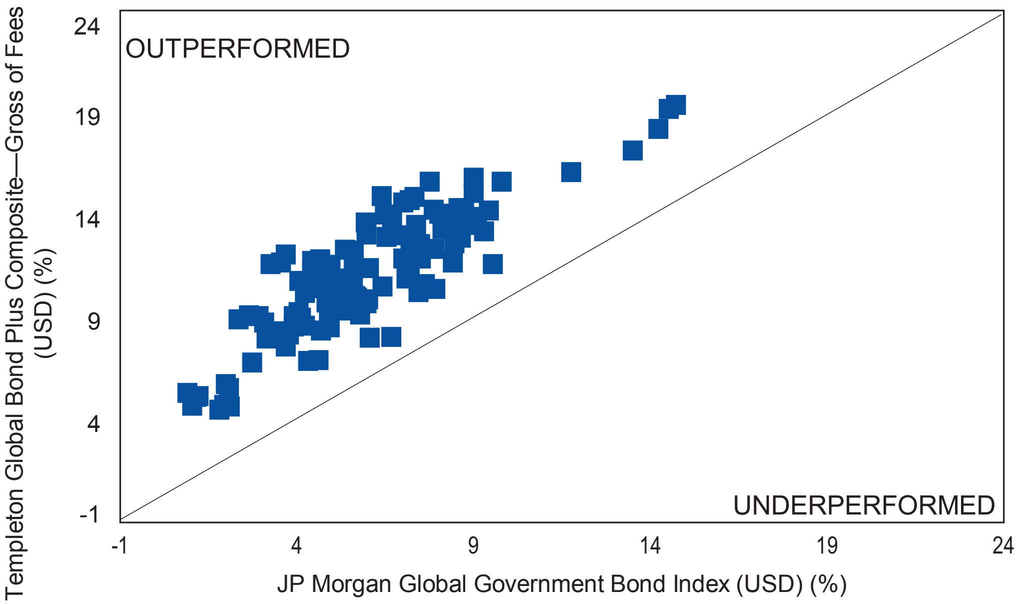
1. There is no assurance that the strategy will achieve its investment objectives. As stated above, the strategy is managed in a benchmark unconstrained manner. The target risk profile therefore is provided solely to illustrate the manager's targets with respect to portfolio characteristics, based on the strategy's historical experience during normal market conditions. Past performance does not guarantee future results. **Thus, the target characteristics do not take into account future market risks or changing economic conditions and are not a prediction or guarantee of future performance.** An investor in the strategy may experience significantly different risk characteristics, including greater volatility than expected with the potential for loss of principal amounts invested.

A Record of Strong Performance

Templeton Global Bond Plus Composite vs. JP Morgan Global Government Bond Index

January 31, 2005 to March 31, 2014

Monthly Rolling 3-Year Annualized Returns



Annualized Total Returns (%)

As of March 31, 2014

	Inception Date	3 Yrs	5 Yrs	10 Yrs
Templeton Global Bond Plus Composite—Gross of Fees (USD)	12.31.1993	5.40	10.30	9.70
JP Morgan Global Government Bond Index (USD)		1.95	3.94	4.37

Templeton Global Bond Plus Composite outperformed the JP Morgan Global Government Bond Index 111 out of 111 monthly rolling 3-year periods

Past performance does not guarantee future results and may differ over future time periods.
Please see accompanying full performance presentation prepared in accordance with the Global Investment Performance Standards (GIPS®) . Please also see the Important Information page in the Appendix.
Franklin is in compliance with GIPS® from January 1, 2000 to the present. Total returns are presented inclusive of commissions and transaction costs, and assume reinvestment of any dividends, interest income, capital gains, or other earnings. Annualized rolling periods are plotted on a monthly or quarterly basis as indicated. The leading diagonal line links points of return for the index (lower axis). For every point of return along this line there is a corresponding return for the composite represented by the blue square (left axis). Any point above the line represents composite outperformance relative to the index for that period. Any point below the line represents composite underperformance relative to the index for that period. Indexes are unmanaged, and one cannot invest directly in an index. **Above performance-related information on the composite is gross of fees. Management fees will reduce the composite's performance.**
Information is supplemental to the Historical Performance page and the accompanying full performance presentation prepared in accordance with the Global Investment Performance Standards (GIPS®). Please also see the Important Information page in the Appendix.

A Different Perspective

An Unconstrained Worldview

- Focuses only on potential long-term value without reference to traditional benchmarks
- Actively manages three independent potential sources of alpha

A Truly Global Research Platform

- One of the largest, most well-established global fixed income teams

A High-Conviction Process

- Alignment among multiple research lenses—in-depth country analysis, macroeconomic modeling and local perspective—can lead to high-conviction opportunities
- Research seeks to identify economic imbalances and isolate only desired risk exposures

» A Different Perspective Can Lead to a Contrarian Approach to Global Fixed Income

A Benchmark Worldview

Historic Country Allocation of JP Morgan Global Government Bond Index

June 30, 2005–December 31, 2013

13

Country Exposures

The eurozone, Japan and the USA represented 89% of the benchmark

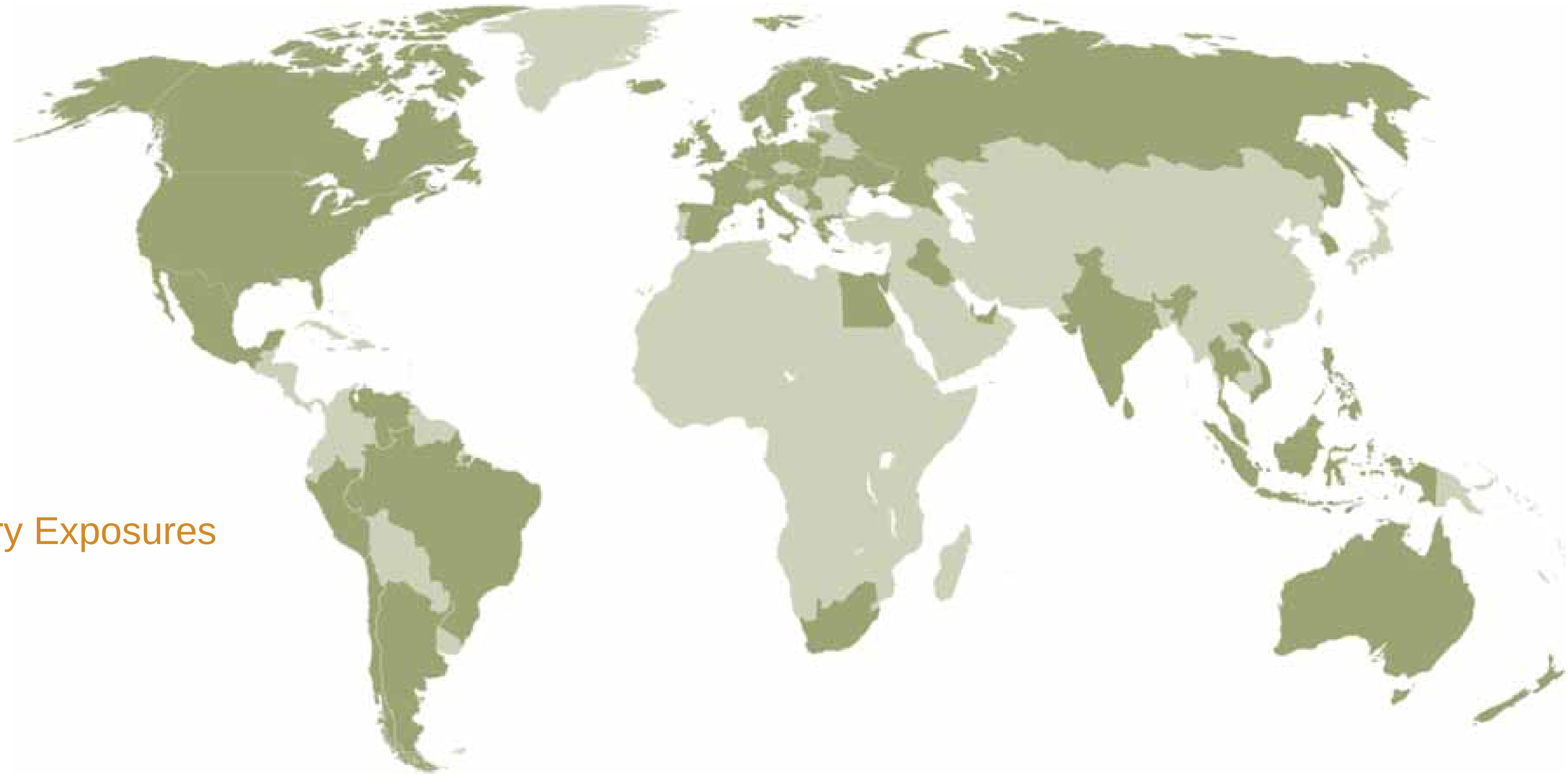
For illustrative purposes only. The Templeton Global Bond Plus Strategy is managed in a benchmark unconstrained manner. Indexes are unmanaged, and one cannot invest directly in an index.
The countries depicted on this slide represent those that the index had exposure to at any time during the stated time period, and are not necessarily the countries that the index had exposure to on December 31, 2013.

The Global Bond Plus Worldview

- Since June 30, 2005, the Templeton Global Bond Plus Representative Account has invested in 48 countries compared to 13 countries for the JP Morgan Global Government Bond Index (the benchmark)

Historic Country Allocation of the Templeton Global Bond Plus Representative Account

June 30, 2005–December 31, 2013



48

Country Exposures

Country allocations may change without notice and are not a complete analysis of every material fact regarding any country. The chart should not be viewed as investment recommendations, but is intended to provide insight into the portfolio's country holdings.

Portfolio information is based solely on a representative account taken from the Templeton Global Bond Plus Composite. The information is historical, may not reflect current or future characteristics, and may vary among individual separate accounts depending on a variety of factors such as portfolio size, specific investment guidelines and inception date of the individual accounts. **Important Note: The countries depicted on this slide are not the representative account's current country holdings. Please see the Geographic Allocation page for the most recent quarter-end country holdings.**

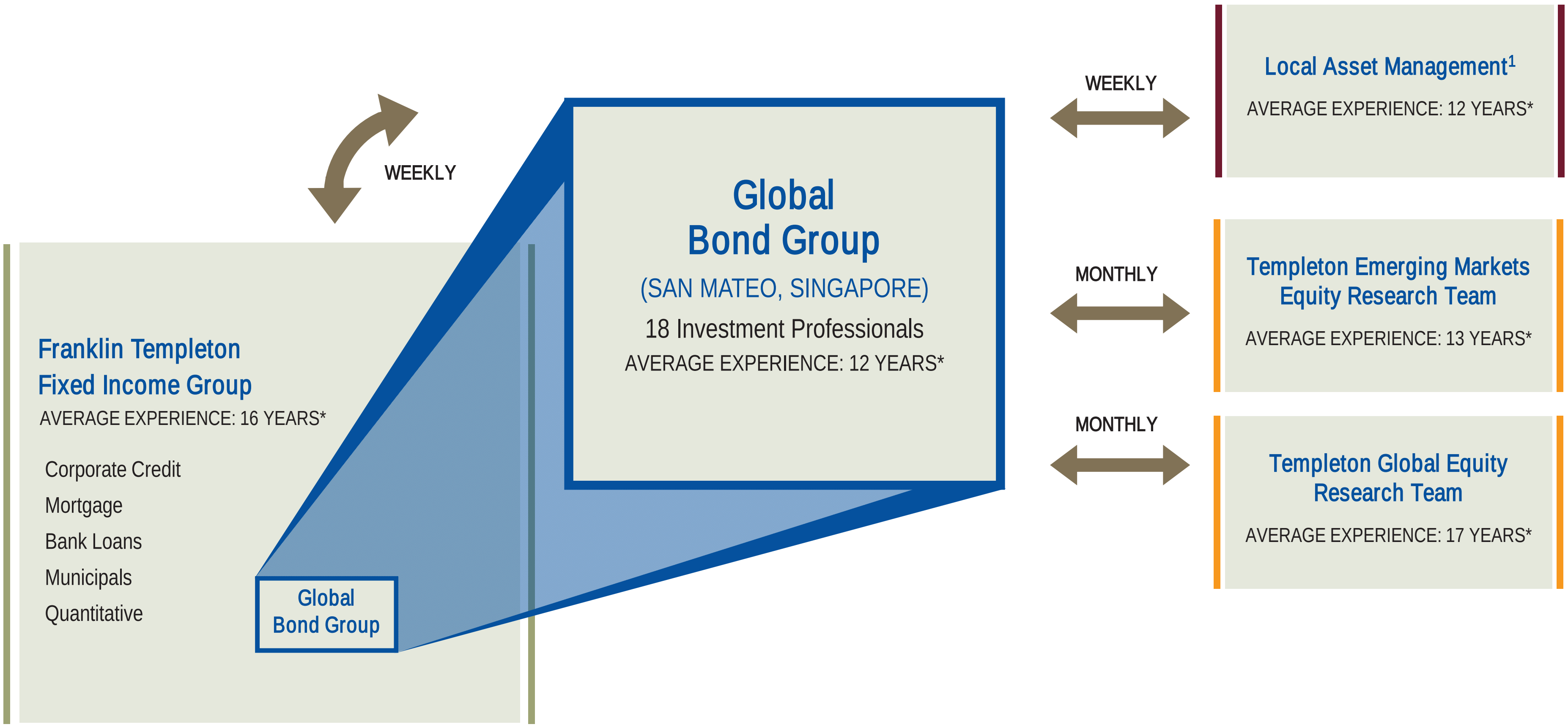
On-the-Ground Research

One of the World's Largest Global Fixed Income and Equity Platforms

1. Includes individuals that are not employees of Franklin Resources, Inc. (FRI) or wholly owned subsidiaries of FRI. However, these individuals are part of our joint venture or strategic partnership relationships worldwide and are an integral component of our overall fixed income research efforts.
2. This unit is comprised of investment professionals located in affiliates of and joint venture partners with Franklin Templeton Investments. The Local Asset Management Group is not part of, but does share research with, Franklin Templeton Fixed Income Group.
3. Includes the Templeton Global Equity Group and the Templeton Emerging Markets Equity Group.
As of March 31, 2014.

Insight and Information Sharing Around the Globe

164 global fixed income and 92 global equity investment professionals.



1. This unit is comprised of investment professionals located in affiliates of and joint venture partners with Franklin Templeton Investments. The Local Asset Management Group is not a part of, but does share research with, Franklin Templeton Fixed Income Group.

Investment professionals include portfolio managers, analysts and traders. *Represents number of years of industry experience.

Franklin Templeton Fixed Income Group leverages expertise and resources throughout the broader global organization, Franklin Templeton Investments. Templeton Global Equity and Templeton Emerging Markets are part of the Templeton firm definition and Franklin Templeton Fixed Income Group is part of the Franklin firm definition for purposes of compliance with the GIPS standards. Local Asset Management (LAM) firms includes subsidiaries in various countries outside of the U.S. and are not included in the Templeton or Franklin firm definition for purposes of compliance with the GIPS standards.

Franklin and Templeton claim compliance with the GIPS standards. LAM firms in Korea and Canada (Franklin Bissett) also claim compliance with the GIPS standards; all other LAM firms do not claim compliance with the GIPS standards.

As of March 31, 2014.

A Team of Global Fixed Income Experts

Global Bond Group

(SAN MATEO, SINGAPORE)

Michael Hasenstab, Ph.D.
Executive Vice President, Portfolio Manager, Chief Investment Officer, Global Bonds
19 YEARS*

Sonal Desai, Ph.D. Senior Vice President, Portfolio Manager Director of Research, Global Bonds 20 YEARS*	**Canyon Chan, CFA** Senior Vice President, Portfolio Manager 22 YEARS*	**Christine Zhu** Quantitative Research Analyst, Portfolio Manager 11 YEARS*	**Calvin Ho, Ph.D.** Senior Global Macro & Research Analyst 9 YEARS*	**Hyung C. Shin, Ph.D.** Senior Global Macro & Research Analyst 22 YEARS*
Kang Tan, Ph.D. Senior Global Macro & Research Analyst 14 YEARS*	**Diego Valderrama, Ph.D.** Senior Global Macro & Research Analyst 11 YEARS*	**Vivek Ahuja** Portfolio Manager, Research Analyst 18 YEARS*	**Laura Burakreis** Research Analyst, Portfolio Manager 27 YEARS*	**Attila Korpos, Ph.D.** Research Analyst 13 YEARS*
Charlie Liu Research Associate 2 YEARS*	**Hye Mi Ahn** Research Associate <1 YEAR*	**Paolo Barbone** Research Associate <1 YEAR*	**Michael Messmer** Senior Trader 13 YEARS*	**Matthew Henry** Trader 7 YEARS*
Andrew Mesic Trader 7 YEARS*	**Christopher Myers** Assistant Trader 9 YEARS*			

ADDITIONAL RESOURCES

Elsa Goldberg Vice President, Senior Product Manager 17 YEARS*	**Brian Henry, CFA** Institutional Portfolio Manager 24 YEARS*	**Harry Phinney** Vice President, Product Manager 7 YEARS*	**Susan Wong, CFA** Product Manager 9 YEARS*	**Kevin Machiz** Senior Associate Product Manager 2 YEARS*
Richard Herbert Associate Product Manager 2 YEARS*	**Ryan Ferster, CFA** Senior Risk Analyst 8 YEARS*	**Dennis Lui** Senior Risk Analyst 11 YEARS*	**Pawel Chodorowski** Risk Analyst 6 YEARS*	

*Represents number of years of industry experience.

As of March 31, 2014.

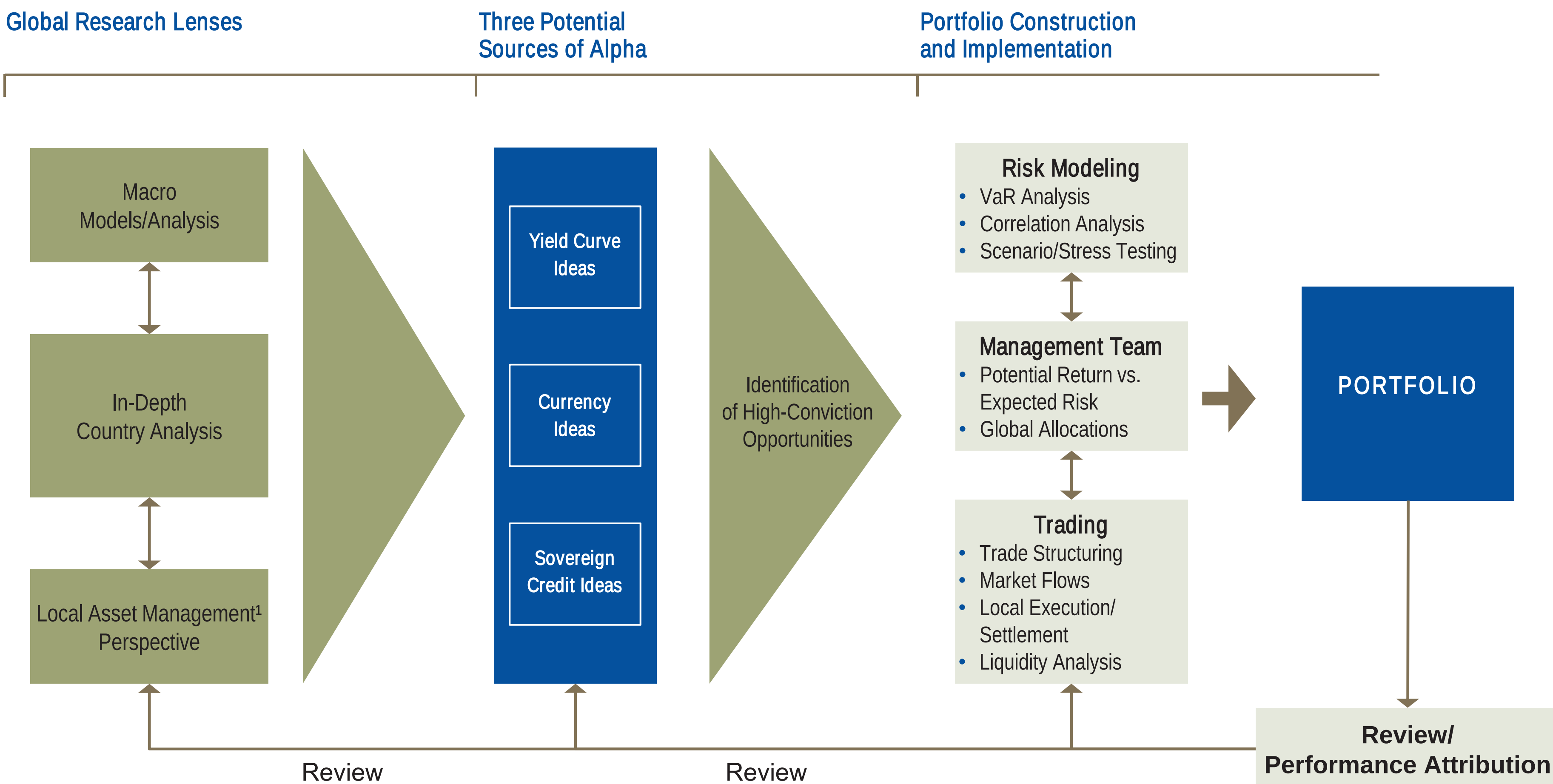
Investment Philosophy

Beliefs and Guiding Principles

- An unconstrained approach to global fixed income investing can lead to long-term value potential
- Integrating global macroeconomic analysis with in-depth country research can help identify long-term economic imbalances
- Actively allocating risk across three potential independent sources of alpha can deliver diversification benefits and the potential for more consistent returns in diverse markets

Investment Process

Multiple Research Lenses Can Lead to High-Conviction Opportunities



The above chart is for illustrative and discussion purposes only.

1. This unit is comprised of investment professionals located in affiliates of and joint venture partners with Franklin Templeton Investments. The Local Asset Management Group is not a part of, but does share research with, Franklin Templeton Fixed Income Group.

Global Research—Multiple Perspectives/Lenses

COUNTRY ANALYSIS

- Fundamentals
- Monetary and fiscal policy
- Macroeconomic disequilibria
- Capacity for change and policy implementation
- Country visits
- Meetings with policy-makers

MACRO MODELING

- Currency and interest rate valuation
- Currency models
  - Purchasing Power Parity (PPP), equilibrium exchange rates, interest rate differentials
- Interest rate models
  - Econometric analysis, Taylor Rule, yield curve analysis
- Trading
  - Short-term technicals and flows
- Ad hoc thematic research
  - Scenario, shock and theme/trend analysis

LOCAL PERSPECTIVE[1]

- Local/regional perspectives
  - Brazil
  - Canada
  - China[2]
  - India
  - Korea
  - Malaysia
  - Mexico
  - United Arab Emirates

1. This unit is comprised of investment professionals located in affiliates of and joint venture partners with Franklin Templeton Investments. The Local Asset Management Group is not a part of, but does share research with, Franklin Templeton Fixed Income Group.
2. Includes individuals that are not employees of Franklin Resources, Inc. (FRI) or wholly owned subsidiaries of FRI. However, these individuals are part of our joint venture or strategic partnership relationships worldwide and are an integral component of our overall fixed income research efforts.

Country Research Can Help to Identify Potential Alpha Sources

Goal of Isolating Desired Risks

Hypothetical Examples

INTEREST RATE (DURATION)

MEXICO

Hypothetical Situation and Country Analysis

Economic activity in Mexico is slowing down, which we believe will eventually force the central bank to cut interest rates and the Mexican peso to depreciate.

Proposed Course of Action

Take advantage of attractive interest rates in Mexico but without exposure to the Mexican peso.

Hypothetical Portfolio Decision

- Purchase peso-denominated 20-year Mexican bond
- Hedge out peso risk by purchasing forex forward

SOVEREIGN CREDIT

SOUTH KOREA

Hypothetical Situation and Country Analysis

Korean sovereign credit appears to be priced at distressed levels caused by liquidity issues. However, our analysis does not reveal a solvency problem.

Proposed Course of Action

Take advantage of attractive yield and spread compression opportunities in Korean sovereign credits.

Hypothetical Portfolio Decision

- Purchase Korean sovereign credit

CURRENCY

AUSTRALIA

Hypothetical Situation and Country Analysis

Australia is among the first countries to tighten their monetary policy. As a result, we expect the Australian economy to recover at a faster pace and the currency to strengthen.

Proposed Course of Action

Take advantage of the appreciation of the Australian dollar.

Hypothetical Portfolio Decision

- Purchase short-term government bonds denominated in Australian dollars

These hypothetical examples are for illustrative purposes only to illustrate our investment process. They are not necessarily intended to reflect any past, current or future holdings or courses of action of the strategy or management team and do not constitute as investment advice or an investment recommendation.

Risk Management Integral to the Process

Responsibility Begins and Ends with Our Portfolio Managers

- Time-tested strategies and experienced managers and teams
- Integrated within our investment process

Performance Analysis and Investment Risk (PAIR) Team

- 34 dedicated fixed income risk specialists
- Scenario analyses, risk modeling, stress-testing, position scaling, risk budgeting and performance attribution
- Goal is that risks should be recognized, rational and rewarded

Recognized	Rational	Rewarded
Risks should be recognized and understood at the security, portfolio and operational level	Risk decisions should be an intended and rational part of each portfolio's strategy	Every risk should be an opportunity for a commensurate long-term reward

As of March 31, 2014.

Portfolio Positioning

As of March 31, 2014

Potential Alpha Sources	Current Positioning
 CURRENCIES	Favorable Opportunities in Select Currencies • Sought to take advantage of what we deem as the relative attractiveness of currencies of countries with fundamentals likely to support medium-term growth • Asia ex-Japan looks reasonably strong to us, as do select economies in Latin America and Europe
 YIELD CURVE	Defensive Stance Due to Concerns about Rising Interest Rates • Overall duration positioning remained quite defensive • Maintained exposures to a select number of countries where we believe declining risk premiums may push yields lower
 SOVEREIGN CREDIT	Selectively Finding Sovereign Credit Opportunities • Continued to favor select opportunities in emerging markets, with a focus on economies that appear, to us, to have strong growth prospects

The foregoing information reflects our analysis, opinions and portfolio information as of March 31, 2014. The views expressed are those of the individual portfolio managers only and may vary from the views expressed by portfolio managers representing other investment platforms or strategies within Franklin Templeton Investments. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or portfolio. Statements of fact are from sources considered to be reliable, but no representation or warranty is made as to their completeness or accuracy. Because market and economic conditions are subject to rapid change, opinions provided are valid only as of the date indicated. References to particular securities are only for the limited purpose of illustrating general market or economic conditions, and are not recommendations to buy or sell a security or an indication of any actual portfolio's holdings.

Case Study: Ireland

Investing in Ireland when others feared the worst was a contrarian strategy that required us to have a steady hand.

CONTRARIAN STRATEGY

IRELAND
Third Quarter 2011

Country Analysis

- In the second half of 2011, markets around the world began to panic in response to fears of an Armageddon scenario in Europe.
- We believed Irish government bonds were being sold indiscriminately and felt Ireland did not face the crisis level of risk implied by its borrowing costs at the time.

Proposed Course of Action

- Based on our fundamental research approach and contrarian views, look to take advantage of indiscriminate selling of Irish government bonds.

Portfolio Decision
Position in Irish Government Debt

Irish Government Bond Index Yield to Maturity

Note: this chart shows the yield to maturity of the J.P. Morgan Government Bond Index (GBI) Broad Ireland sub-index starting December 31, 2009. A representative account from Templeton Global Bond Plus entered the position in August 2011. As of March 31, 2014, the representative account in Templeton Global Bond Plus had 0.57% of its total net assets invested in Irish sovereign debt. **This information is for general information only as it is based solely on a representative account taken from Templeton Global Bond Plus strategy. The information is historical and may vary among individual separate accounts depending on a variety of factors such as portfolio size, specific investment guidelines and inception dates of individual accounts.**
Source: J.P. Morgan Chase & Co., as of January 10, 2013. Franklin Templeton Investments, as of March 31, 2014.
Indexes are unmanaged, and one cannot invest directly in an index. **Past performance does not guarantee future results.**
The chart above is intended solely to show the yield to maturity of the J.P. Morgan Government Bond Index (GBI) Broad Ireland sub-index and general market conditions and does not represent the performance of any holdings of the Templeton Global Bond Plus strategy.

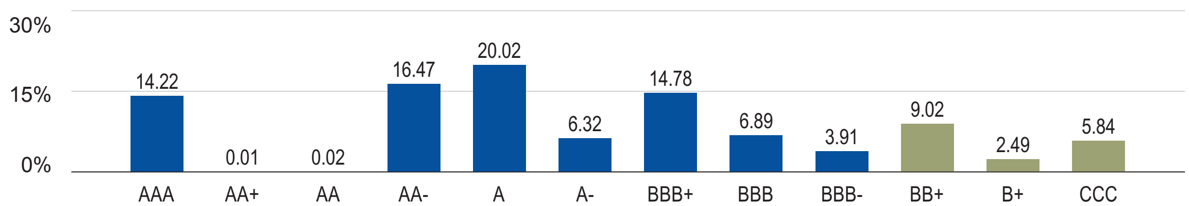
Portfolio Characteristics

Templeton Global Bond Plus Representative Account vs. JP Morgan Global Government Bond Index

As of March 31, 2014

	Portfolio	Index
Average Credit Quality	A-	AA
Average Duration	1.65 Yrs	6.80 Yrs
Average Weighted Maturity	2.59 Yrs	8.85 Yrs
Yield to Maturity	4.07%	1.47%
Current Yield	4.66%	2.45%

Portfolio Quality Allocation



Investment Grade

82.65%

Non-Investment Grade

17.35%

Based on a representative account of the Templeton Global Bond Plus Composite. Individual accounts within the Templeton Global Bond Plus Composite may vary due to a variety of factors, such as account size, the specific investment guidelines and restrictions applicable to an account, and the inception date of the account.

Information is supplemental to the Historical Performance page and the accompanying full performance presentation prepared in accordance with the Global Investment Performance Standards (GIPS®). Please also see the Important Information page in the Appendix.

Past performance does not guarantee future results. Where a fund invests in emerging markets, this investment can be more risky than an investment in developed markets.

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

Source: Franklin Templeton Investments. The average credit quality (ACQ) rating may change over time. The portfolio itself has not been rated by an independent rating agency. The letter rating, which may be based on bond ratings from different agencies, is provided to indicate the average credit rating of the portfolio's underlying bonds and generally ranges from AAA (highest) to D (lowest). The ACQ is determined by assigning a sequential integer to all credit ratings AAA to D, taking a simple, asset-weighted average of debt holdings by market value and rounding to the nearest rating. The risk of default increases as a bond's rating decreases, so the ACQ provided is not a statistical measurement of the portfolio's default risk because a simple, weighted average does not measure the increasing level of risk from lower rated bonds. The ACQ is provided for informational purposes only. Derivative positions and unrated securities are not reflected in the ACQ.

Yield figures quoted should not be used as an indication of the income that has or will be received. Yield figures are based on the portfolio's underlying holdings and does not represent a payout of the portfolio.

Ratings shown are assigned by one or more Nationally Recognized Statistical Rating Organizations ('NRSRO'), such as Standard & Poor's, Moody's and Fitch. The ratings are an indication of an issuer's creditworthiness and typically range from AAA or Aaa (highest) to D (lowest). When ratings from all three agencies are available, the middle rating is used; when two are available, the lowest rating is used; and when only one is available, that rating is used. Foreign government bonds without a specific rating are assigned the country rating provided by an NRSRO, if available. If listed, the NR category consists of rateable securities that have not been rated by an NRSRO; the N/A category consists of nonrateable securities (e.g., equities). Cash and equivalents (defined as bonds with stated maturities, or that can be redeemed at intervals, of seven days or less) as well as derivatives are excluded from this breakdown. As a result, the chart does not reflect the fund's total net assets.

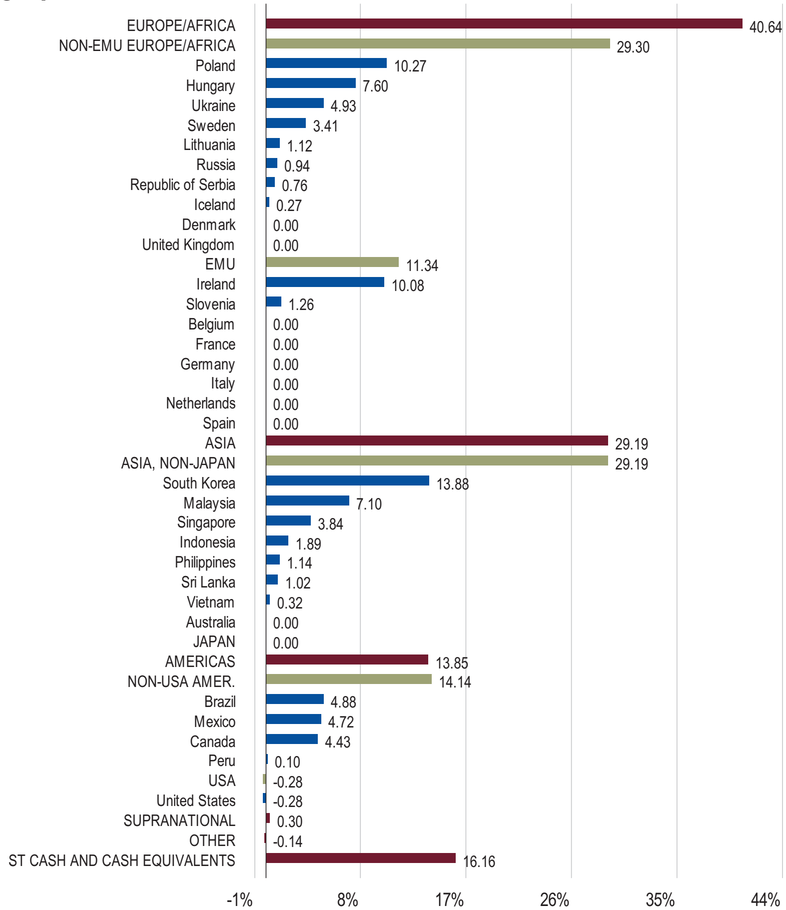
Weightings as percent of total. Percentage may not equal 100% due to rounding.

Geographic Allocation

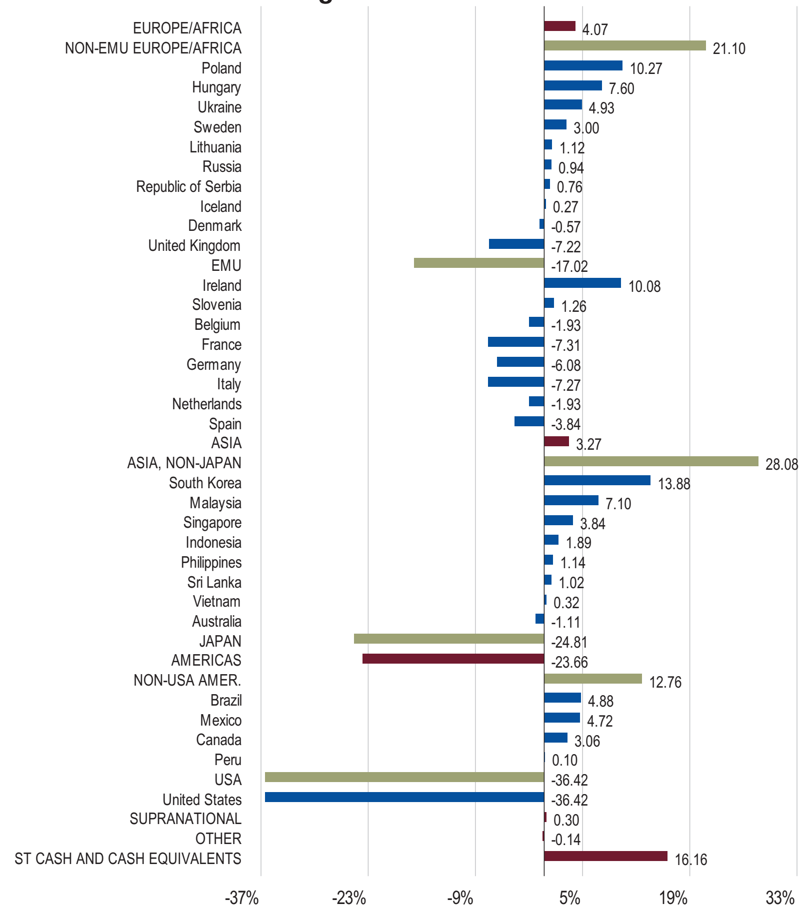
Templeton Global Bond Plus Representative Account

As of March 31, 2014

Geographic Allocation



Active Allocations vs. JP Morgan Global Government Bond Index



Based on a representative account of the Templeton Global Bond Plus Composite. Individual accounts within the Templeton Global Bond Plus Composite may vary due to a variety of factors, such as account size, the specific investment guidelines and restrictions applicable to an account, and the inception date of the account.

Information is supplemental to the Historical Performance page and the accompanying full performance presentation prepared in accordance with the Global Investment Performance Standards (GIPS®). Please also see the Important Information page in the Appendix.

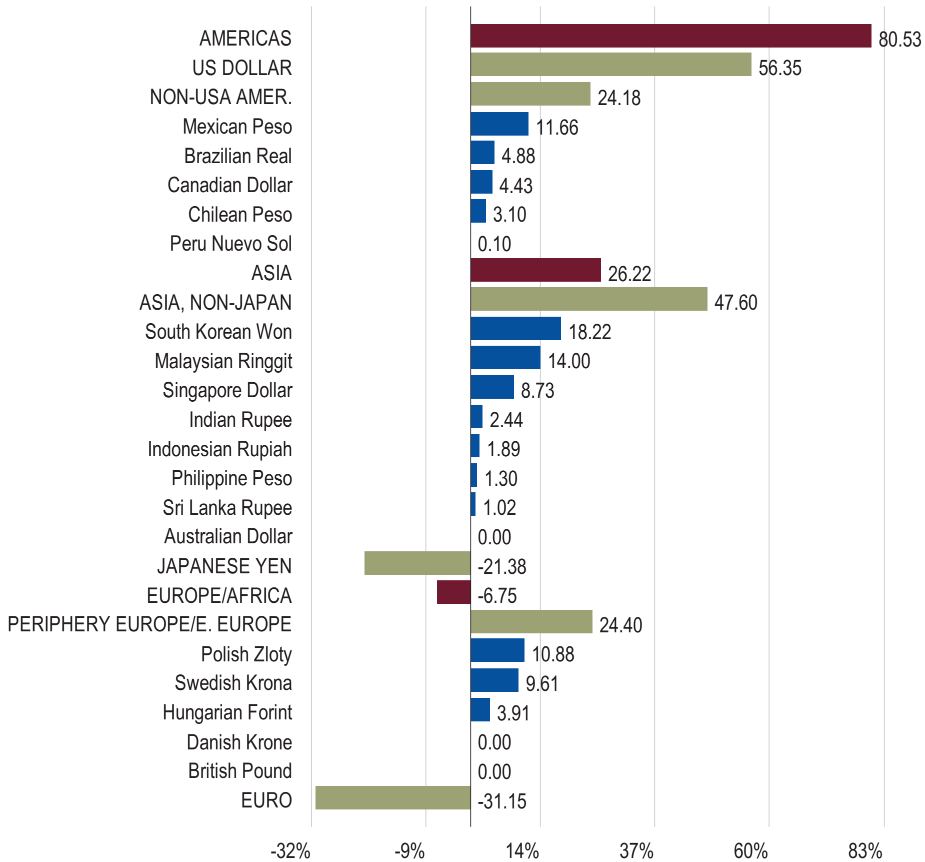
Weightings as percent of total. Percentage may not total 100% due to rounding. Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change.

Currency Allocation

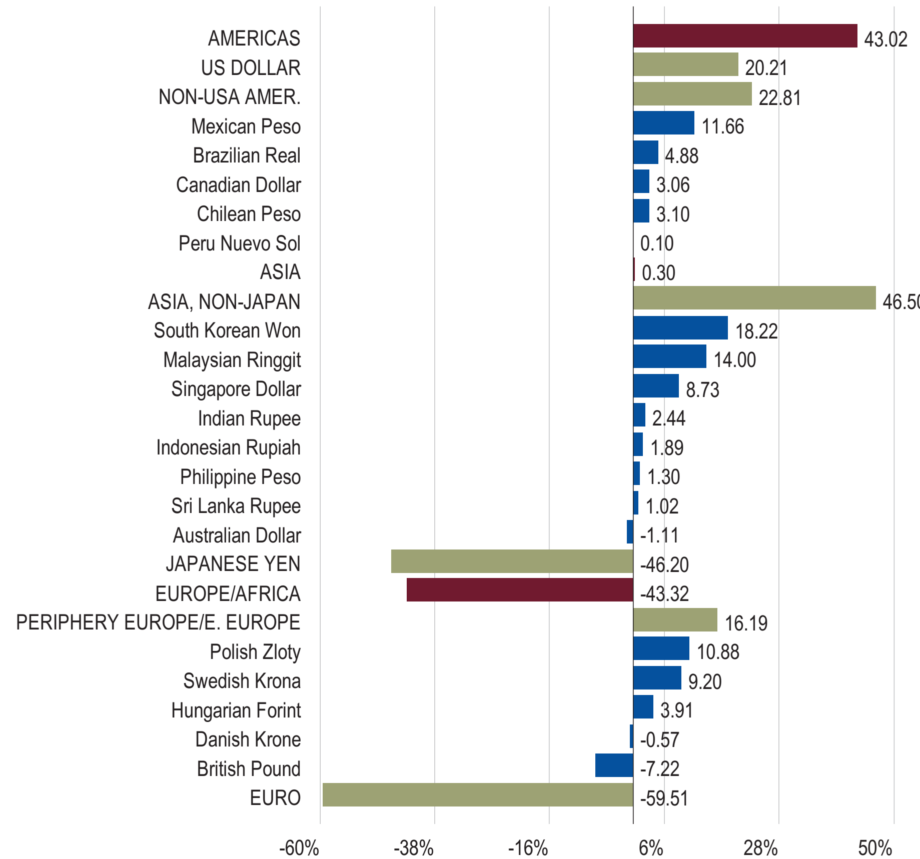
Templeton Global Bond Plus Representative Account

As of March 31, 2014

Currency Allocation



Active Allocations vs. JP Morgan Global Government Bond Index



Based on a representative account of the Templeton Global Bond Plus Composite. Individual accounts within the Templeton Global Bond Plus Composite may vary due to a variety of factors, such as account size, the specific investment guidelines and restrictions applicable to an account, and the inception date of the account.

Information is supplemental to the Historical Performance page and the accompanying full performance presentation prepared in accordance with the Global Investment Performance Standards (GIPS®). Please also see the Important Information page in the Appendix.

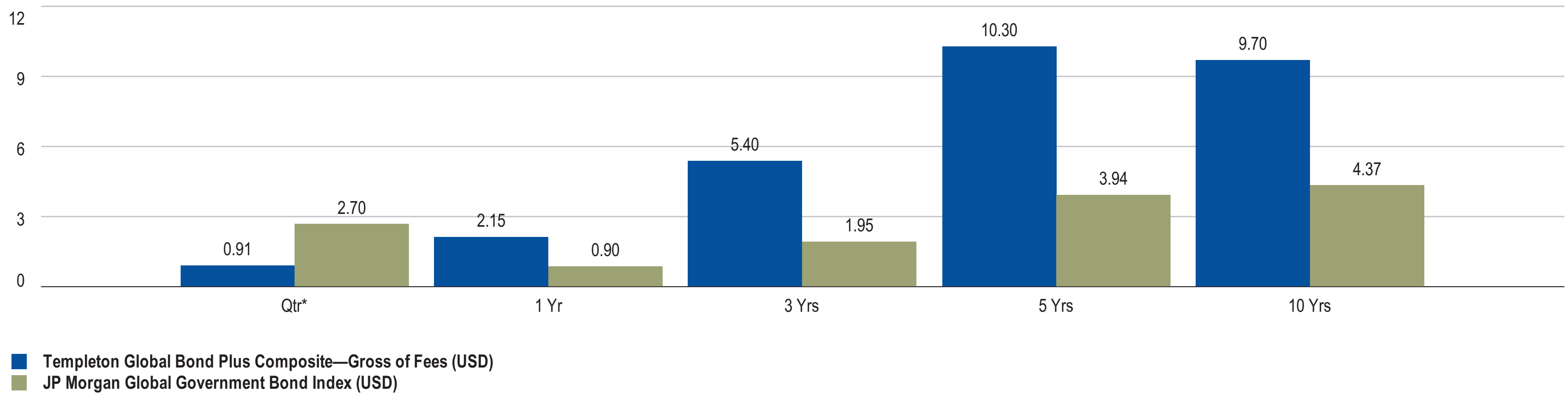
Weightings as percent of total. Percentage may not total 100% due to rounding. Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change.

Historical Performance (%)

Templeton Global Bond Plus Composite

As of March 31, 2014

Annualized Total Returns

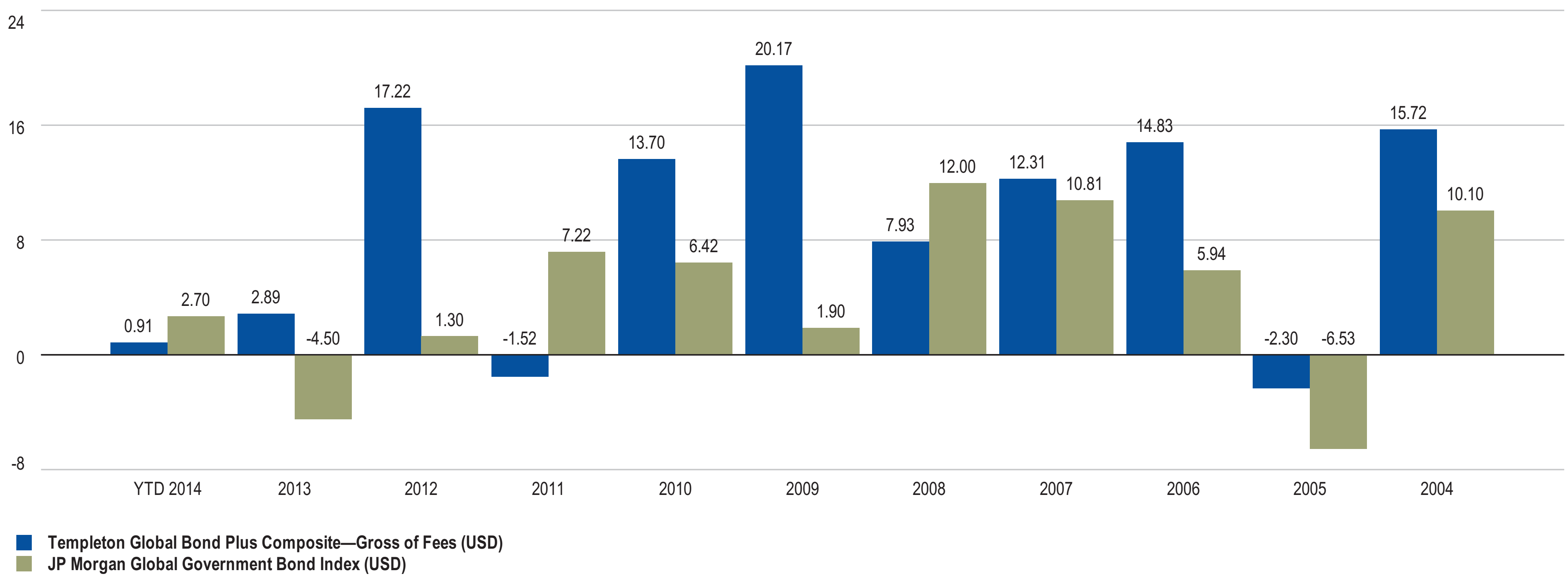


Past performance does not guarantee future results and may differ over future time periods.
Please see accompanying full performance presentation prepared in accordance with the Global Investment Performance Standards (GIPS®) . Please also see the Important Information page in the Appendix.
Franklin is in compliance with GIPS® from January 1, 2000 to the present. Total returns are presented inclusive of commissions and transaction costs, and assume reinvestment of any dividends, interest income, capital gains, or other earnings.
Performance data is shown rounded to the nearest hundredth.
*Cumulative Total Returns

Calendar Year Returns (%)

Templeton Global Bond Plus Composite

As of March 31, 2014



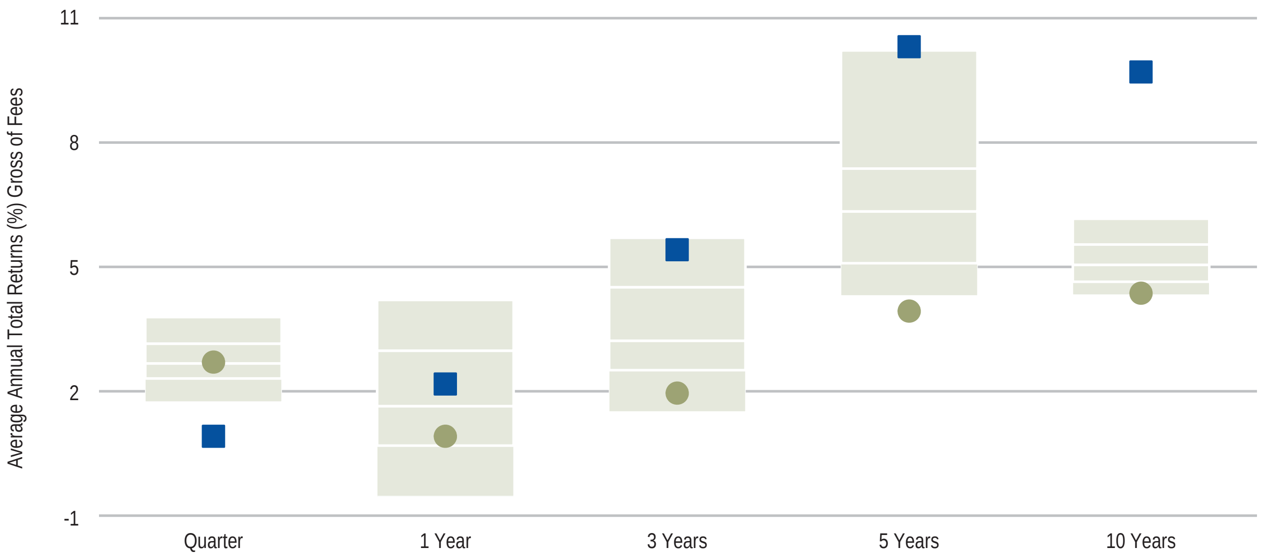
Past performance does not guarantee future results and may differ over future time periods.
Please see accompanying full performance presentation prepared in accordance with the Global Investment Performance Standards (GIPS®) . Please also see the Important Information page in the Appendix.
Franklin is in compliance with GIPS® from January 1, 2000 to the present. Total returns are presented inclusive of commissions and transaction costs, and assume reinvestment of any dividends, interest income, capital gains, or other earnings.
Performance data is shown rounded to the nearest hundredth.

Templeton Global Bond Plus Composite Historical Results

Strong Historical Investment Performance

Comparison with the Mercer Global Fixed Unhedged Universe (USD)

As of March 31, 2014



■ Templeton Global Bond Plus Composite ● JP Morgan Global Government Bond Index

	Quarter	1 Year	3 Years	5 Years	10 Years
■	0.91	2.17	5.41	10.31	9.70
●	2.70	0.91	1.95	3.93	4.36
10th Percentile	3.79	4.20	5.70	10.22	6.16
Upper Quartile	3.15	2.98	4.51	7.37	5.54
Median	2.67	1.64	3.22	6.34	5.05
Lower Quartile	2.31	0.69	2.51	5.09	4.64
90th Percentile	1.75	-0.53	1.51	4.31	4.33
# of Observations	100	98	83	73	57

Source: Mercer Global Investment Manager Database. The peer universe includes unaffiliated institutional asset managers that manage similar mandates. The Franklin Templeton rankings may not be representative of any individual client's experience, as it is based on a composite that includes multiple accounts. Results for other historical time periods may vary. Information was calculated based on gross of fees performance. Management fees will reduce an investor's return.

Information is supplemental to the Historical Performance page and the accompanying full performance presentation prepared in accordance with the Global Investment Performance Standards (GIPS®). Please also see the Important Information page in the Appendix.

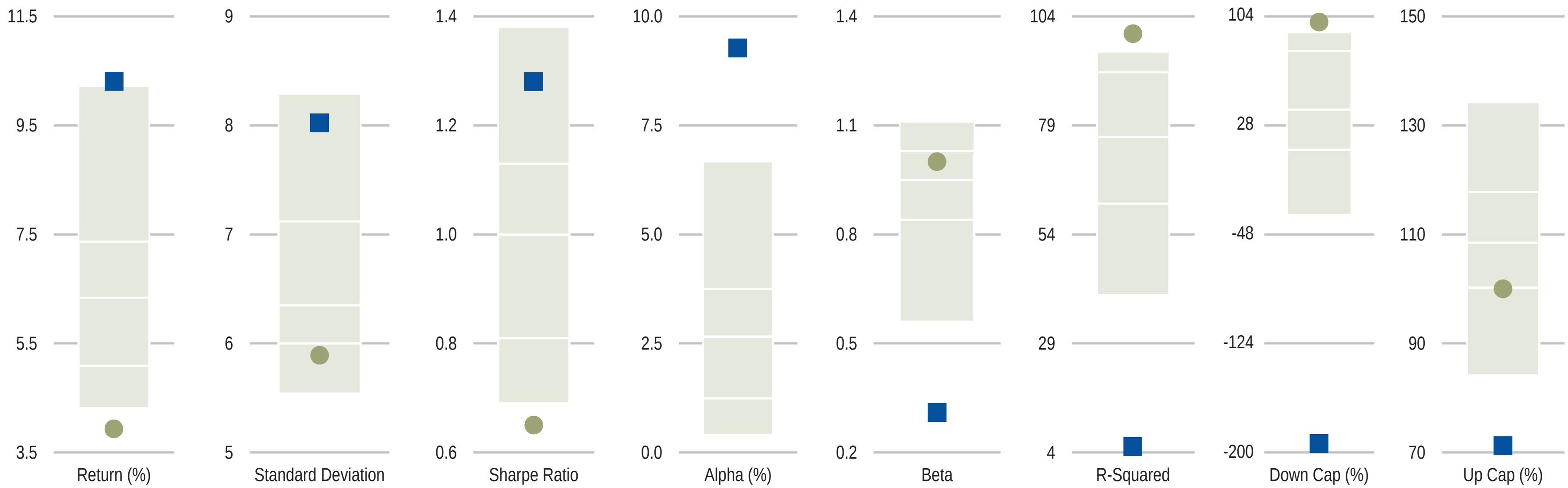
Past performance does not guarantee future results.

Templeton Global Bond Plus Composite Historical Results *(continued)*

Superior Historical Risk-Adjusted Returns

Comparison with the Mercer Global Fixed Unhedged Universe (USD)

5-Year Period Ending March 31, 2014



■ Templeton Global Bond Plus Composite ● JP Morgan Global Government Bond Index

	Return (%)	Standard Deviation	Sharpe Ratio	Alpha (%)	Beta	R-Squared	Down Cap (%)	Up Cap (%)
■	10.31	8.02	1.28	9.27	0.31	5.32	-193.76	71.21
●	3.93	5.89	0.65	N/A	1.00	100.00	100.00	100.00
10th Percentile	10.22	8.29	1.38	6.67	1.11	95.87	92.95	134.23
Upper Quartile	7.37	7.12	1.13	3.75	1.03	91.21	79.99	117.81
Median	6.34	6.35	1.00	2.66	0.95	76.38	39.09	108.48
Lower Quartile	5.09	6.00	0.81	1.24	0.84	61.08	11.01	100.28
90th Percentile	4.31	5.54	0.69	0.40	0.56	40.11	-34.38	84.14
# of Observations	73	73	73	73	73	73	73	73

Source: Mercer Global Investment Manager Database. The peer universe includes unaffiliated institutional asset managers that manage similar mandates. The Franklin Templeton rankings may not be representative of any individual client's experience, as it is based on a composite that includes multiple accounts. Results for other historical time periods may vary. Information was calculated based on gross of fees performance. Management fees will reduce an investor's return.

Information is supplemental to the Historical Performance page and the accompanying full performance presentation prepared in accordance with the Global Investment Performance Standards (GIPS®). Please also see the Important Information page in the Appendix.

Past performance does not guarantee future results.

Summary of Advantages

The Foundation of Our Long-Term Track Record

- An Unconstrained Worldview
- A Truly Global Research Platform
- A High-Conviction Process

Important Information

Franklin claims compliance with the Global Investment Performance Standards (GIPS®). Please see accompanying full performance presentation prepared in accordance with Global Investment Performance Standards (GIPS®).

Franklin (the "firm") encompasses the equity, fixed income and balanced accounts managed by Franklin Advisers, Inc., and related Franklin affiliates, including, effective January 1, 2007, the equity accounts managed by the institutional investment teams of Franklin Templeton Institutional, LLC under the former firm name of Fiduciary Global Advisors. The combined equity assets of Franklin and Fiduciary Global Advisors form the Franklin Equity Group (formerly Franklin Global Advisers prior to June 30, 2010) unit of Franklin. Effective January 1, 2006, the fixed income assets managed from that date forward by Franklin Templeton Institutional, LLC ("FTI") or its related affiliates (managed previously by Fiduciary Trust Company International - Institutional Division or "FTCI's Institutional Division") that went through the institutional portfolio review process were combined with the fixed income assets of Franklin to form the Franklin Templeton Fixed Income unit of Franklin. The primary reason for these changes to the firm definition was to consolidate equity and fixed income asset management for Franklin (as previously defined), Fiduciary Global Advisors (institutional equities) and FTCI's Institutional Division (institutional fixed income) under one firm, Franklin. The firm definition for Franklin does not include multi-strategy asset allocation portfolios managed by Franklin Templeton Solutions (formerly Franklin Templeton Multi-Asset Strategies) and the wrap-fee and non wrap-fee accounts managed by Franklin Separately Managed Accounts (formerly Franklin Portfolio Advisors).

Templeton Global Bond Plus Composite consists of all portfolios managed on a fully discretionary basis with an investment objective that seeks to maximize total return by investing principally in a portfolio of fixed or floating rate debt securities and debt obligations issued by government or government-related entities worldwide. The strategy may also purchase debt obligations issued by supranational entities organized or supported by several national governments, such as the International Bank for Reconstruction and Development or the European Investment Bank. The strategy may invest a portion in below-investment grade bonds (rated below BBB-). The strategy may also utilize financial derivative instruments dealt in either regulated or over-the-counter markets for investment purposes. These financial derivative instruments which are used on a less frequent basis may include swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including those on government securities), as well as options. The strategy regularly takes tactical exposure to various foreign currencies, including through the frequent use of foreign currency forward contracts and cross forwards, and, to a lesser degree, futures contracts and currency options. Use of financial derivative instruments may result in negative exposures in a specific yield curve/duration, currency or credit. Derivative instruments have the risk of counterparty default. Below-investment grade bonds will have more credit risk and can be less liquid than higher-quality bonds and may increase the overall risk of the strategy. Foreign investing, especially in developing countries, has additional risks such as currency and market volatility and political or social instability. The base currency of the composite is U.S. dollars. The inception date of the composite is December 31, 1993.

The benchmark for this composite is the JP Morgan Global Government Bond Index. The JP Morgan Global Government Bond Index is a market value weighted fixed income index comprised of government bonds in developed countries.

Gross Total Returns are presented gross of investment advisory fees, and Net Total Returns are presented net of investment advisory fees. Gross and Net Total Returns are calculated net of brokerage commissions and other expenses a client would have paid and assume reinvestment of any dividends, interest income, capital gains or other earnings. Dividends, interest income, and capital gains are net of any applicable withholding taxes. Both gross and net performance results are time-weighted rates of return, including realized and unrealized gains and losses.

Additional information regarding the firm's policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. As a firm with many mutual funds with unique investment objectives that are subject to varying regulatory requirements based on domicile of jurisdiction, the firm considers many of its mutual funds to be single account composites, for which the objective is as stated in each respective fund's prospectus. To receive a complete list and description of the firm's composites (including any single account mutual fund composite) contact your Franklin Templeton representative at 1.800.321.8563.

This publication is intended only as a general overview of the Franklin Templeton Global Bond Plus management team and philosophy and is for informational purposes only. It has been prepared solely for the use of the person to whom it has been delivered and may not be reproduced or used for any other purpose. For specific information on available fixed income products or services, please contact your local Franklin Templeton Institutional office.

The information contained in this piece is not a complete analysis of every material fact regarding the market and any industry sector, a security, or a portfolio. Statements of fact cited by the manager have been obtained from sources considered reliable but no representation is made as to the completeness or accuracy. Because market and economic conditions are subject to rapid change, opinions provided are valid only as of the date of the material. Portfolio holdings and the manager's analysis of these issuers, market sectors, and of the economic environment may have changed since the date of the material. The manager's opinions are intended solely to provide insight into how the manager analyzes securities and are not a recommendation or individual investment advice for any particular security, strategy, or investment product.

This presentation contains certain performance and statistical information. There is no assurance that employment of any of the strategies will result in the intended targets being achieved. Past performance does not guarantee future results and may differ over future time periods.

Indices are unmanaged and one cannot invest directly in an index. The performance of an individual portfolio may differ from that of a benchmark, representative account or composite included herein for various reasons, including but not limited to, the objectives, limitations or investment strategies of a particular portfolio. Management fees will reduce the rate of return on any particular account or portfolios.

All investments are subject to certain risks. Generally, investments offering the potential for higher returns are accompanied by a higher degree of risk. Bond prices are affected by interest rate changes. High-yield, lower-rated (junk) bonds generally have greater price swings and higher default risks. Foreign investing, especially in developing countries, has additional risks such as currency and market volatility and political or social instability.

This piece is intended for institutional investment management consultants or investors interested in institutional products and services available through Franklin Templeton. Various account minimums or other eligibility qualifications apply depending on the investment strategy or vehicle.

Effective with the third quarter of 2008, composite returns in base currency are translated to other currencies using London FX rates instead of New York rates for all time periods presented, which may result in revisions to multi-currency returns compared to what was previously reported for prior periods.

Important Disclosures

Effective March 31, 2014, Franklin Templeton Global Bond Plus Composite was renamed Templeton Global Bond Plus Composite.

Indexes are unmanaged and one cannot invest directly in an index.

Additional Information for Investment Platform Overview Slide:
Franklin Equity Group, a unit of Franklin, combines the expertise of the Franklin Advisers, Inc., and Fiduciary Global Advisors equity teams (with origin dating back to 1947 and 1931, respectively). Franklin Templeton Fixed Income Group, a unit of Franklin, combines the expertise of the Franklin Advisers, Inc., and Fiduciary Trust Company International fixed income teams (originating in 1970 and 1973, respectively). Franklin Templeton Real Asset Advisors originated in 1984 as the global real estate team of Fiduciary Trust Company International. Franklin Templeton Solutions (formerly Franklin Templeton Multi-Asset Strategies) is a global investment management group dedicated to multi-strategy solutions and is comprised of individuals representing various registered investment advisory entity subsidiaries of Franklin Resources, Inc., a global investment organization operating as Franklin Templeton Investments (FTI). Certain individuals advise Franklin Templeton Solutions (FT Solutions) mandates through K2 Advisors L.L.C. (“K2”), an FTI adviser that forms part of an investment group founded in 1994 through existing advisory entities or their predecessors. FT Solutions originated in 2007 to combine the research and oversight of the multi-strategy investment solutions offered by FTI. Franklin Templeton Investments acquired a majority interest in K2 Advisors Holdings, LLC on November 1, 2012.

Franklin Templeton Global Bond Plus Composite

All Returns and Asset Figures in USD

Calendar Year	Composite Total Return Gross	Composite Total Return Net	Primary Benchmark Return	Composite Gross Annualized 3-Yr St Dev	Primary Benchmark Annualized 3-Yr St Dev	Composite Assets (Millions)	Total Firm Assets (Millions)	No of Portfolios (End of Period)	Equal-Wtd Dispersion
2013	2.89%	2.43%	-4.50%	9.16%	4.43%	124,977.95	543,607.95	17	1.10%
2012	17.22%	16.71%	1.30%	9.70%	5.25%	120,844.08	490,080.19	16	1.78%
2011	-1.52%	-2.58%	7.22%	10.32%	7.25%	104,688.18	415,904.64	16	0.85%
2010	13.70%	12.51%	6.42%	9.11%	8.99%	87,990.19	377,303.20	13	1.75%
2009	20.17%	18.94%	1.90%	8.78%	8.65%	45,172.24	303,250.42	12	1.22%
2008	7.93%	6.73%	12.00%	6.63%	7.26%	22,367.08	223,631.99	9	3.83%
2007	12.31%	11.01%	10.81%	5.74%	5.40%	18,686.07	279,142.59	8	≤5
2006	14.83%	13.51%	5.94%	6.08%	5.73%	10,108.26	229,905.87	≤5	≤5
2005	-2.30%	-3.40%	-6.53%	8.28%	7.16%	5,742.29	183,756.89	≤5	≤5
2004	15.72%	14.56%	10.11%	8.00%	7.41%	3,664.37	166,976.28	≤5	≤5

N/A = Not Available

Primary Benchmark: JP Morgan Global Government Bond.

1 Franklin claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Franklin has been independently verified for the periods 31 December 2002 through 31 December 2012.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Franklin Templeton Global Bond Plus Composite has been examined for the periods 31 December 2002 through 31 December 2012. The verification and performance examination reports are available upon request.

2 Past performance does not guarantee future results and results may differ over future time periods.

3 Prior to 1 January 2006, firm assets under management do not include composites that transferred from Fiduciary Trust Company International - Institutional Division, due to changes in the firm definition, as more fully explained in footnotes a and b. Please see additional notes to this performance presentation starting on page 2.

4 Benchmark returns and the benchmark annualized three year standard deviation for all periods are not covered by the Report of Independent Accountants. In addition, the composite gross annualized three year standard deviation for periods before 2011 is not covered by the Report of Independent Accountants.

Disclosures:

a Firm Definition - Franklin (the "firm") encompasses the equity, fixed income and balanced accounts managed by Franklin Advisers, Inc., and related Franklin affiliates, including, effective 1 January 2007, the equity accounts managed by the institutional investment teams of Franklin Templeton Institutional, LLC under the former firm name of Fiduciary Global Advisors. The combined equity assets of Franklin and Fiduciary Global Advisors form the Franklin Equity Group (formerly Franklin Global Advisers prior to 30 June 2010) unit of Franklin. Effective 1 January 2006, the fixed income assets managed from that date forward by Franklin Templeton Institutional, LLC ("FTI") or its related affiliates (managed previously by Fiduciary Trust Company International - Institutional Division or "FTCI's Institutional Division") that went through the institutional portfolio review process were combined with the fixed income assets of Franklin to form the Franklin Templeton Fixed Income unit of Franklin. The primary reason for these changes to the firm definition was to consolidate equity and fixed income asset management for Franklin (as previously defined), Fiduciary Global Advisors (institutional equities) and FTCI's Institutional Division (institutional fixed income) under one firm, Franklin. The firm definition for Franklin does not include multi-strategy asset allocation portfolios managed by Franklin Templeton Multi-Asset Strategies (FTMAS) and the wrap-fee and non wrap-fee accounts managed by Franklin Separately Managed Accounts (formerly Franklin Portfolio Advisors).

Figures for total firm assets are impacted by the changes to the firm definition effective 1 January 2006 and 1 January 2007, as firm assets for prior periods have not been restated. Total firm assets prior to 1 January 2006 are for Franklin prior to the inclusion of the fixed income assets from the predecessor firm, Fiduciary Trust Company International - Institutional Division. Total firm assets for calendar year 2006 include Franklin legacy equity assets plus Franklin Templeton Fixed Income, including both Franklin and Fiduciary legacy fixed income assets. Effective 1 January 2007, Franklin's assets also include the equity assets of the former firm Fiduciary Global Advisors, which were combined with Franklin's equity assets on that date to form the Franklin Global Advisers unit of Franklin.

b Composite Description - Franklin Templeton Global Bond Plus Composite consists of all portfolios managed on a fully discretionary basis with an investment objective that seeks to maximize total return by investing principally in a portfolio of fixed or floating rate debt securities and debt obligations issued by government or government- related entities worldwide. The strategy may also purchase debt obligations issued by supranational entities organized or supported by several national governments, such as the International Bank for Reconstruction and Development or the European Investment Bank. The portfolio may invest a portion in below investment grade bonds (rated below BBB-). The portfolio may also utilize financial derivative instruments dealt in either regulated or over-the-counter markets for investment purposes. These financial derivative instruments which are used on a less frequent basis may include swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including those on government securities), as well as options. The strategy regularly takes tactical exposure to various foreign currencies, including through the frequent use of foreign currency forward contracts and cross forwards, and, to a lesser degree, futures contracts and currency options. Use of financial derivative instruments may result in negative exposures in a specific yield curve/duration, currency, or credit. Derivative instruments have the risk of counterparty default. Below investment grade bonds will have more credit risk and can be less liquid than higher-quality bonds and may increase the overall risk of the strategy. Foreign investing, especially in developing countries, has additional risks such as currency and market volatility and political or social instability. The base currency of the composite is US Dollars. The inception date of the composite is 31 December 1993. The composite creation date is 30 September 2005. The firm claims compliance with GIPS since January 1, 2000. Eligible new accounts and eligible accounts that have changed to this mandate are added to the composite after one full month of performance, excluding any first partial month following inception or notification of mandate change. Accounts are removed from the composite if they breach the minimum account size for two consecutive months based on beginning market value for the month or if they become non-discretionary due to client-directed restrictions according to the firm's definition of what constitutes discretion. Prior to 1 January 2006, this composite was referred to as the Franklin Templeton Global Bond Composite.

c Basis of Presentation and Calculation Methodology - Gross Total Returns are presented gross of investment advisory fees, and Net Total Returns are presented net of investment advisory fees. Gross and Net Total Returns are calculated net of brokerage commissions and other expenses a client would have paid and assume reinvestment of any dividends, interest income, capital gains or other earnings. Dividends, interest income, and capital gains are net of any applicable withholding taxes. Both gross and net performance results are time-weighted rates of return, including realized and unrealized gains and losses. For separate accounts and commingled trust accounts, gross of fee performance is presented before investment management fees but after the deduction of trading expenses. Gross of fee returns for pooled investment vehicles are calculated by adding back 1/12 of the pooled investment vehicle's total annual expense ratio to the monthly returns which are based on the net asset values for the primary share class. The total expense ratio reflects the investment management fees, administrative fees and all other pooled vehicle-related expenses for the primary share class but do not include any sales charges. For separate accounts, net performance reflects actual investment management fees charged, assessed quarterly in arrears, and actual performance fees if applicable. For all pooled investment vehicles (including commingled trust accounts), third party administered accounts, including accounts that use custodian market values where actual fees are not available, or accounts which are otherwise not charged a fee or benefit from fee waivers, net performance is reduced by performance fees if applicable and investment management fees by applying the highest breakpoint from the standard institutional fee schedule to the gross monthly returns regardless of asset size. For performance periods prior to 1 January 2012, for pooled investment vehicles with expense ratios, net performance was based on actual net asset value returns for the primary share class before sales charges and for commingled trusts, net performance was based on fund expenses and actual investment management fees charged quarterly in arrears. Monthly composite returns are calculated by weighting each account's monthly return by its beginning market value as a percent of the total composite beginning market value. Quarterly and annual returns are calculated by linking the monthly returns through compounded multiplication. Returns for periods of less than one year are not annualized. Account portfolios are valued daily at fair market value on a trade date basis, with adjustment for all cash flows, and market values include accrued income for fixed income securities and accrued dividends for equity securities based on ex-dividend date. For some historical periods, valuations may have been monthly, with adjustment for cash flows on a day-weighted basis. Where market quotations are readily available, securities are valued thereon (using closing quotations when available), provided such quotations adequately reflect, in the judgment of the firm, the fair value of the securities. Positions for which no quotation is readily available are valued at fair market value using quotations from brokers or using Franklin Templeton's own assessment of fair market value based on fundamental analysis (earnings multiples, price to cash flow analysis), discounts from market prices of similar securities, or matrix pricing, among other methods. Securities not in the base currency of the portfolio have (since 1 September 2004) generally been valued using foreign exchange rates obtained through Reuters, using 4:00 PM (New York time) foreign exchange (FX) rates. Effective June 2006, Franklin began to revert to the use of London FX rates for selected separate accounts and, if approved by the respective boards, selected mutual funds (generally offshore funds), due to requests from clients and in order to move toward industry practice of utilizing London FX rates. Accounts in this composite may include accounts that have reverted to the use of London FX rates. Prior to 1 September 2004, rates were pulled from WM/Reuters at mid-day New York time for initial review, then FX rates were pulled in again at 3:30 PM EST. These rates were compared against the rates pulled in at mid-day and, if rates had moved by 1% or more, the 3:30 PM rates were used (rates prior to 1 September 2004 are referred to as "hybrid FX" rates). While valuations for individual security positions began using the New York close effective 1 September 2004, the asset-weighted composite calculation continued to use London close until 31 December 2004 for purposes of translating non-base account market values and returns for accounts in currencies other than the base currency of the composite before changing to the use of New York close on 1 January 2005. Effective 1 January 2008, the asset-weighted composite calculation reverted to using London close once again. **Past performance does not guarantee future results and results may differ over future time periods.**

d Description of Index - The benchmark for this composite is the JP Morgan Global Government Bond Index. The JP Morgan Global Government Bond Index is a market value weighted fixed income index comprised of government bonds in developed countries. Returns for the benchmark include income or dividends not adjusted for foreign withholding taxes and are based on foreign exchange rates established at the London close (or mid-day New York time). FX rates used by index vendors are obtained from their respective FX vendors and may differ slightly from the FX rates used by Franklin, which (effective 1 September 2004) for individual security valuations and effective 1 January 2005 for translating non-base account market values to the base currency of the composite) uses 4:00 PM (New York time) rates. Effective 1 January 2008, Franklin will be reverting to the use of London FX rates for translating non-base account market values to the base currency of the composite and for all multi-currency reporting, where the base currency returns of composites are translated into other currencies. The benchmark, which is not managed, is used for comparative purposes only and is provided to represent the investment environment existing during the time periods shown.

e Minimum Account Size - The minimum account size required to be included in this composite is USD $1,000,000.

f Standard Fee Schedule - The standard investment management fee schedule has breakpoints depending on asset size, with the result that accounts with higher asset levels will pay a lower fee. Investment management fees are negotiable, so some clients may be able to negotiate a fee that is less than the standard fee schedule at a given breakpoint. For pooled investment vehicles such as mutual funds that may be in the composite, the total expense ratio may higher than the standard fee schedule for separate accounts, depending on the total expenses for that vehicle which includes management fees, administrative fees, and other expenses. The fee schedule is presented in USD.

Breakpoints	Separate Accounts
First $50,000,000	0.45%
Next $50,000,000	0.35%
Over $100,000,000	0.30%

g Measure of Dispersion - Dispersion represents the consistency of Franklin’s results with respect to individual portfolio returns within the composite. The dispersion of annual returns is measured by the standard deviation of equal-weighted returns for those accounts that were in the composite for each full calendar year, or partial year for the most recent year-to-date. Dispersion is not meaningful when there are five or fewer accounts in a given year or time period, so is not presented for this composite for periods when this is applicable, in accordance with GIPS guidelines.

h Additional Information - The firm’s policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Franklin manages many portfolios with unique investment objectives and considers these accounts to be single account composites for which the objective is stated in the prospectus, private placement memorandum or investment management agreement. To receive a complete list and description of Franklin composites (including a list of single account composites) contact your Franklin Templeton representative at 1.800.321.8563.

Appendix

Management Profiles

Management Profiles

MICHAEL HASENSTAB, Ph.D.

Executive Vice President, Portfolio Manager
Chief Investment Officer, Global Bonds
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Dr. Hasenstab is a member of the Fixed Income Policy Committee and is a portfolio manager for a number of Franklin Templeton fixed income and hybrid funds and strategies.

Dr. Hasenstab holds a Ph.D. in economics from the Asia Pacific School of Economics and Management at Australian National University, a master's degree in economics of development from the Australian National University and a B.A. in international relations/political economy from Carleton College in the United States.

SONAL DESAI, Ph.D.

Senior Vice President, Portfolio Manager
Director of Research, Global Bonds
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Dr. Desai is responsible for shaping the research agenda of the global bond group, and providing macroeconomic analysis to the fixed income team. Dr. Desai acts as a key resource for the firm's Fixed Income Policy Committee, which provides policy views on sectors, markets and currencies.

Dr. Desai holds a Ph.D. in economics from Northwestern University and earned a B.A. with honors from Delhi University in New Delhi.

CANYON CHAN, CFA

Senior Vice President, Portfolio Manager
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Mr. Chan focuses on portfolio construction and implementation, derivatives, quantitative strategies and analytics, and risk management. Additionally, he performs generalist research across global asset classes.

Mr. Chan joined Franklin Templeton in 1991 after earning his B.A. in quantitative economics from Stanford University. He is a Chartered Financial Analyst (CFA) Charterholder, a member of the Security Analysts of San Francisco (SASF) and the CFA Institute.

CHRISTINE ZHU

Quantitative Research Analyst,
Portfolio Manager
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Ms. Zhu is a quantitative research analyst and portfolio manager in the global bond group of the Franklin Templeton Fixed Income Group. She focuses on portfolio construction, derivatives/quantitative strategies in global market, performance attribution and risk management. Ms. Zhu joined Franklin Templeton in 2007.

Ms. Zhu received an M.B.A. with investment focus from the University of California, Berkeley, and earned her M.S. in computer science and engineering from the University of Notre Dame. She is fluent in Mandarin.

CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

Management Profiles *(continued)*

CALVIN HO, Ph.D.

Senior Global Macro & Research Analyst
Global Bonds
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Dr. Ho joined Franklin Templeton Investments in 2005. Currently, he is a senior global macro & research analyst for the Franklin Templeton Investments' global bond group. In this position, he specializes in global macroeconomic analysis and global exchange rate modeling.

Dr. Ho earned both B.A. and Ph.D. in economics from the University of California, Berkeley. His prior research analyzed international monetary arrangements. He is also fluent in Mandarin and Cantonese.

HYUNG C. SHIN, Ph.D.

Senior Global Macro & Research Analyst
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Dr. Shin joined Franklin Templeton in 2005 as a research analyst and moved to senior global macro & research analyst for Franklin Templeton Investments' global bond group. In this position, he analyzes global macroeconomic trends and up-to-date developments in emerging market economies. Dr. Shin is an expert of Asian economies, with a focus on Southeast Asia. He also specializes in monetary and global macroeconomic analysis with a focus on world real-interest-rate modeling.

Dr. Shin holds a Ph.D. in economics from the University of California, Davis and a B.A. in business administration from Seoul National University in South Korea. Dr. Shin's prior research analyzed optimal choice of monetary policy regimes. He is also fluent in Korean.

KANG TAN, Ph.D.

Senior Global Macro & Research Analyst
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
Singapore

Dr. Tan is a senior global macro & research analyst in the global bond group. In this position, he specializes in global macroeconomic modeling. In addition, he has a regional research focus on Asia and Scandinavia. He joined Franklin Templeton Investments in January 2008 as a research analyst.

Dr. Tan holds a Ph.D. in economics from the Australian National University and a B.Sc. (First Class Honors) in economics from the London School of Economics. He is also fluent in Mandarin and Cantonese.

DIEGO VALDERRAMA, Ph.D.

Senior Global Macro & Research Analyst
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Dr. Valderrama joined Franklin Templeton Investments in 2009 as research analyst and moved to senior global macro & research analyst in the global bond group. In this position, Dr. Valderrama specializes in global macroeconomics. In addition, he has a regional focus on the United States, Canada, Latin America, Australia, New Zealand and the United Kingdom.

Dr. Valderrama holds a Ph.D. and an M.A. in economics from Duke University and a B.A. in economics from Cornell University. He is also fluent in Spanish.

Management Profiles *(continued)*

VIVEK AHUJA

Portfolio Manager, Research Analyst
Franklin Templeton Fixed Income Group

Templeton Asset Management Ltd. Singapore
Singapore

Mr. Ahuja joined Franklin Templeton Investments in 2006 and has over 17 years of investment and research experience in fixed income markets. Prior to joining Franklin Templeton, Mr. Ahuja has worked in various financial institutions in India in the areas of fixed income investments and macro research.

Mr. Ahuja earned his bachelor of commerce and master's degree in finance from Mumbai University.

LAURA BURAKREIS

Research Analyst, Portfolio Manager
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Prior to joining Franklin Templeton, Ms. Burakreis worked in various parts of the World Bank in Washington, D.C. At the World Bank, she assisted governments in the Middle East and North Africa design and implement financial sector reforms. Ms. Burakreis also negotiated the terms of debt issued by the International Bank of Reconstruction and Development in emerging and developed markets.

Ms. Burakreis holds a M.B.A. in finance from the University of Chicago, Graduate School of Business (1987) and an M.A. from the University of Chicago, Center for Middle Eastern Studies (1990). She earned her B.A. in economics from The College at the University of Chicago (1984).

ATTILA KORPOS, Ph.D.

Research Analyst
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Dr. Korpos joined Franklin Templeton Investments in 2011 as a research analyst in the global bond group. He is an international fixed income research analyst with a regional focus on Central and Eastern European countries.

Dr. Korpos received a Ph.D. in economics from Tilburg University in the Netherlands, where he investigated monetary regimes in open economies. He holds a B.A. in finance and banking from Babes-Bolyai University in Romania, and an M.A. in economics from the Central European University in Hungary.

MICHAEL MESSMER

Senior Trader
Global Bonds
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Mr. Messmer is the lead trader for Franklin Templeton Investments' global bond group. Mr. Messmer is responsible for trading investment grade and sub-investment grade global government treasuries, currencies and sovereign bonds. Mr. Messmer also provides relative value, yield curve and technical analysis. He joined Franklin Templeton in 2001 and participated in the Futures Associates Program.

Mr. Messmer earned his B.S. in economics with an emphasis in finance from Southern Methodist University.

Management Profiles *(continued)*

MATTHEW HENRY
Trader
Global Bonds
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Mr. Henry is a trader for the Franklin Templeton global bond group. Mr. Henry trades investment grade and sub-investment grade global bonds and currencies. Mr. Henry joined Franklin Templeton in 2006 and participated in the Futures Associate Program.

Mr. Henry holds B.S. in management science and engineering from Stanford University.

ANDREW MESIC
Trader
Global Bonds
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Mr. Mesic is a trader for the Franklin Templeton global bond group, supporting foreign exchange and investment grade global bond traders. Mr. Mesic joined Franklin Templeton in 2007 and participated in the Futures Associate Program.

Mr. Mesic holds a B.A. in economics and international relations from the University of California, San Diego.

The global bond group also includes 3 experienced research associates and 1 assistant trader.

Management Profile

BRIAN HENRY, CFA
Institutional Portfolio Manager
Franklin Templeton Fixed Income Group

Franklin Advisers, Inc.
San Mateo, California, United States

Brian Henry joined the Franklin Templeton Fixed Income Group as Institutional Portfolio Manager in 2007. As a member of the Global Fixed Income Team, Brian's primary responsibility is to represent the team and communicate the investment philosophy, process and current strategy to domestic and international clients, as well as to external gatekeepers and decision makers.

Mr. Henry has over twenty years of portfolio management experience. He began his career at Dresdner RCM Global Investors, where he served as a director and senior portfolio manager, and was responsible for development and implementation of portfolio strategies. More recently, he served as Senior Portfolio Manager and Fixed Income Strategist at McMorgan & Company.

Mr. Henry holds a B.S. in finance from Fairfield University. He is a Chartered Financial Analyst and a member of the CFA Society of San Francisco and the CFA Institute.

Management Profile

MICHAEL S. RAUB
Managing Director

K2 Advisors, LLC
San Mateo, California, United States

Michael S. Raub is the managing director of K2 Advisors, LLC with responsibility for building and servicing the firms presence in the Taft-Hartley institutional marketplace. With the acquisition of K2 Advisors by Franklin Resources in November of 2012, Mr. Raub now leads the efforts in the Taft-Hartley space for both K2 Advisors and Franklin Templeton.

Previously, Mr. Raub was a vice president and senior consultant with Segal Advisors, an investment consulting firm, working with Taft-Hartley plans across the country. Mr. Raub has committed over 20 years of his career to working within the Taft-Hartley marketplace and has spoken at several conferences around the country regarding the unique needs and characteristics of Taft-Hartley retirement plans.

Mr. Raub earned a B.A. in finance from the University of Notre Dame.

Module: Performance Attribution

Three Sources of Potential Alpha Over Time

Diverse Return Sources in Diverse Markets

Performance Attribution Summary (Calendar Year)
Templeton Global Bond Plus Representative Account USD vs. Cash (2006–2013)[1]

	2006	2007	2008	2009	2010	2011	2012	2013
Interest Rates (Duration)	2	3	1	3	1	1	2	1
Currencies[2]	1	1	2	1	2	3	1	3
Sovereign Credit	3	2	3	2	3	2	3	2

Greatest Contribution to Performance

Second Greatest Contribution to Performance

Least Contribution to Performance

Ranked by Contribution to Alpha

Past performance does not guarantee future results.
Portfolio information is based solely on a representative account taken from the Templeton Global Bond Plus Composite. The information is historical, may not reflect current or future characteristics, and may vary among individual separate accounts depending on a variety of factors such as portfolio size, specific investment guidelines and inception date of the individual accounts.
1. Performance attribution may change depending on factors such as market and economic conditions.
2. Currencies can be overstated because they can be used to hedge out certain market risks, such as interest rate risk, due to the negative correlation between the exchange rate and the factor that the team is attempting to hedge. A particular factor might also effect positions that are attributed to one or both of the other categories. Therefore, decomposing the attribution into these three categories could lead currencies to be overstated.
Information is supplemental to the Historical Performance page and the accompanying full performance presentation prepared in accordance with the Global Investment Performance Standards (GIPS®). Please also see the Important Information page in the Appendix. Past performance does not guarantee future results.