

ASSET ALLOCATION

FRANKLIN TEMPLETON ALLOCATION FUNDS

A TARGETED
APPROACH
TO ASSET
ALLOCATION



Franklin Templeton Investments

Gain From Our Perspective®

Franklin Templeton's distinct multi-manager structure combines the specialized expertise of three world-class investment management groups—Franklin, Templeton and Mutual Series.



SPECIALIZED EXPERTISE

Each of our portfolio management groups operates autonomously, relying on its own research and staying true to the unique investment disciplines that underlie its success.

Franklin. Founded in 1947, Franklin is a recognized leader in fixed income investing and also brings expertise in growth- and value-style U.S. equity investing.

Templeton. Founded in 1940, Templeton pioneered international investing and, in 1954, launched what has become the industry's oldest global fund. Today, with offices in over 25 countries, Templeton offers investors a truly global perspective.

Mutual Series. Founded in 1949, Mutual Series is dedicated to a unique style of value investing, searching aggressively for opportunity among what it believes are undervalued stocks, as well as arbitrage situations and distressed securities.

TRUE DIVERSIFICATION

Because our management groups work independently and adhere to different investment approaches, Franklin, Templeton and Mutual Series funds typically have distinct portfolios. That's why our funds can be used to build truly diversified allocation plans covering every major asset class.

RELIABILITY YOU CAN TRUST

At Franklin Templeton Investments, we seek to provide investors with strong risk-adjusted returns over the long term, as well as the reliable, accurate and personal service that has helped us become one of the most trusted names in financial services.

The Strategy

FRANKLIN TEMPLETON ALLOCATION FUNDS SEEK TO PROVIDE THE HIGHEST LEVEL OF LONG-TERM TOTAL RETURNS consistent with their respective levels of risk. Designed for investors looking for a managed solution that fits their risk preference, the funds offer three investments managed to distinct risk profiles. Managed by the Franklin Templeton Solutions (FT Solutions) team, the funds can help diversify your portfolio in a single investment, providing you a simple way to help achieve your long-term investment goals.

> BALANCING STRATEGIC ALLOCATIONS AND ACTIVE DIVERSIFICATION

This approach seeks to establish strategic allocations complemented by measured tactical adjustments to take advantage of forward-looking economic and market opportunities identified by the FT Solutions team's process. This process leverages both the global resources of Franklin Templeton and external research to help the team develop timely investment ideas across markets and asset classes.

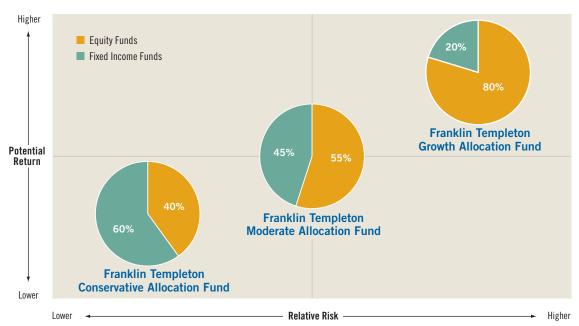
> PROPRIETARY FUND ANALYTICS

Our fund research team is comprised of dedicated asset class analysts who perform intensive quantitative and qualitative analysis to develop a select list of Franklin Templeton funds for consideration by the portfolio manager. The funds seek to combine strategies with persistent, historically strong performance into complementary groupings, as well as tilt the portfolio through fund selection to take advantage of short- to intermediate-term opportunities.

> FOCUSED ON LONG-TERM, RISK-ADJUSTED PERFORMANCE

The funds' approach offers the potential for competitive relative returns with lower overall volatility in a variety of market conditions. This is sought through a portfolio construction process which seeks to leverage inputs on potential opportunities while weighing risks.

General Target Allocations



Each fund's risk/reward potential is based on the fund's goal and level of risk, and is not indicative of the fund's actual or implied performance or portfolio composition, which may change on a continuous basis. Percentages are representative of target allocations to general asset classes in the portfolio. They reflect the guidelines used by the funds' manager to allocate assets among broad asset classes. The actual allocation ranges may be changed from time to time by the funds' manager without shareholder approval.

The Benefits

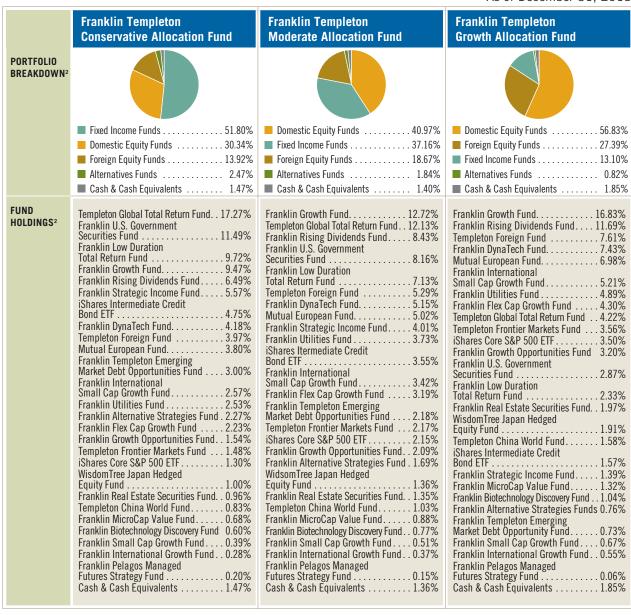
1 ASSET ALLOCATION EXPERTISE

Franklin Templeton Solutions has been managing money for investors for nearly 20 years.¹ Combined with the global expertise of the Franklin Templeton complex, the team's process is designed to provide a powerful source of timely investment themes and trends.

DIVERSIFICATION

The Allocation Funds' access to a broad range of underlying Franklin Templeton funds can provide diversification across style, sector and region. Investors should be aware that diversification does not guarantee a profit or protect against a loss.

As of December 31, 2013

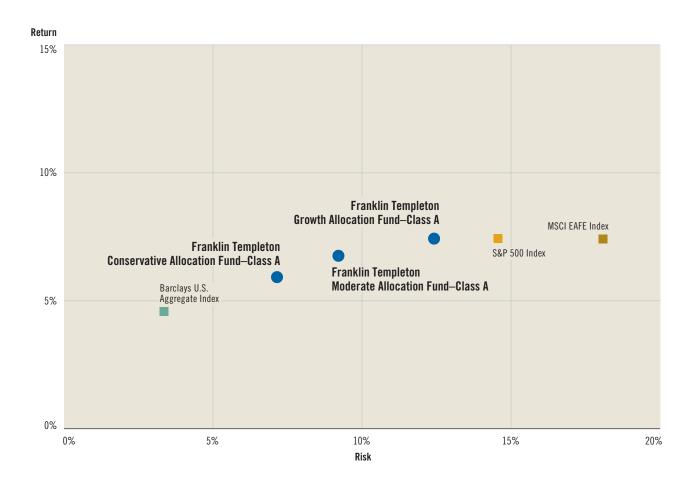


^{1.} Franklin Templeton Solutions (FT Solutions) is a global investment management group dedicated to multi-strategy solutions and is comprised of individuals representing various registered investment advisory entity subsidiaries of Franklin Resources, Inc., a global investment organization operating as Franklin Templeton Investments (FTI). Certain individuals advise FT Solutions mandates through K2 Advisors LLC ("K2"), an FTI adviser that forms part of an investment group founded in 1994 through existing advisory entities or their predecessors. FT Solutions originated in 2007 to combine the research and the oversight of the multi-strategy investment solutions offered by FTI.

RELATIVELY LOWER VOLATILITY HISTORICALLY

The funds' focus on diversifying across multiple asset classes and sectors has allowed them to provide competitive returns with generally lower volatility compared to certain key equity benchmarks for the ten-year period ended December 31, 2013.

Risk vs. Return Comparison³ (Without 5.75% Sales Charge) 10-Year Period Ended December 31, 2013



If the sales charges had been included, the returns would have been lower.

Performance data represents past performance, which does not guarantee future results. Current performance may differ from figures shown. The funds' investment returns and principal values will change with market conditions, and you may have a gain or a loss when you sell your shares. Please call Franklin Templeton Investments at (800) DIAL BEN/342-5236 or visit **franklintempleton.com** for the most recent month-end performance.

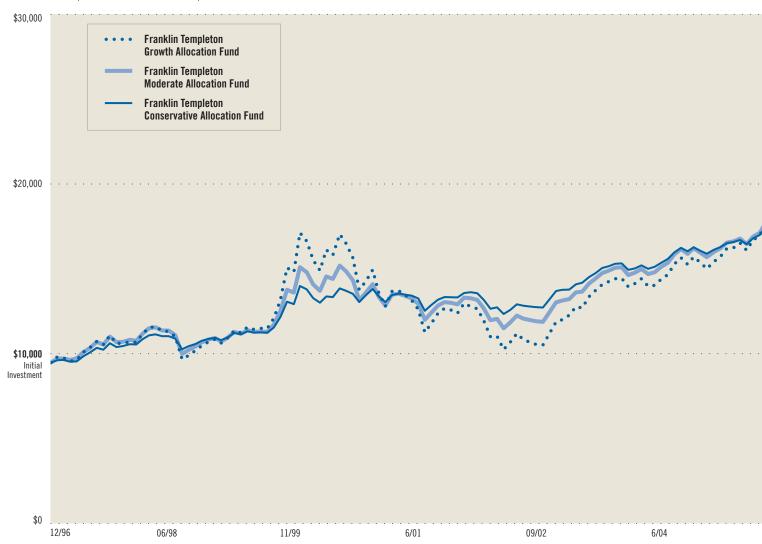
^{2.} As of 12/31/13. Holdings are subject to change. For updated information, call Franklin Templeton Investments at (800) DIAL BEN/342-5236 or visit **franklintempleton.com**. The portfolio manager for the fund reserves the right to withhold release of information with respect to holdings that would otherwise be included in the holdings list. Due to rounding, the sum of portfolio holdings may not equal 100%. The asset class of each underlying fund is based on its predominant investments under normal market conditions. Alternatives Funds refers to the fund's investments in underlying Franklin commodities and managed futures funds.

^{3.} Source: © 2014 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Past performance is no guarantee of future results.** Fund returns represent average annual total returns, do not include sales charges and assume reinvestment of dividends and capital gains. S&P 500 Index represents U.S. stocks; MSCI EAFE Index represents foreign stocks; Barclays U.S. Aggregate Index represents bonds. Index data represents average annual total returns and includes reinvestment of dividends. Indexes are unmanaged, and one cannot invest directly in an index. Risk is measured by the annualized standard deviation of monthly total returns.

The Results

GROWTH OF A \$10,000 INVESTMENT⁴–**CLASS A** (With 5.75% Maximum Sales Charge)

December 31, 1996-December 31, 2013



Calendar Year Returns-Class A

Without 5.75% Sales Charge^{4,5}

	'04	'05	'06	'07	'08	'09	'10	'11	'12	'13
Franklin Templeton Conservative Allocation Fund	7.98%	4.70%	9.92%	8.29%	-15.41%	19.67%	10.00%	-0.71%	7.99%	10.39%
Franklin Templeton Moderate Allocation Fund	9.64%	5.94%	11.57%	9.40%	-21.22%	24.68%	11.97%	-1.49%	9.34%	14.35%
Franklin Templeton Growth Allocation Fund	11.28%	8.47%	13.90%	10.58%	-30.75%	31.08%	14.31%	-3.15%	10.52%	20.98%
S&P 500 Index	10.88%	4.91%	15.79%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%
MSCI EAFE Index	20.70%	14.02%	26.86%	11.63%	-43.06%	32.46%	8.21%	-11.73%	17.90%	23.29%
Barclays U.S. Aggregate Index	4.34%	2.43%	4.33%	6.97%	5.24%	5.93%	6.54%	7.84%	4.21%	-2.02%

As of January 1, 2013, the funds changed their target allocations, with short-term investments (formerly targeted allocations of 20% (Conservative), 10% (Moderate) and 5% (Growth), respectively) combined into the fixed income allocations; such a change can impact performance. The funds' investment goals remained the same.

4. The funds offer other share classes, subject to different fees and expenses that will affect their performance. Past performance is no guarantee of future results.



Growth Allocation Fund \$28,674 Moderate Allocation Fund \$28,276 Conservative Allocation Fund \$26,621

Average Annual Total Returns-Class A (Periods Ended December 31, 2013)

With 5.75% Maximum Sales Charges⁴

Without Sales Charges

Total Annual Operating Expenses—Class A

	1-Yr.	5-Yr.	Si 10-Yr.	nce Inception (12/31/96)	1-Yr.	5-Yr.		ince Inception (12/31/96)		Without Waiver ⁶
Franklin Templeton Conservative Allocation Fund				5.93%	10.39%		5.90%	6.30%	1.14%	1.15%
Franklin Templeton Moderate Allocation Fund	7.78%	10.14%	6.11%	6.31%	14.35%	11.45%	6.74%	6.68%	1.20%	1.22%
Franklin Templeton Growth Allocation Fund	14.06%	12.83%	6.77%	6.39%	20.98%	14.18%	7.41%	6.76%	1.25%	1.32%

^{5.} Source: © 2014 Morningstar. Index data includes reinvestment of dividends. Indexes are unmanaged, and one cannot invest directly in an index.

^{6.} The fund has an expense reduction contractually guaranteed through at least April 30, 2014. The fund may also have a fee waiver associated with any investments it makes in a Franklin Templeton money fund, an arrangement that is contractually guaranteed through at least its current fiscal year end. Fund investment results reflect the expense reduction and fee waiver, as applicable; without these reductions, the results would have been lower.

A FEW MORE WORDS ABOUT ASSET ALLOCATION While an asset allocation plan can be a valuable tool to help reduce volatility, all investments involve risk, including possible loss of principal. Asset allocation does not guarantee a profit or protect against a loss. Typically, the more aggressive the investment, or the greater the potential return, the more risk involved. Generally, investors should be comfortable with some fluctuation in the value of their investments, especially over the short term. Stock prices fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. Bonds are affected by changes in interest rates and the creditworthiness of their issuers. Bond prices generally move in the opposite direction of interest rates. Thus, as the prices of bonds in a fund adjust to a rise in interest rates, that fund's share price may decline. Foreign investing, especially in developing countries, carries additional risks related to currencies and market volatility, and political or social instability. Because the Franklin Templeton Allocation Funds invest in underlying funds, which may engage in a variety of investment strategies involving certain risks, they are subject to these same risks. These risks are described in the fund's prospectus. Investors should consult their financial advisor for help selecting the appropriate fund of funds, or fund combination, based on an evaluation of their investment objectives and risk tolerance.

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Franklin Templeton Investments

Your Source For:

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Franklin Templeton Allocation Fund Symbols:

Conservative Allocation Fund

Class A: FTCIX Class R: FTCRX
Class C: FTCCX Advisor: FTCZX

Moderate Allocation Fund

Class A: FMTIX Class R: FTMRX
Class C: FTMTX Advisor: FMTZX

Growth Allocation Fund

Class A: FGTIX Class R: FGTRX
Class C: FTGTX Advisor: FGTZX

This brochure must be preceded or accompanied by a current Franklin Templeton Allocation Funds summary prospectus and/or prospectus. Please read a prospectus carefully before you invest or send money. Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing.