



FRANKLIN TEMPLETON
INVESTMENTS

**LPL Financial Research
Model Wealth Portfolios**

**FRANKLIN TEMPLETON TAX AWARE
FRANKLIN TEMPLETON INCOME**

 **LPL Financial**

LPL FINANCIAL RESEARCH MODEL WEALTH PORTFOLIOS

The **Franklin Templeton Tax Aware Portfolio** and **Franklin Templeton Income Portfolio** available in LPL Financial Research Model Wealth Portfolios (MWP*) are managed by LPL Research using Franklin Templeton funds for the core allocation and including other fund managers to complete each model portfolio. LPL Research believes that leveraging Franklin Templeton funds for the predominant allocation provides a solid foundation for these portfolios.



Work with your LPL Financial Advisor to choose the LPL MWP Franklin Templeton Portfolio that is tailored to your specific goals, individual situation and risk tolerance.

*Model Wealth Portfolios (MWP) are centrally-managed fee-based portfolios constructed by LPL Financial Research. Investment choices include mutual funds and exchange-traded products. The portfolios benefit from ongoing monitoring, rebalancing, and tax management services implemented by the LPL Financial Overlay Portfolio Management Group.

Not FDIC Insured | May Lose Value | No Bank Guarantee

FRANKLIN TEMPLETON INVESTMENTS

FRANKLIN
TEMPLETON
MUTUAL FUNDS

Since 1947, Franklin Templeton Investments has been dedicated to delivering strong risk-adjusted returns for institutional, retail, and high-net worth clients. By bringing together multiple, world-class investment teams in a single firm, they offer specialized expertise across a full range of asset classes, supported by the strength and resources of one of the world's largest asset managers.



FOCUS ON INVESTMENT EXCELLENCE

Franklin Templeton's independent teams with distinct investment styles and philosophies are backed by exceptional research—and supported by a global platform that includes active risk management and rigorous compliance.

- **A Fixed Income Leader** Franklin Templeton Investments manages over \$280 billion in fixed income assets, offering funds and expertise covering the entire fixed income spectrum—including tax-free income.¹ Today, the firm is one of the largest municipal bond fund managers in the nation with more than \$71 billion in municipal bond fund assets under management.¹
- **Equity Expertise** Franklin Templeton's capabilities in equity investing date back to the origins of the firm in the 1940s. Today, the firm has equity offerings across the board. Franklin Templeton's approach across the variety of equity products they manage is complemented by ongoing assessment of risk at both the security and portfolio levels.
- **Alternative Strategies** Franklin Templeton offers broad alternative investment capabilities through a multi-boutique structure. This structure supports the integrity and specialization of each team's investment process while creating a community for sharing perspectives and practices.



GLOBAL PERSPECTIVE SHAPED BY LOCAL EXPERTISE

With more than 650 investment professionals in 27 countries around the world, Franklin Templeton is uniquely positioned to look beyond the largest or most visible securities in each market to spot smart global investments that meet a rigorous investment criteria.¹ Having firsthand understanding of local culture, companies and economies sets the firm apart as a truly global partner.



PRUDENT RISK MANAGEMENT

Franklin Templeton has a dedicated Risk Management Group of over 100 investment professionals located in 20 offices around the globe.¹ They strive to ensure that all portfolio risks are fully recognized and understood across the organization.

1. As of June 30, 2017.

LPL RESEARCH



The LPL MWP Franklin Templeton Tax Aware and Franklin Templeton Income Portfolios are tactically managed by LPL Research and tailored based on each model's unique investment goal. LPL Research currently manages over \$20 billion in client assets and provides independent and objective investment research to help you work toward your investment goals. The team of over 50 investment professionals is focused on economic analysis, asset allocation, portfolio construction, and manager due diligence, which ensures every decision and model adjustment is carefully researched and considered.



Franklin Templeton Tax Aware Portfolio

Fund allocation as of 6/30/2017

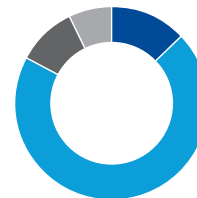
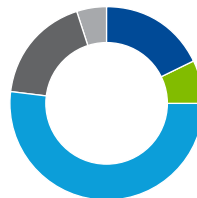
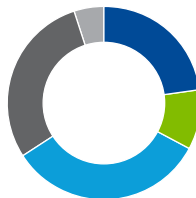
Growth with Income

Income with Moderate Growth

Income with Capital Preservation

Tactical Asset Allocations

- Franklin Templeton Equity Fund Allocation
- Franklin Templeton Balanced Fund Allocation
- Franklin Templeton Fixed Income Fund Allocation
- Other Fund Managers
- Cash



| | Growth with Income | Income with Moderate Growth | Income with Capital Preservation |
|---|--------------------|-----------------------------|----------------------------------|
| Franklin Templeton Equity Fund Allocation | 23% | 18% | 13% |
| Franklin Growth Fund (FCGAX) | 11% | 8% | 5% |
| Franklin Mutual Global Discovery Fund (MDISX) | 5% | 4% | 3% |
| Franklin Rising Dividends Fund (FRDAX) | 7% | 6% | 5% |
| Franklin Templeton Balanced Fund Allocation | 10% | 7% | 0% |
| Franklin Income Fund (FRIAX) | 10% | 7% | 0% |
| Franklin Templeton Fixed Income Fund Allocation | 33% | 52% | 70% |
| Franklin Federal Intermediate-Term Tax-Free Income Fund (FITZX) | 8% | 15% | 19% |
| Franklin Federal Limited Term Tax-Free Income Fund (FTFZX) | 5% | 6% | 8% |
| Franklin Federal Tax-Free Income Fund (FAFTX) | 11% | 17% | 19% |
| Franklin Floating Rate Daily Access Fund (FDAAX) | 0% | 6% | 11% |
| Franklin High Yield Tax-Free Income Fund (FHYVX) | 5% | 4% | 9% |
| Templeton Global Bond Fund (TGBAX) | 4% | 4% | 4% |
| Total Franklin Templeton Fund Allocation | 66% | 77% | 83% |
| Other Fund Managers' Allocation | 29% | 18% | 10% |
| Cash | 5% | 5% | 7% |

Holdings are subject to change.

The cash portion of the portfolios is made up of money market instruments.

The account minimum and model minimum for Franklin Templeton Portfolios is \$25,000.

What are the roles of LPL Research and Franklin Templeton?

- LPL Research is responsible for all aspects of fund selection, asset allocation and ongoing portfolio management.
- Franklin Templeton provides a set of actively-managed mutual funds that LPL Research uses to form the core of the portfolios.

LPL MWP Franklin Templeton Portfolios combine the strength of Franklin Templeton funds with the tactical portfolio allocation experience of LPL Research.

Franklin Templeton Income Portfolio

Fund allocation as of 6/30/2017

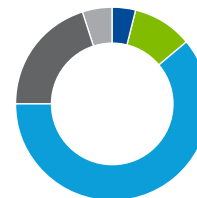
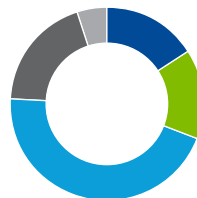
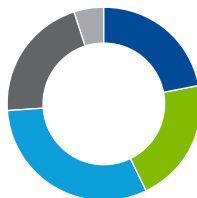
Growth with Income

Income with Moderate Growth

Income with Capital Preservation

Tactical Asset Allocations

- Franklin Templeton Equity Fund Allocation
- Franklin Templeton Balanced Fund Allocation
- Franklin Templeton Fixed Income Fund Allocation
- Other Fund Managers
- Cash



| | Growth with Income | Income with Moderate Growth | Income with Capital Preservation |
|--|--------------------|-----------------------------|----------------------------------|
| Franklin Templeton Equity Fund Allocation | 22% | 16% | 4% |
| Franklin Mutual Beacon Fund (BEGRX) | 10% | 6% | 4% |
| Franklin Global Real Estate Fund (FVGRX) | 5% | 4% | 0% |
| Franklin Rising Dividends Fund (FRDAX) | 7% | 6% | 0% |
| Franklin Templeton Balanced Fund Allocation | 21% | 15% | 10% |
| Franklin Income Fund (FRIAX) | 11% | 8% | 4% |
| Franklin Mutual Quest Fund (MQIFX) | 10% | 7% | 6% |
| Franklin Templeton Fixed Income Fund Allocation | 31% | 45% | 61% |
| Franklin High Income Fund (FVHIX) | 6% | 8% | 12% |
| Franklin Floating Rate Daily Access Fund (FDAAX) | 3% | 6% | 10% |
| Franklin Total Return Fund (FBDAX) | 7% | 10% | 14% |
| Franklin U.S. Government Securities Fund (FUSAX) | 11% | 17% | 21% |
| Templeton Global Bond Fund (TGBAX) | 4% | 4% | 4% |
| Total Franklin Templeton Fund Allocation | 74% | 76% | 75% |
| Other Fund Managers' Allocation | 21% | 19% | 20% |
| Cash | 5% | 5% | 5% |

IMPORTANT DISCLOSURES

This communication is general in nature and intended for educational purposes only; it should not be considered tax, legal or investment advice, or an investment recommendation. Consult your financial advisor for personalized advice that is tailored to your specific goals, individual situation, and risk tolerance.

A FEW WORDS ABOUT RISK

While an asset allocation plan can be a valuable tool to help reduce overall volatility, all investments involve risks, including possible loss of principal. Because these portfolios include funds, which may engage in a variety of investment strategies involving certain risks, the portfolios are subject to those same risks.

Because of their narrow focus, specialty sector investing, such as healthcare, financials, or energy, will be subject to greater volatility than investing more broadly across many sectors and companies. Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price. High-yield, lower-rated bonds generally have greater price swings and higher default risks. Investing in higher-yielding, lower-rated, floating-rate loans and debt securities involves greater risk of default, which could result in loss of principal—a risk that may be heightened in a slowing economy. Interest earned on floating-rate loans varies with changes in prevailing interest rates. Therefore, while floating-rate loans offer higher interest income when interest rates rise, they will also generate less income when interest rates decline. For investors subject to the alternative minimum tax, a small portion of tax-free income fund dividends may be taxable. Distributions of capital gains are generally taxable. Investments in specialized industry sectors have additional risks, which are outlined in the prospectus. Stock investing involves risk including loss of principal. There is no assurance that the techniques and strategies discussed are suitable for all investors or will yield positive outcomes. The purchase of certain securities may be required to effect some of the strategies. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not ensure against market risk. Investing in foreign and emerging markets debt securities involves special additional risks. These risks include, but are not limited to, currency risk, geopolitical and regulatory risk, and risk associated with varying settlement standards. Alternative investments may not be suitable for all investors and involve special risks such as leveraging the investment, potential adverse market forces, regulatory changes and potentially illiquidity. The strategies employed in the management of alternative investments may accelerate the velocity of potential losses.

Please consult a fund's prospectus for a complete discussion of fund risks.

Investors should carefully consider a fund's investment goals, risks, charges, and expenses before investing. The prospectus and, if applicable, the summary prospectus, contain this and other important information about the investment company. You can obtain a prospectus from your LPL Financial Advisor. Please carefully read a prospectus before you invest or send money.

The attached has been given an 'Approved As Is' status by LPL Marketing Regulatory Review. For advisors who want to use and/or customize preapproved materials, they must first review the Communications with the Public chapter of the LPL Advisor Compliance Manual. Specifically the sections on Commonly Used Disclosures and Pre-Approved Communications. There, they will find instructions on how to use the correct Broker-Dealer disclosure, use preapproved materials, and how to meet their Books and Records requirements.



Franklin Templeton Distributors, Inc.
One Franklin Parkway
San Mateo, CA 94403-1906
(800) DIAL BEN® / 342-5236
franklintempleton.com



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