

Account Information Is Just a Click Away

franklintempleton.com

- Access account values and transaction history
- Purchase, sell and exchange shares
- View historical statements and tax documents
- Get fund prices and performance

Contact Us: For our Automated Telephone Service available anytime, call toll free: (800) 632-2301

QUESTIONS ABOUT YOUR ACCOUNT?

Please contact your financial advisor. The expertise of a financial advisor can prove invaluable in helping you define your needs. Your financial advisor can also recommend investments suitable to your unique financial objectives.

Important Information

Cost Basis: For accounts that are subject to cost basis reporting, Franklin Templeton offers Average Cost Method (ACM) or Specific Share Identification (SSI) for determining the basis of covered shares. If no method is selected by the time of the first sale or exchange of covered shares, the transaction will be processed using Franklin Templeton's default method of ACM, with First In, First Out (FIFO) as the lot relief order. If you would like to change the cost basis method to SSI from ACM, please contact Shareholder Services. Cost basis reporting is not required for certain types of accounts including retirement and 529 College Savings Plan accounts. For additional information on cost basis, please visit franklintempleton.com/costbasis.

Distributions: If a distribution has been made, the source of the distribution will be shown on this account statement. Determination of the actual source of the fund's distribution can only be made at the fund's fiscal year-end. The actual source amounts will be included in the fund's annual or semi-annual reports. The tax treatment of these distributions may differ from the accounting treatment used to calculate the source of the distributions. Your 1099-DIV tax form will provide the characterization of all distributions and should be used for income tax reporting purposes. Please consult your tax advisor regarding the appropriate treatment of fund distributions.

Securities Investor Protection Corporation (SIPC): Shareholders may obtain information about SIPC, including the SIPC brochure, at sipc.org or by calling (202) 371-8300.

It's important to keep your contact information current: We may be required to transfer your property to your last known state of residence if no activity/communication occurs on your account within the time period specified by applicable state law. Accordingly, please inform us of any changes to your contact information and respond to any communication from us regarding the status of your account.

Please review this account statement carefully and report any discrepancies to us immediately so we may correct them. If you delay in reporting an error, we may be unable to adjust your account.

Franklin Templeton Distributors, Inc.

Glossary

Additions: Include exchanges in, transfers in and new share purchases, and exclude shares purchased (reinvested) with dividends and capital gains. These are reported in the 'Reinvested Dividends and Capital Gains' column.

Capital Gain Distribution: Is paid out to mutual fund shareholders from net gains (gains minus losses) realized when portfolio securities are sold.

Change in Account Value: Displays any year-to-date change in the net asset value per share.

Cost Basis Method: Franklin Templeton offers two methods for calculating the cost basis of covered shares. 1) **Average Cost** – The average cost for all shares in an account at the time of the transaction. 2) **Specific Share Identification** – The adjusted basis of the specific shares selected for the transaction.

Covered Shares: Generally shares acquired on or after January 1, 2012.

Dividend: An income distribution to mutual fund shareholders that generally comes from the fund's net investment income.

Lot (tax lot): A grouping of shares in the same tax account that were purchased at the same time and at the same price.

Noncovered Shares: Generally shares acquired prior to January 1, 2012.

Relief Order: The order in which shares from an account will be sold or exchanged for cost basis purposes. The relief orders available are:

First In, First Out (FIFO): The first shares acquired are generally the first shares sold or exchanged. **Last In, First Out (LIFO):** The last shares acquired are generally the first shares sold or exchanged. **Highest In, First Out (HIFO):** Shares with the highest basis are the first shares sold or exchanged. **Lowest In, First Out (LOFO):** Shares with the lowest basis are the first shares sold or exchanged. **Specific Lot Identification (SLI):** When specific shares are selected to be sold or exchanged.

Standing Lot Relief Order (SLRO): When a shareholder provides instructions to Franklin Templeton to automatically apply a specific lot relief order to all future sales and exchanges.

Withdrawals: Include exchanges, transfers, and sales of shares.