



FRANKLIN TEMPLETON
INVESTMENTS

Form of Adherence Letter

July 20, 2009

International Swaps and Derivatives Association, Inc.

Send to: smalllbang@isda.org

Dear Sirs,

2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring CDS Protocol - Adherence

The purpose of this letter is to confirm our adherence to the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring CDS Protocol as published by the International Swaps and Derivatives Association, Inc. on July 14, 2009 (the **July 2009 Protocol**). This letter constitutes, as between each other July 2009 Adhering Party and us, an Adherence Letter as referred to in the July 2009 Protocol. The definitions and provisions contained in the July 2009 Protocol are incorporated into this Adherence Letter, which will supplement and form part of each Protocol Covered Transaction (now or in the future) entered into between us and each other July 2009 Adhering Party.

If we are not a March 2009 Adhering Party as of the date hereof, this letter also (i) confirms our adherence to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement CDS Protocol published by ISDA on March 12, 2009 (the **March 2009 Protocol**), and (ii) constitutes, as between each March 2009 Adhering Party that is not a July 2009 Adhering Party and us, an "Adherence Letter" for purposes of, and as defined in, the March 2009 Protocol. This letter will supplement and form part of each "Protocol Covered Transaction" (as that term is defined in the March 2009 Protocol) (now or in the future) entered into between us and each other March 2009 Adhering Party.

1. Specified Terms

As between each other July 2009 Adhering Party and us, the amendments in Schedule 1 of the July 2009 Protocol shall apply to Protocol Covered Transactions to which we are a party in accordance with the terms of the July 2009 Protocol.

As between each March 2009 Adhering Party that is not a July 2009 Adhering Party and us, the amendments in Schedule 1 of the March 2009 Protocol shall apply to "Protocol Covered Transactions" (as that term is defined in the March 2009 Protocol) to which we are a party in accordance with the terms of the March 2009 Protocol.

2. Appointment as Agent and Release

We hereby appoint ISDA as our agent for the limited purposes of the July 2009 Protocol and March 2009 Protocol, as applicable, and accordingly we waive any rights and hereby release ISDA from any claims, actions or causes of action whatsoever (whether in contract, tort or otherwise) arising out of or in any way relating to this Adherence Letter or our adherence to the July 2009 Protocol and March 2009 Protocol, as

applicable, or any actions contemplated as being required by ISDA.

3. DTCC Account Number

For purposes of electronic matching and counterparty recognition, our DTCC Account Number is as follows, but you understand and agree that our failure to provide any such details pursuant to this Adherence Letter will not affect the legal validity and binding nature of the July 2009 Protocol and March 2009 Protocol, as applicable, with respect to us:

DTCC Account Number: [See Exhibit A]

4. Contact Details

Our contact details for purposes of this Adherence Letter are:

Name: Ky Dong
Franklin Templeton Services
Address: 3310 Quality Dr.
Rancho Cordova, CA 95670
Telephone: 916-463-1405
Fax: 727-299-3444
E-mail: asts@frk.com

We consent to the publication of a conformed copy of this letter by ISDA and to the disclosure by ISDA of the contents of this letter.

Yours faithfully,

For the funds and accounts identified in Exhibit A, annexed hereto

By: Franklin Templeton Investment Funds

Name: William Lockwood
Title: Conducting Officer
Signature:

Exhibit A

Account Name	DTCC Account Number
Templeton Global Bond Fund, a sub-fund of Franklin Templeton Investment Funds	723L
Templeton US Dollar Liquid Reserve Fund, a sub-fund of Franklin Templeton Investment Funds	726L
Templeton Global Balanced Fund, a sub-fund of Franklin Templeton Investment Funds	722L
Templeton Emerging Markets Bond Fund, a sub-fund of Franklin Templeton Investment Funds	718L
Franklin Mutual Beacon Fund, a sub-fund of Franklin Templeton Investment Funds	
Templeton Euro Liquid Reserve Fund, a sub-fund of Franklin Templeton Investment Funds	719L
Franklin Mutual Global Discovery Fund, a sub-fund of Franklin Templeton Investment Funds	
Templeton Euroland Bond Fund, a sub-fund of Franklin Templeton Investment Funds	720L
Templeton Global Income Fund, a sub-fund of Franklin Templeton Investment Funds	725L
Templeton Asian Bond Fund, a sub-fund of Franklin Templeton Investment Funds	717L
Franklin High Yield Fund, a sub-fund of Franklin Templeton Investment Funds	684X
Franklin US Total Return Fund, a sub-fund of Franklin Templeton Investment Funds	681X
Franklin US Ultra Short Bond Fund, a sub-fund of Franklin Templeton Investment Funds	682X
Templeton European Total Return Fund, a sub-fund of Franklin Templeton Investment Funds	733L
Templeton Global Bond (Euro) Fund, a sub-fund of Franklin Templeton Investment Funds	724L
Templeton Global Total Return Fund, a sub-fund of Franklin Templeton Investment Funds	683X
Franklin Mutual European Fund, a sub-fund of Franklin Templeton Investment Funds	
Franklin Income Fund, a sub-fund of Franklin Templeton Investment Funds	0000462S
Franklin High Yield (Euro) Fund, a sub-fund of Franklin Templeton Investment Funds	688X
Franklin Strategic Income Fund, a sub-fund of Franklin Templeton Investment Funds	716L
Templeton Global High Yield Fund, a sub-fund of Franklin Templeton Investment Funds	0000463S
Franklin Templeton Global Fundamental Strategies Fund, a sub-fund of Franklin Templeton Investment Funds	0000467S
Franklin Templeton Global Equity Strategies Fund, a sub-fund of Franklin Templeton Investment Funds	0000478S
Franklin Mutual Euroland Fund, a sub-fund of Franklin Templeton Investment Funds	