

Solutions from Franklin Templeton Investments for any Market Conditions

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Franklin Templeton Investments

Agenda

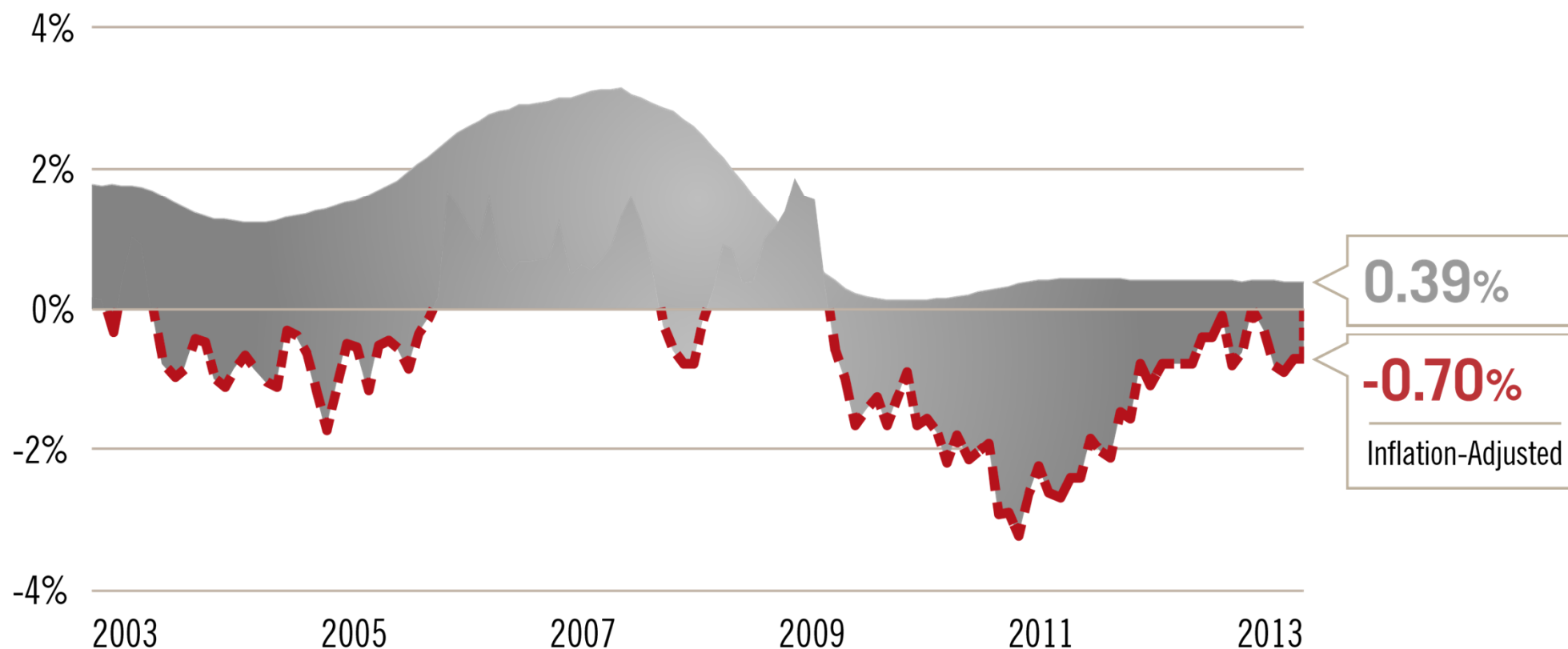
- Changes in Investor's Behaviour
- Solutions for Any Market Conditions
- Conclusion

Changes in Investor's Behaviour

Perceived Safety May Come at a Cost

Money Market Funds' Average Yield Before and After Inflation

10-Year Period Ended September 30, 2013



Source: Morningstar Research Inc., as of September 30, 2013. Canadian Money Market Fund Yield of 0.39% is based on the Morningstar Money Market CAD Peer Group Average which contained 186 funds.
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Can You Afford to Wait?

Number of Years to Double Your Money

MONEY MARKET FUNDS

170 YEARS

1-YEAR GICs

99 YEARS

**10-YEAR
GOVERNMENT BONDS**

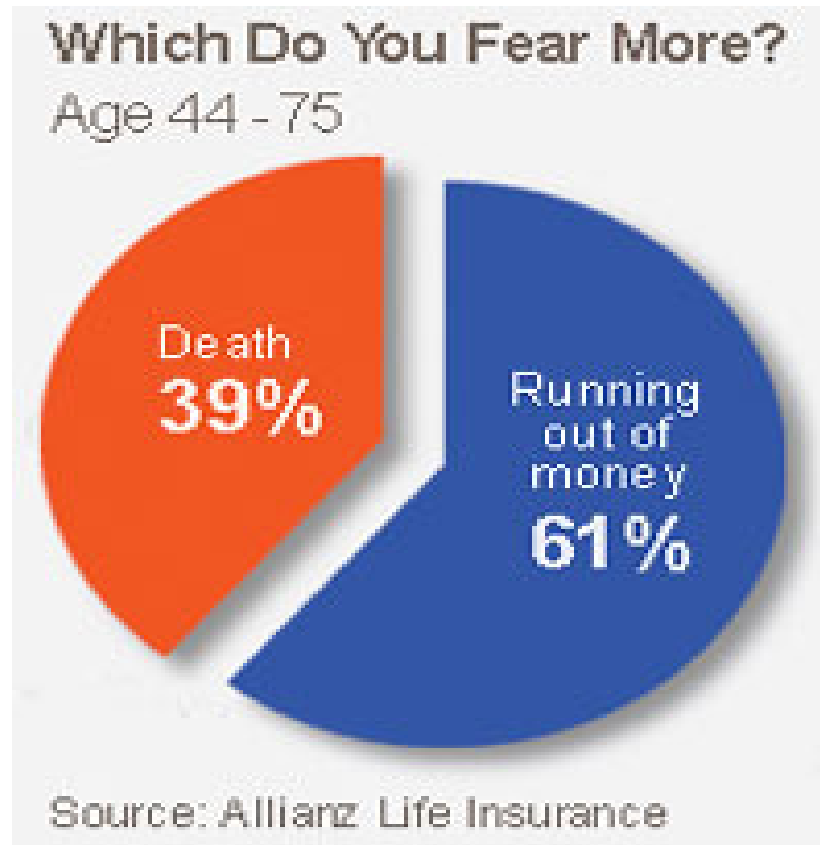
29 YEARS

Bloomberg, as of March 31, 2013. Canadian Money Market Funds are represented by the Morningstar Money Market CAD Fund Category which contained 190 funds. 1-Year GICs yield data is obtained from the Bank of Canada's website. 10-Year Canadian Government Bonds yield is obtained from Bloomberg. Average Time to Double Investment is calculated using the following formula: $(\text{Natural Log } 2) / \text{Natural Log } (1 + \text{Yield})$, Formula for Natural Log is LN. Amount earned on a 1-Year \$10,000 investment assumes the investment is made on the as of March 31, 2013.



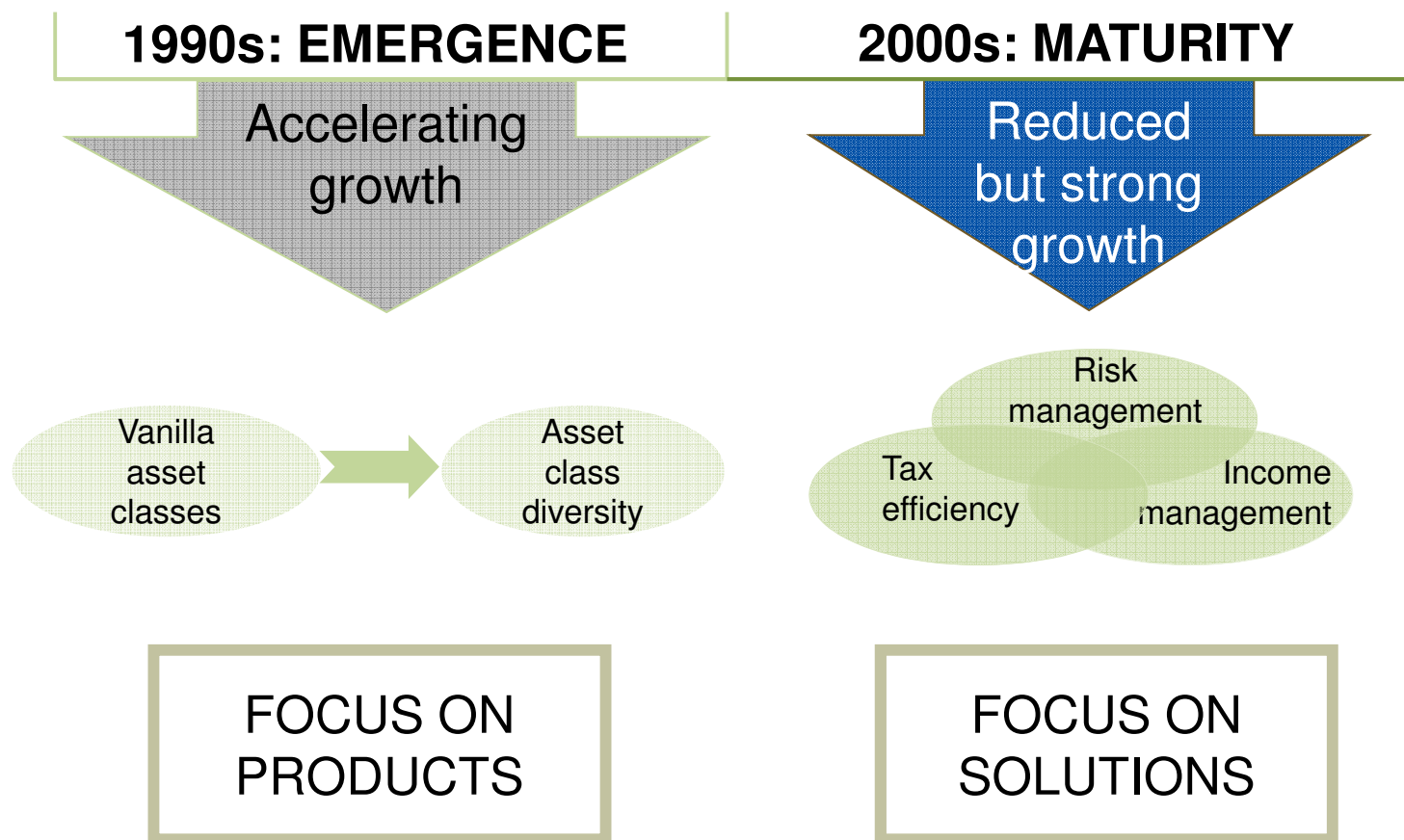
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Investors Attitude towards Money



Source: Allianz Life Insurance, 2010: In a new poll of people ages 44 to 75, more than three in five (61 percent) said they fear depleting their assets more than they fear dying.

Evolution of the Canadian Investment Industry



Source: Investor Economics 2010

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The Life Stage Conversation: Logic of Investing vs. Emotions of Income

ACCUMULATION =
THE LOGIC OF INVESTING

DISTRIBUTION =
THE EMOTIONS OF INCOME

Asset Allocation



Product Allocation

Maximizing Returns



Minimizing Risk

Time on Your Side



Outliving Money

Average Rate of Return



Withdrawal Rate

Alpha, Beta



Standard Deviation

Employer Provided HC



Gov't & Personal Health Care

Fear and Greed

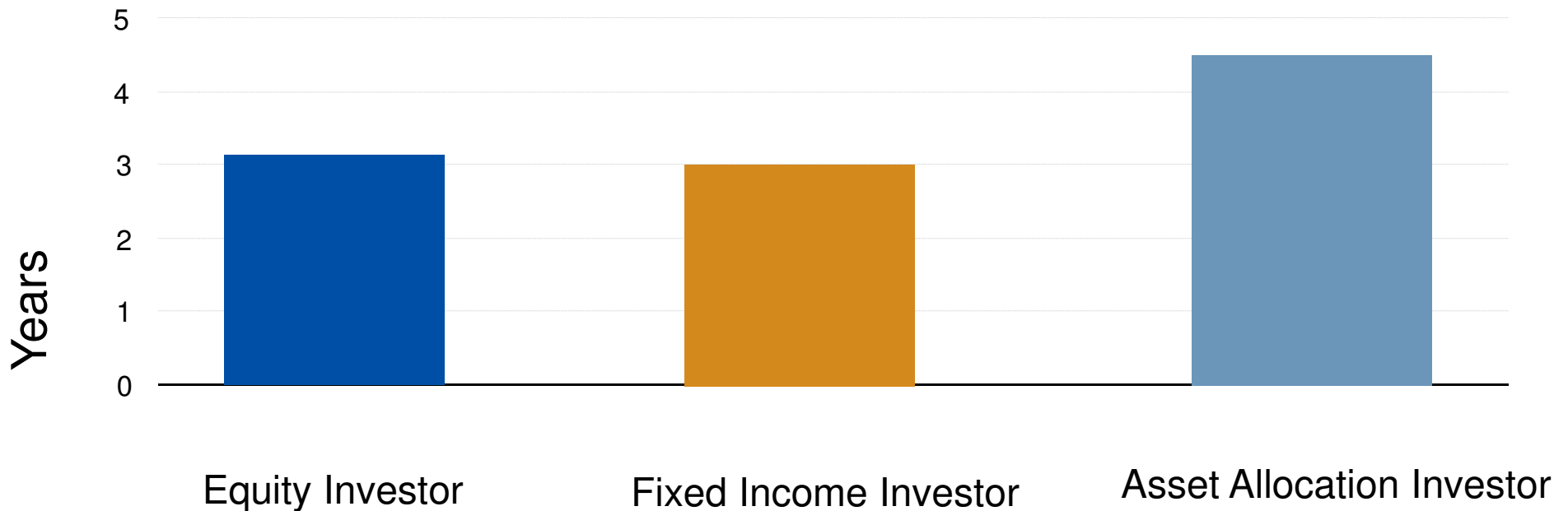


Fear and Greed



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Average Mutual Fund Retention Rates (Based on 20-Year Analysis)



Based on Dalbar Research (2012) Investor Behavior. Equity Investors lasted 3.3 years, Fixed Income investors lasted 3.1 years and Asset Allocation investors lasted 4.5 years.

Solutions For Any Market Conditions

Franklin Bissett Strategic Income Fund

FRANKLIN TEMPLETON INVESTMENTS

FRANKLIN®

TEMPLETON®

MUTUAL SERIES®

BISSETT®



THE EXPERTISE OF MANY, THE STRENGTH OF ONE®



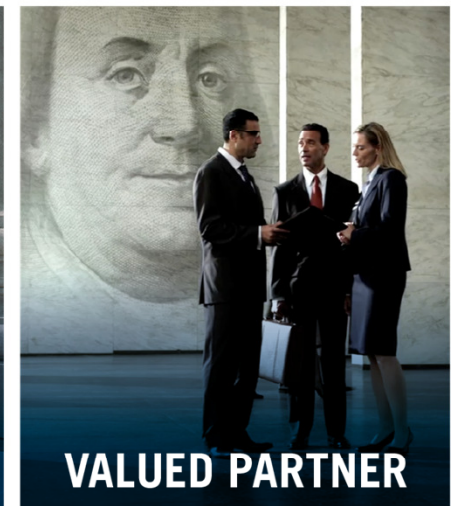
**581 Investment
Professionals**



**Offices in
35 Countries**



**\$824 Billion
in AUM**



**Over 200,000
Advisors Served**

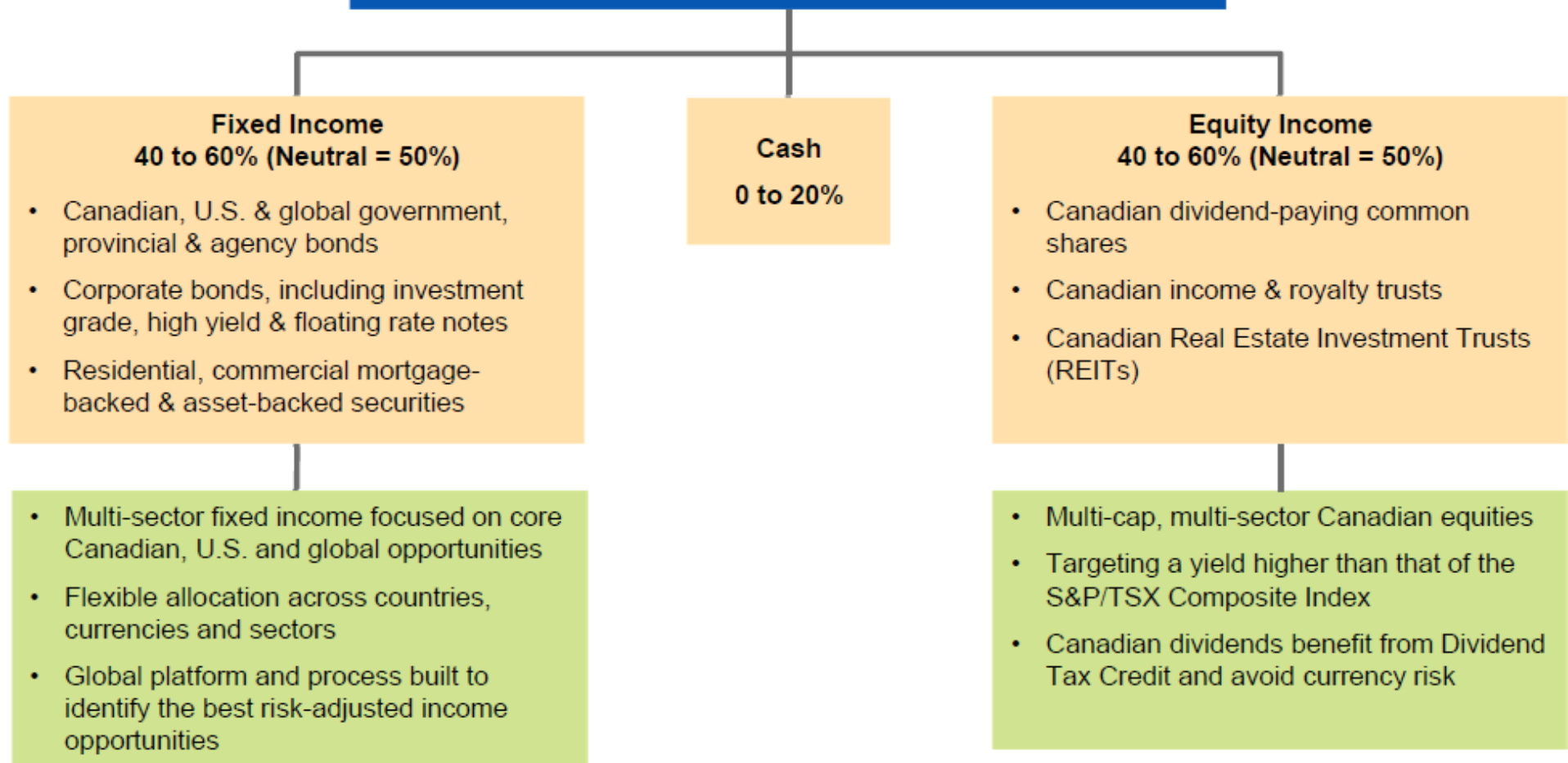
Franklin Bissett Strategic Income Fund

- A Balanced Portfolio with a Focus on Income.
- It's tactically managed to adapt to changing market conditions.
- An experienced portfolio management team to cohesively put everything in action.

A Strategic Approach to Yield Opportunities

Investment Style and Process

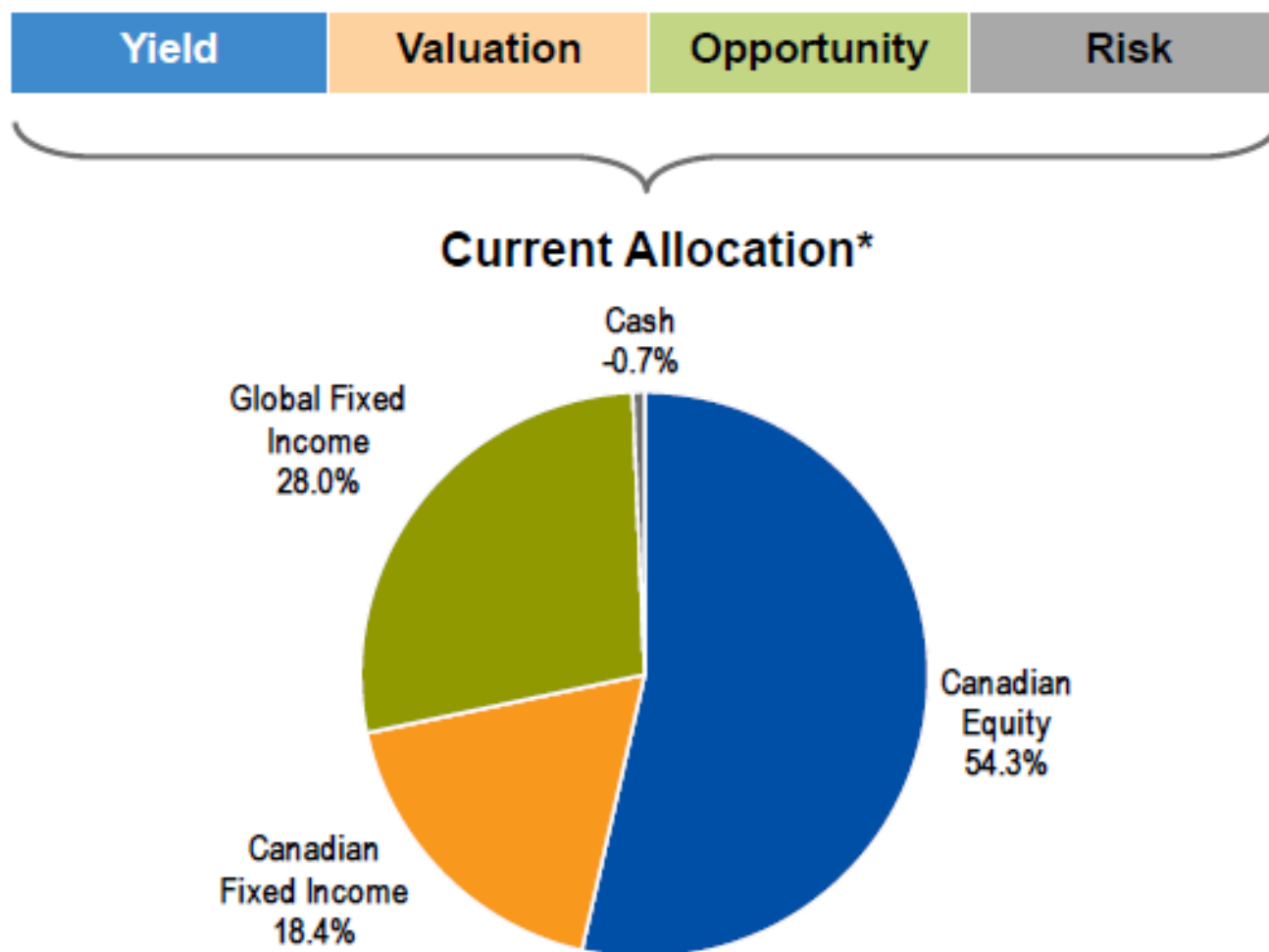
Franklin Bissett Strategic Income Fund



Franklin Bissett Strategic Income Fund:

A Portfolio Focusing on Yield: Strategic and Flexible Asset Allocation

As of November 30, 2013



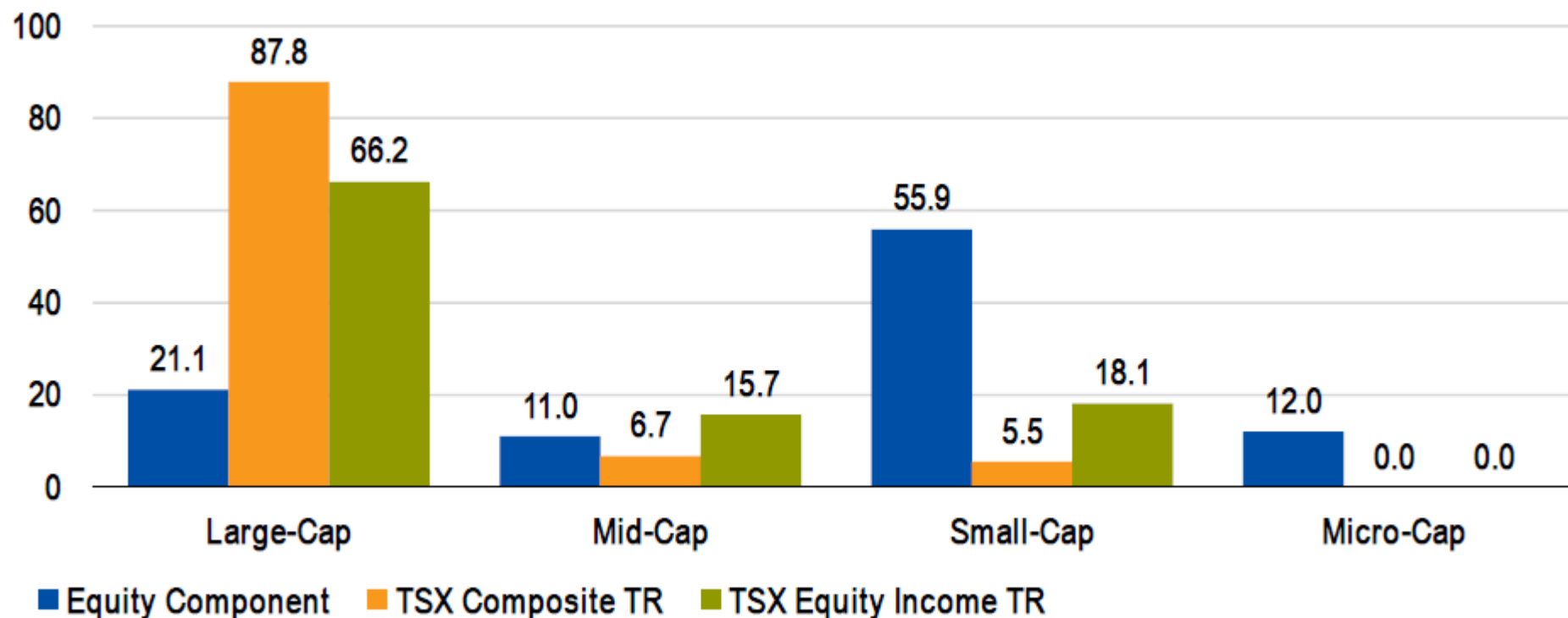
Franklin Bissett Strategic Income Fund

Top Ten Holdings as of November 30, 2013

	% of Total
Franklin Strategic Income Fund, Class O	27.93
Crescent Point Energy Corp.	2.75
Twin Butte Energy Ltd.	2.75
Veresen Inc.	2.34
New Flyer Industries Inc.	2.32
Genivar Inc.	2.28
Medical Facilities Corp.	2.28
Cominar REIT	2.19
Canexus Corp.	2.02
Morneau Shepell Inc.	2.00

Market Cap Allocations

Source: As of November 30, 2013



Market Capitalization Breakdown:

Large-Cap: > \$3 billion

Mid-Cap: \$1.7 billion to \$3 billion

Small-Cap: \$300 million to \$1.7 billion

Micro-Cap: < \$300 million

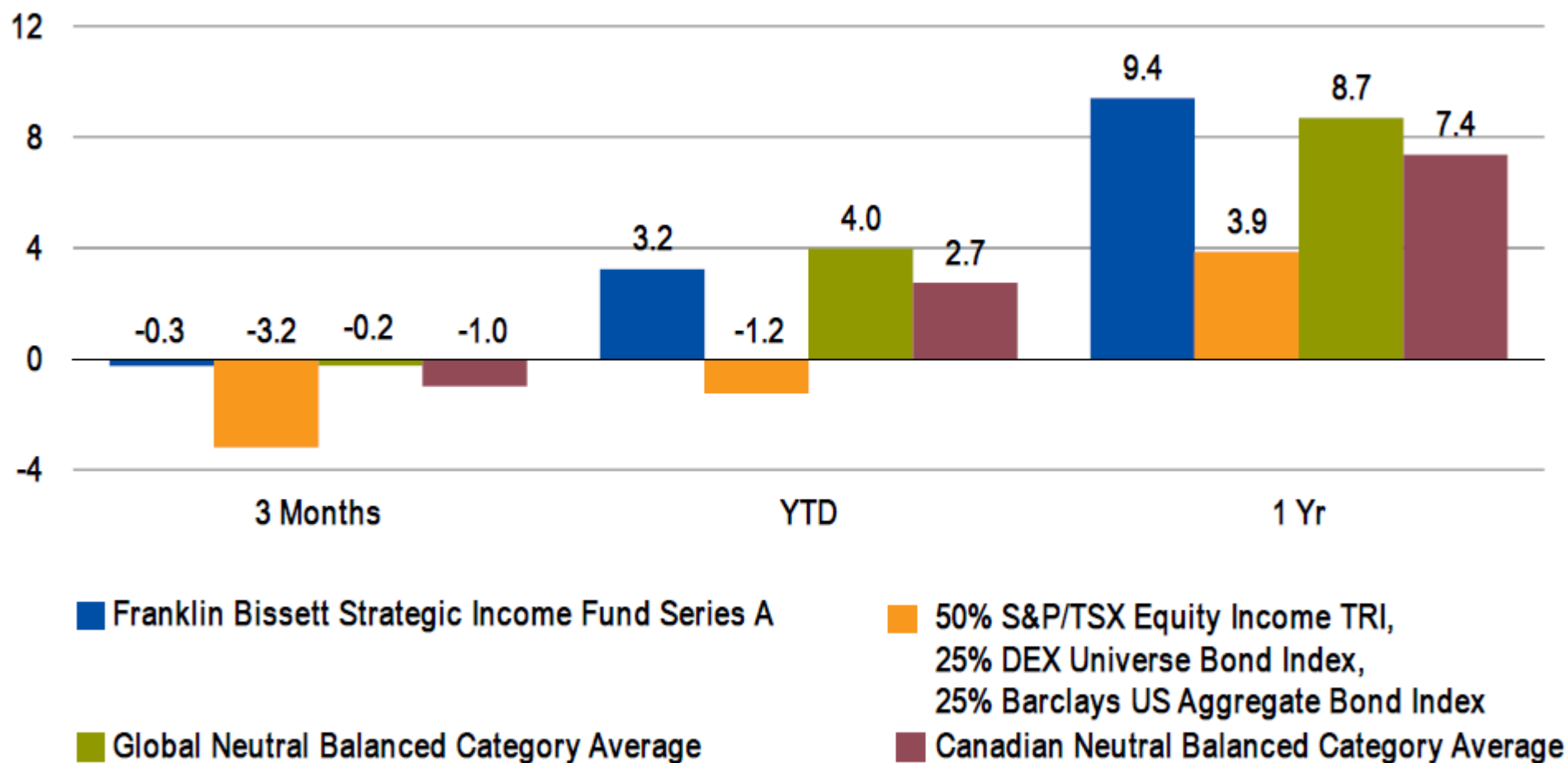
Source: Franklin Templeton Investments. Excludes cash. Numbers may not add to 100% due to rounding.
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Franklin Bissett Strategic Income Fund- Broad Asset Allocation with Consistent Results-

November 30, 2013



Franklin Bissett Dividend Income Fund

Franklin Bissett Dividend Income Fund

- A fund that speaks to the total return conversation with clients.
- A consistent uninterrupted payer of dividend distribution since December 2000.
- A record of low volatility without sacrificing returns.

Franklin Bissett Dividend Income Fund: Strategy Overview

Dividend-Payer Bias

- All equities must be dividend-paying
- Targeted equity yield of 1.5x the relevant benchmark
- Approximate overall portfolio yield of 4.3%¹

Concentrated Yet Diversified

- Equity holdings typically range between 45 and 65
- Positions often are concentrated in the top 10–20 holdings
- Individual positions typically do not exceed 5%

Fully Invested

- Cash balances are normally between 1% and 5%
- Current cash level is 4.9%

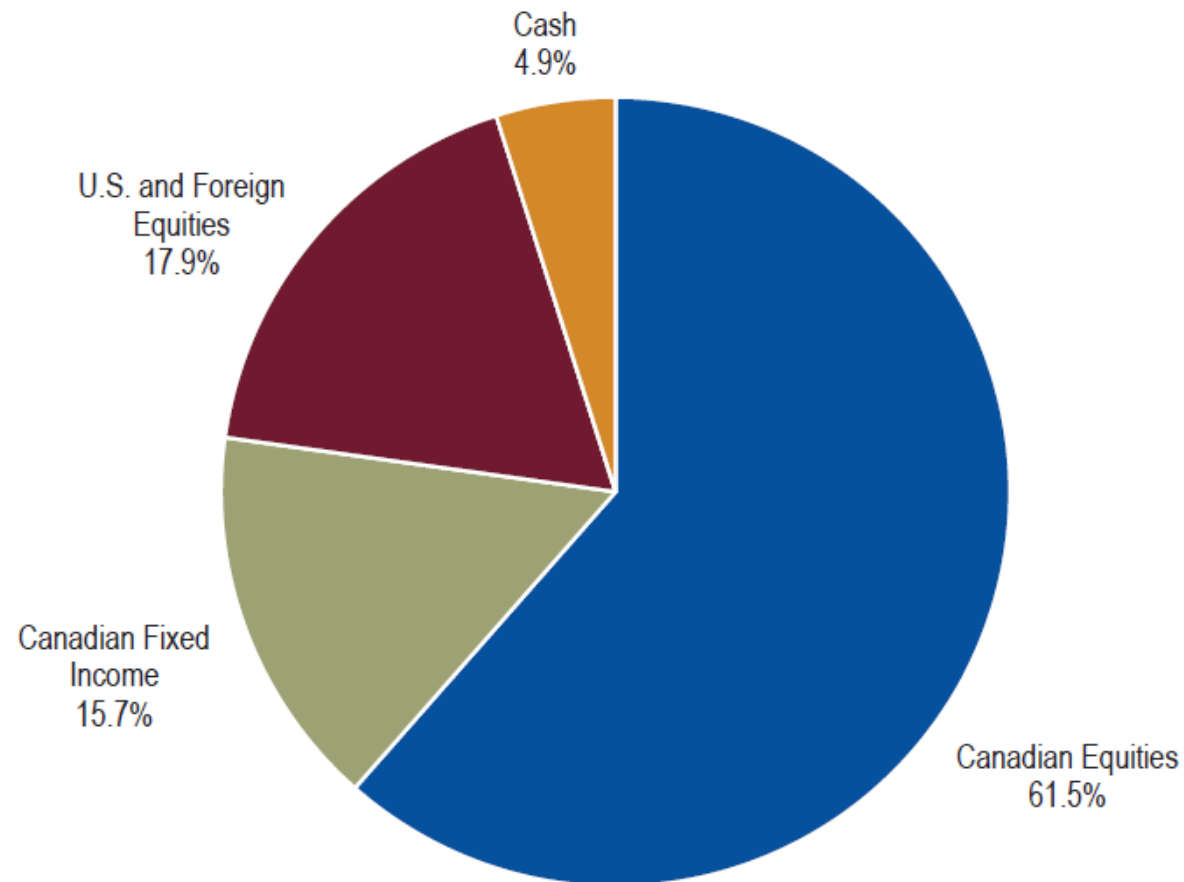
Source: Franklin Templeton Investments.

1. Based on weighted average calculation of expected yields of holdings within the Franklin Bissett Canadian Dividend Income Fund and S&P/TSX Composite Index.



Franklin Bissett Dividend Income Fund: Asset Mix

As of November 30th, 2013

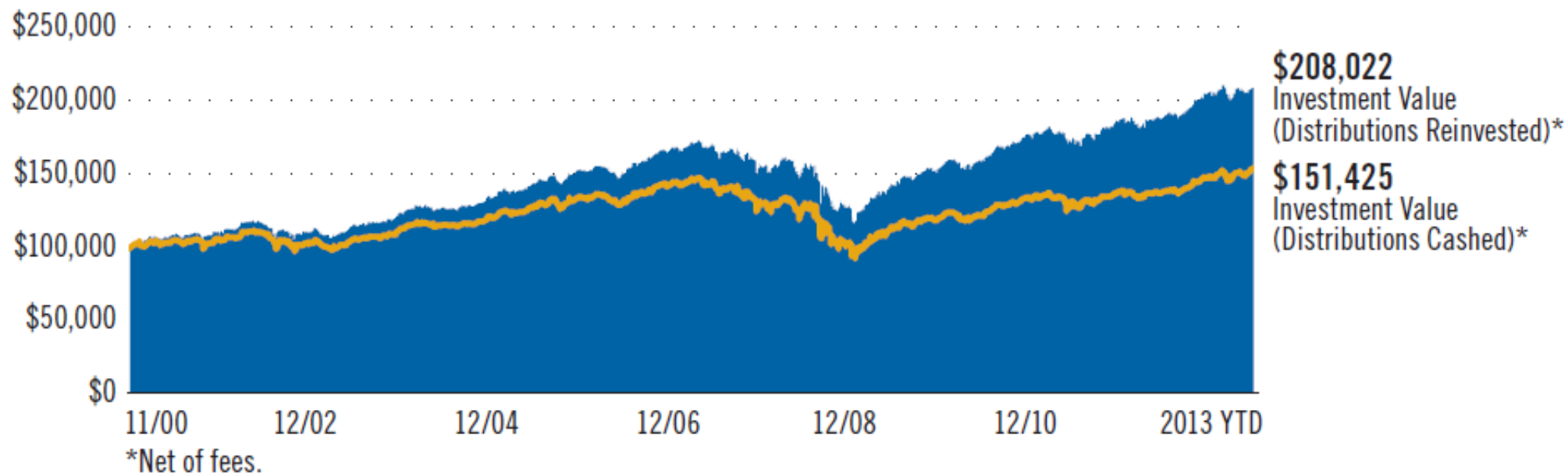


Franklin Bissett Dividend Income Fund:

Uninterrupted Dividend Distribution through various Market Cycles

GROWTH OF A \$100,000 INVESTMENT⁵

November 24, 2000–September 30, 2013

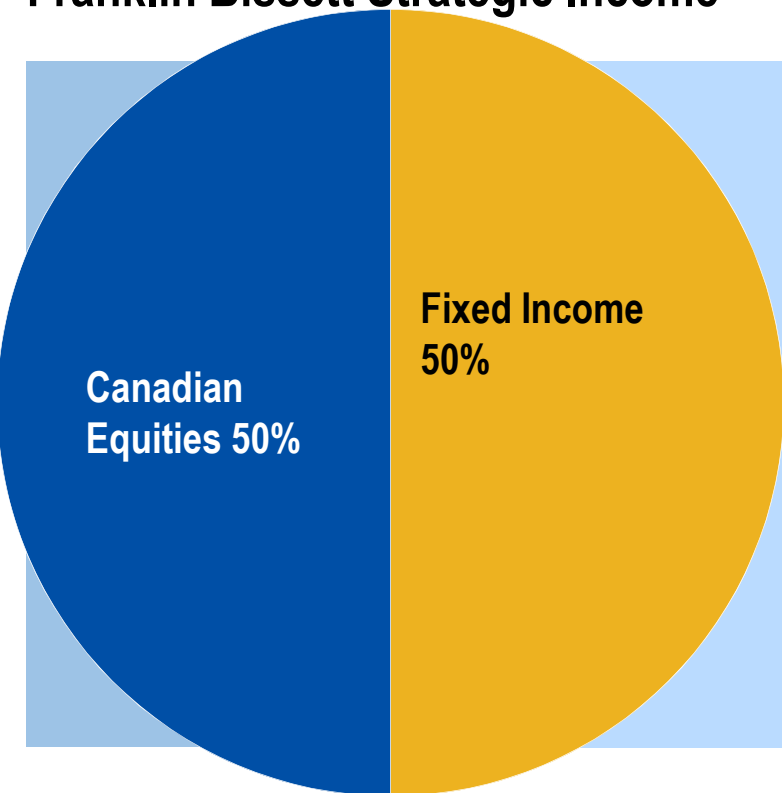


2. Source: Morningstar Research Inc., as of September 30, 2013. All rights reserved.



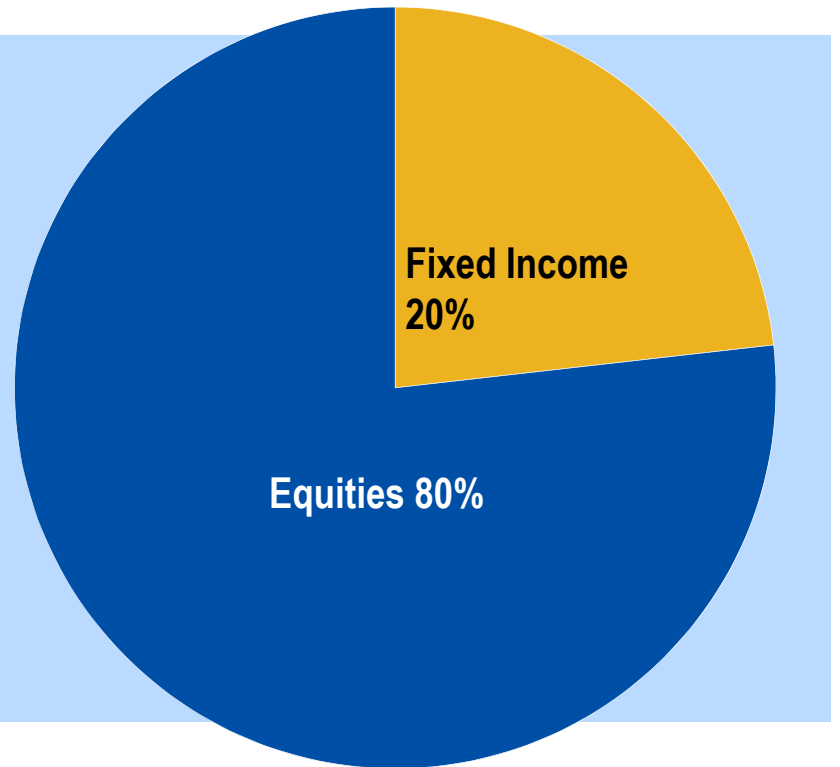
Franklin Bissett Mandates for your Clients Portfolios

Franklin Bissett Strategic Income



Yielding 5.58% *

Franklin Bissett Dividend Income



Yielding 4.3%*



*As of November 30, 2013

Important Disclosures

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Additional Information for Investment Platform Overview Slide:

Franklin Equity Group (formerly Franklin Global Advisers), 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 Real Asset Advisors originated in 1984 as the global real estate team of Fiduciary Trust Company International. Franklin Multi-Asset Strategies (FMAS) is a global team dedicated to global portfolio based solutions, which draws on the expertise of a number of Franklin Templeton affiliates. In Canada, the advisor to the Canadian FMAS mandates is Fiduciary Trust Company of Canada, which uses Templeton Investment Counsel, LLC as a sub-advisor. FMAS was formed in 2007 to combine the research and oversight of all multi-strategy investment solutions offered by FTI.

General:

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Series O investors do not pay any of the management fees within the Fund but instead pay a separate management and administration fee that they negotiate directly with Franklin Templeton Investments Corp. (FTIC). To qualify to purchase or hold Series O units an investor must meet minimum investment requirements as set out in the Fund's current prospectus and must enter into a Series O Agreement with FTIC.

Please read the prospectus before investing. Additional information about the Funds is available in the Funds' annual information form, management reports of fund performance and financial statements. You can get a free copy of any or all of these documents, from your dealer, by calling toll-free 1-800-387-0830 or by contacting us at service@franklintempleton.ca.

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