



**FRANKLIN TEMPLETON  
INVESTMENTS**

**July 20, 2009**

**International Swaps and Derivatives Association, Inc.**

**Send to: [smallbang@isda.org](mailto:smallbang@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:

Name: David P. Goss
Title: Vice President
Signature:

## Exhibit A

Account Name	DTCC Account Number
Templeton Global Bond Fund, a series of Templeton Income Trust	730L
Templeton Global Income Fund	732L
Templeton Global Asset Allocation Fund, a series of Franklin Templeton Variable Insurance Products Trust	729L
Templeton Russia and East European Fund, Inc.	0000444S
Mutual Beacon Fund, a series of Franklin Mutual Series Funds	
Mutual Global Discovery Fund, a series of Franklin Mutual Series Funds	
Mutual European Fund, a series of Franklin Mutual Series Funds	
Mutual Quest Fund, a series of Franklin Mutual Series Funds	
Mutual Shares Fund, a series of Franklin Mutual Series Funds	
Templeton Emerging Markets Income Fund	0000445S
Mutual Financial Services Fund, a series of Franklin Mutual Series Funds	
Franklin Floating Rate Master Series, a series of Franklin Floating Rate Master Trust	
Franklin Strategic Mortgage Portfolio	710L
Franklin Strategic Income Fund, a series of Franklin Strategic Series	709L
Franklin Templeton Hard Currency Fund, a series of Franklin Templeton Global Trust	712L
Templeton Income Fund, a series of Templeton Global Investment Trust	735L
Franklin High Income Fund, a series of Franklin High Income Trust	0000448S
Franklin Mutual Recovery Fund	707L
Franklin Total Return Fund, a series of Franklin Investors Securities Trust	676X
Franklin Templeton Limited Duration Income Trust	713L
Franklin Floating Rate Daily Access Fund, a series of Franklin Investors Securities Trust	705L
Franklin Templeton Emerging Market Debt Opportunities Fund, a series of Franklin Global Trust	0000456S
Franklin Balanced Fund, a series of Franklin Investors Securities Trust	704L
Franklin High Income Securities Fund, a series of Franklin Templeton Variable Insurance Products Trust	0000459S
Templeton Global Bond Securities Fund, a series of Franklin Templeton Variable Insurance Products Trust	731L
Franklin Income Securities Fund, a series of Franklin Templeton Variable Insurance Products Trust	0000460S
Mutual Global Discovery Securities Fund, a series of Franklin Templeton Variable Insurance Products Trust	
Mutual Shares Securities Fund, a series of Franklin Templeton Variable Insurance Products Trust	
Franklin Strategic Income Securities Fund, a series of Franklin Templeton Variable Insurance Products Trust	675X
Franklin Real Return Fund, a series of Franklin Investors Securities Trust	708L
Franklin Low Duration Total Return Fund, a series of Franklin Investors Securities Trust	677X
Templeton International Bond Fund, a series of Templeton Income Trust	0000472S
Templeton Global Total Return Fund, a series of Templeton Income Trust	0000482S
Mutual International Fund, a series of Franklin Mutual Series Funds	