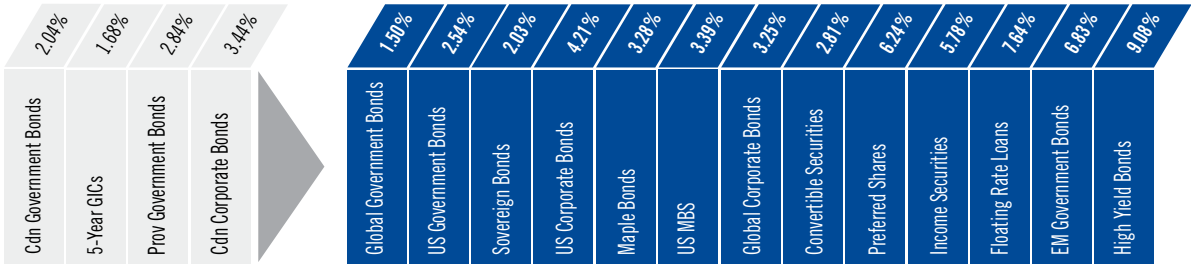




IS YOUR INCOME PORTFOLIO SUFFICIENTLY DIVERSIFIED?

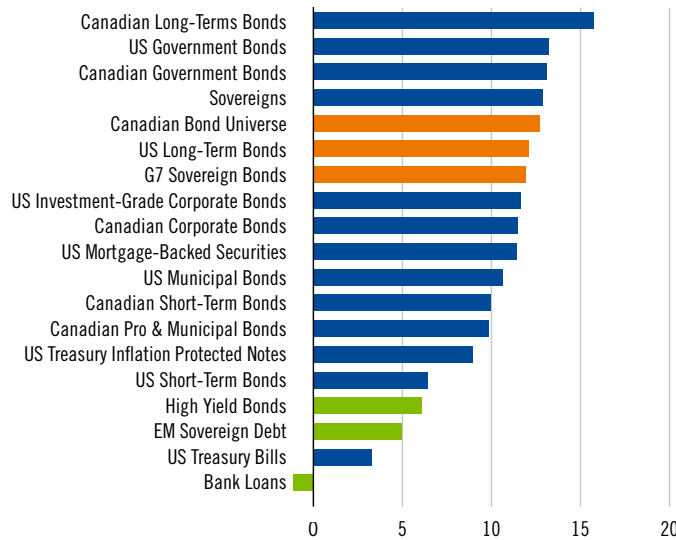
LIMITING YOUR INCOME INVESTMENTS TO DOMESTIC GICS AND BONDS CAN ALSO LIMIT INCOME OPPORTUNITIES



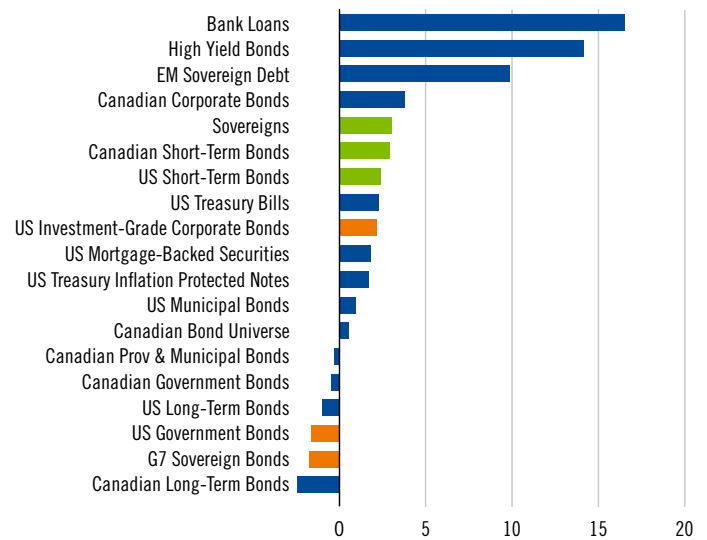
Sources: Morningstar Research Inc., Barclays Capital, Credit Suisse, BoAML, JP Morgan, PC Bond Research, Citi Group, as of December 31, 2018. Based on the current yield of the underlying index.

IN AN UNCERTAIN RATE ENVIRONMENT, FIXED INCOME PORTFOLIOS NEED DIVERSITY AND ACTIVE MANAGEMENT

Average return (%) during periods of falling interest rates



Average return (%) during periods of rising interest rates

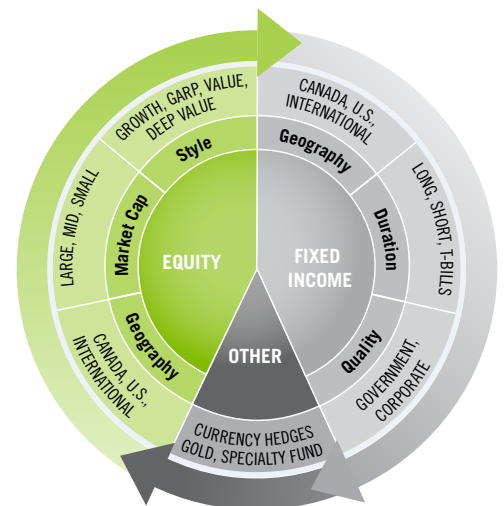


Source: Morningstar Research Inc., Bloomberg. All returns are based on indices' base currency. Periods of rising/falling interest rates are defined as calendar years when rates on the 10-year US Treasury rose/fell more than 100 basis points for the period from January 1986 to December 2018. Average returns for each asset class only include the years where data is available. See reverse for index definitions.

The Franklin Quotential® Diversified Income Portfolio Difference

MULTI-LEVEL DIVERSIFICATION, ONE INVESTMENT SOLUTION

Franklin Quotential Portfolios draw from over 80 unique strategies. The Portfolios are structured for broad exposure to each asset class and can include Canadian mutual funds, sub-advised funds, Luxembourg-based SICAVs* and ETFs for targeted allocation exposure. The result is true diversification with minimal investment duplication.

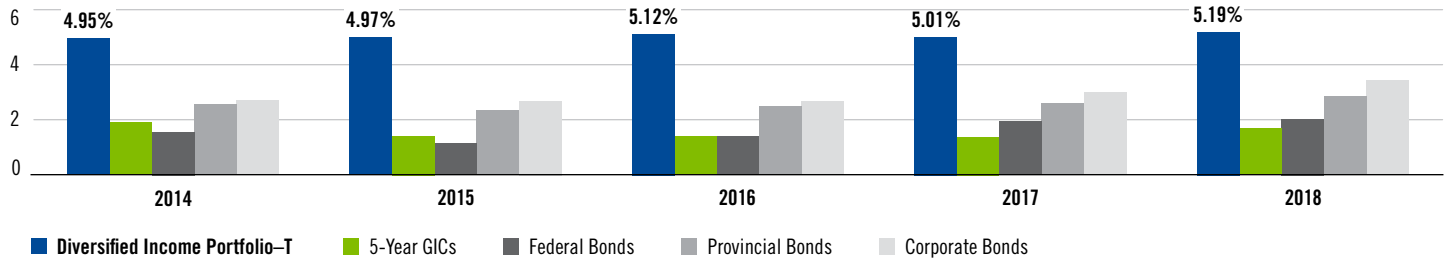


*Franklin Templeton Investment Funds (FTIF) are Luxembourg SICAVs and are not available for direct purchase in Canada. Société d'Investissement à Capital Variable (SICAV) is an open-end investment company governed by the laws of Luxembourg.

Get the Benefits of Franklin Quotential Diversified Income Portfolio-T

BETTER CASH FLOW THAN GICS AND BONDS¹

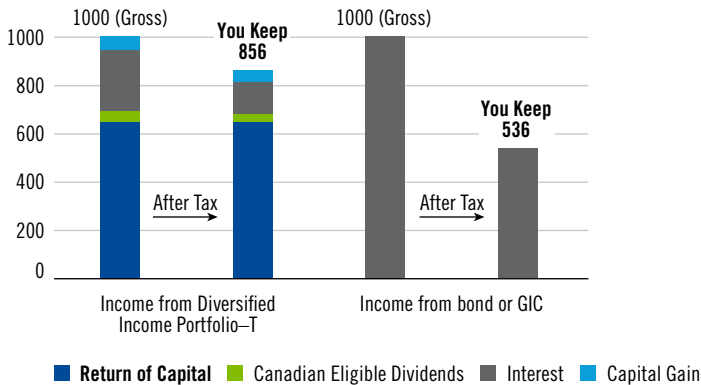
Distribution Rate/Yield (%)



Sources: Franklin Templeton Investments, PC Bond Research, Morningstar Research, as of December 31, 2017. Annual distribution rate of Franklin Quotential Diversified Income Portfolio-T; Morningstar 5-year GIC average (5-year GICs); FTSE Canada Federal Bond Index (federal bonds); FTSE Canada Provincial Bond Index (provincial bonds); FTSE Canada Corporate Bond Index (corporate bonds).

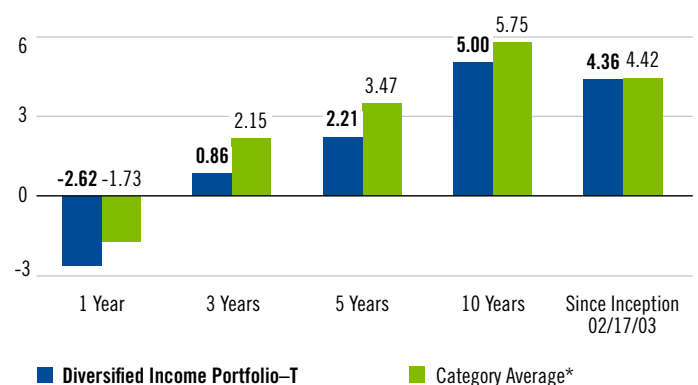
60% MORE, THANKS TO TAX-EFFICIENT DISTRIBUTIONS²

Payout (\$)



SOLID PERFORMANCE

Annual Compounded Returns (%)



Source: Morningstar Research Inc., as of December 31, 2018.

*Morningstar Canada Global Fixed Income Balanced

Call your investment advisor or visit www.franklintempleton.ca/diversifiedincome

Index definitions: emerging markets sovereign debt, BrCp Emerging Market TR US\$; US municipal bonds, BrCp Municipal TR US\$; US corp. bonds, BrCp US Credit TR US\$; US government bonds, BrCp US gov. bonds TR US\$; US mortgage-backed securities, BrCp US Mortgage-Backed TR US\$; US treasury inflation protected securities (TIPS), BrCp US Treasury US TIPS TR US\$; sovereign bonds, Citi World Gov.t Bond Index US\$; high yield bonds, CS High Yield US\$; bank loans, CS Leveraged Loan US\$; Cdn bonds, FTSE Canada Universe Bond Index; US treasury bills, BrCp US Treasury Bills TR US\$; G7 sovereign bonds, BrCp Global G7 TR US\$; Cdn corp. bonds, FTSE Canada Corporate Bond Index; Cdn prov. & muni.l bonds, BoA Merrill Lynch Cdn Prov. & Muni. Bond Index; Cdn income equities, S&P/TSX Equity Income TRI; US preferred shares BoAML US Preferred Stock Fixed Rate Index.

Franklin Templeton Investments Canada is a business name used by Franklin Templeton Investments Corp.

1. Cashflows include 12-month trailing distribution rate of Franklin Quotential Diversified Income Portfolio-T (FQDIP-T); yields of Morningstar 5-year GIC avg. FTSE Canada Federal Bond Index and FTSE Canada Corporate Bond Index. FQDIP-T pays monthly distributions that include tax-deferred return of capital (ROC) which can be customized up to a maximum target rate of 5%; the remainder will be reinvested in additional Series T units of the Portfolio. Maximum rate of distribution may change at the discretion of Franklin Templeton Investments Corp. Any year-end distributions consisting of income and capital gains must be reinvested and are taxable in the year they are received. On June 23, 2008, FQDIP Series A was converted to series T with a monthly return of capital distribution. The 2008 distribution consists of income received by investors from January 2008-June 2008 and ROC thereafter. The payment of income distributions is not guaranteed and may fluctuate. Income distributions and ROC payments are not an indication of performance, rate of return, or yield. If distributions paid by a fund are greater than the return of the fund, the value of the investor's investment will decrease. An investor's adjusted cost base (ACB) will be reduced by the amount of the ROC payments. If the investment's ACB goes below zero, the investor will have to pay capital gains tax on any further ROC distributions. Unrealized capital gain is calculated as (Market Value - ACB). Negative ACB on the Series T investment is recognized as a capital gain in the year it is received.

2. Calculations based on FQDIP-T distributions paid over 2018 calendar year. Assume marginal tax rate of 46.41% (Ontario in 2018) and effective rate of 29.52% for Cdn eligible dividends. The indicated rates of return are historical annual compounded total returns including changes in share/unit value and reinvestment of all dividends/distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or fund facts document before investing. The indicated rates of return are historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Important data provider notices and terms available at www.franklintempletondatasources.com. Franklin Quotential® is a registered trademark owned by Franklin Templeton Investments Canada.



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