UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(MARK ONE)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended September 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 001-09318

FRANKLIN TEMPLETON, INC.

(Exact name of registrant as specified in its charter)

Delaware	**13-2670991**
(State or other jurisdiction of incorporation or organization)	***(I.R.S. Employer Identification No.)***

One Franklin Parkway, San Mateo, CA 94403
(Address of principal executive offices) (Zip code)

(650) 312-2000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading symbol(s)**	**Name of each exchange on which registered**
Common Stock, par value $0.10 per share	BEN	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes ☐ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-accelerated Filer	☐	Smaller Reporting Company	☐
		Emerging Growth Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b) ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☒ No

The aggregate market value of the voting common equity ("common stock") held by non-affiliates of the registrant, as of March 31, 2026 (the last business day of registrant's second quarter of fiscal year 2026), was $7.1 billion based upon the last sale price reported for such date on the New York Stock Exchange.

Number of shares of the registrant's common stock outstanding at October 31, 2026: 511,156,481.

DOCUMENTS INCORPORATED BY REFERENCE:

Certain portions of the registrant's definitive proxy statement for its annual meeting of stockholders, to be filed with the Securities and Exchange Commission within 120 days after September 30, 2026, are incorporated by reference into Part III of this report.

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PART I

FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K ("Annual Report") and the documents incorporated by reference herein may include forward-looking statements that reflect our current views with respect to future events and financial performance. Such statements are provided under the "safe harbor" protection of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that do not relate solely to historical or current facts and generally can be identified by words or phrases written in the future tense and/or preceded by words such as "anticipate," "believe," "could," "depends," "estimate," "expect," "intend," "likely," "may," "plan," "potential," "seek," "should," "will," "would," or other similar words or variations thereof, or the negative thereof, but these terms are not the exclusive means of identifying such statements.

Forward-looking statements involve a number of known and unknown risks, uncertainties and other important factors that may cause actual results and outcomes to differ materially from any future results or outcomes expressed or implied by such forward-looking statements. The forward-looking statements contained in this Annual Report or that are incorporated by reference herein are qualified in their entirety by reference to the risks and uncertainties disclosed in this Annual Report, including those discussed under the headings "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Quantitative and Qualitative Disclosures About Market Risk."

While forward-looking statements are our best prediction at the time that they are made, you should not rely on them and are cautioned against doing so. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other possible future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. They are neither statements of historical fact nor guarantees or assurances of future performance. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them.

The initiation or unfavorable resolution of legal proceedings or other claims and regulatory and other governmental investigations or inquiries may result in additional costs, monetary judgments, settlements or other remedies, including fines, penalties, restitution and/or alterations in our business practices or those of our specialist investment groups ("Investment Groups"). In addition, these matters may cause reputational harm to us or our Investment Groups and could result in additional expenses and collateral costs, outflows of assets under management or other financial impacts that could materially affect our results of operations and the price of our common stock.

If a circumstance occurs after the date of this Annual Report that causes any of our forward-looking statements to be inaccurate, whether as a result of new information, future developments or otherwise, we undertake no obligation to announce publicly the change to our expectations, or to make any revision to our forward-looking statements, to reflect any change in assumptions, beliefs or expectations, or any change in events, conditions or circumstances upon which any forward-looking statement is based, unless required by law.

Item 1. Business.

OVERVIEW

Franklin Templeton, Inc., formerly named Franklin Resources, Inc. ("Franklin"), is a holding company with subsidiaries operating under our Franklin Templeton® and/or subsidiary brand names. Franklin's common stock is traded on the New York Stock Exchange (the "NYSE") under the ticker symbol "BEN" and is included in the Standard & Poor's 500 Index. In this Annual Report, Franklin and its subsidiaries are collectively referred to as the "Company," and words such as "we," "us," "our" and similar terms refer to the Company. We have one operating segment, investment management and related services.

We changed our corporate name to Franklin Templeton, Inc. effective August 17, 2026 ("Name Change"). The Name Change reflects the continued evolution of Franklin Templeton as a unified global organization and alignment with the Franklin Templeton brand. This was a corporate name change only, and did not affect our corporate or capital structure, domicile, outstanding shares, or the voting or other rights of our stockholders.

We offer our services and products under our various distinct brand names, including, but not limited to, Franklin Templeton®, Apera®, Benefit Street Partners®, Benji®, Brandywine Global Investment Management®, Canvas®, Clarion

Partners®, ClearBridge Investments®, Fiduciary Trust International™, Franklin®, Franklin Mutual Series®, K2®, Legg Mason®, Lexington Partners®, MosaiQ®, Putnam®, Royce®, Templeton® and Western Asset Management Company®. Unless otherwise indicated, our "funds" means the funds offered under our various brand names, which may include co-branded funds.

We are a global investment management organization with approximately $1.8 trillion in assets under management ("AUM") as of September 30, 2026. Our mission is to help clients achieve better outcomes through investment management expertise, wealth management and technology solutions. Through our Investment Groups, we offer specialization on a global scale, bringing extensive capabilities in equity, fixed income, alternatives and multi-asset solutions. For over 75 years, we have been committed to providing clients with exceptional investment management services and have developed a globally diversified business, including through strategic acquisitions.

Our Investment Groups include our: Public Markets Investment Groups (ClearBridge Investments, Fiduciary Trust, Franklin Equity, Franklin Income Investors, Franklin Templeton Fixed Income, Franklin Templeton Investment Solutions, Putnam Investments, Royce Investment Partners and Templeton Global Investments); Alternatives Investment Groups (Benefit Street Partners, Clarion Partners, Franklin Crypto, Franklin Templeton Digital Assets and Lexington Partners); and Capabilities (Canvas by Franklin Templeton).

Invested in Partnership

We are committed to serving as a trusted investment partner, delivering tailored solutions that align with clients' strategic goals. With deep portfolio management expertise across public and private markets, we seek to combine investment excellence with cutting-edge technology. Since our founding in 1947, we have been dedicated to empowering clients through strategic partnership, forward-looking insights, and continuous innovation – providing the tools and resources to navigate change and capture opportunity.

We are also committed to building dynamic, enduring relationships that go beyond asset management strategies, solutions and transactions, working side-by-side with our clients to understand their goals and navigate complex markets together. As more asset owners seek multifaceted partnerships with fewer firms that can deliver across asset classes, styles and regions, we believe our business is poised to meet that demand. From expanding into alternative asset classes and developing solutions for the insurance and retirement channels, to advancing private wealth management, personalization and technology-driven innovation, we offer access to Investment Groups across asset classes, vehicles and geographies through a single, powerful partnership.

We provide our investment management and related services to retail, institutional and high-net-worth investors in jurisdictions worldwide. We deliver our investment capabilities through a variety of products and vehicles and multiple points of access, including directly to investors and through financial intermediaries. Our investment products include our sponsored funds, as well as institutional and high-net-worth separate accounts, retail separately managed account ("SMA") programs, sub-advised products, and other investment vehicles. Our funds include both registered funds and unregistered funds. Related services include applicable fund administration, sales and distribution, and shareholder servicing, which we may perform directly or outsource to third parties. We also provide sub-advisory services to certain investment products sponsored by other companies that may be sold to investors under the brand names of those other companies or on a co-branded basis.

We offer our clients the combined experience of our investment professionals with expertise across asset classes and a sharp focus on managing risk. We are committed to delivering strong investment performance for our clients, and to offering a broad range of strategies and drawing on our diverse experiences and perspectives gained through our long history in the investment management business. We know that success demands smart and effective business innovation, solutions and technologies, and we remain focused on investment excellence, innovating to meet evolving client goals, and building strong partnerships by delivering superior client service. We continue to focus on the long-term investment performance of our investment products and on providing high quality service to our clients.

The global business and regulatory environments in which we operate remain complex, uncertain and subject to change. We are subject to various laws, rules and regulations globally that impose restrictions, limitations, registration, reporting and disclosure requirements on our business, and add complexity to our global compliance operations. Incorporated herein by reference is certain financial information about our segment and geographic areas contained in Note 18 – Segment and Geographic Information in the notes to consolidated financial statements in Item 8 of Part II of this Annual Report.

Recent Developments

In September 2026, we announced that we entered into a definitive agreement to acquire, through our real estate subsidiary Clarion Partners, LLC, a majority stake in Stoneshield Capital. Stoneshield is a leading European sector-specialist real assets manager, with thematic investment strategies focused on supply-constrained sectors. The transaction is subject to customary closing conditions, including regulatory approval, and is expected to close in the fourth calendar quarter of 2026.

In October 2026, we and our alternative credit manager subsidiary Benefit Street Partners, L.L.C. ("BSP") completed a transaction with Encina Lender Finance (Encina) that expands BSP's asset-backed finance platform. Under the terms of the transaction, a new fund backed by Franklin Templeton and BSP-affiliated funds acquired an initial seed portfolio with approximately $480 million of commitments originated by Encina. In addition, an investment team from Encina joined BSP and will continue to manage and originate investments through the strategy.

Company History

Since 1947, the Company and its predecessors have been engaged in the investment management and related services business. Franklin was incorporated in the State of Delaware in November 1969, and originated our mutual fund business with the initial Franklin family of funds, known for its fixed income funds and growth and value-oriented equity funds. Over the years, we have expanded and developed our business to meet evolving investor needs, in part, by acquiring companies engaged in investment management and related services. We have added, among others: (i) the Templeton global investment firm in 1992, (ii) the Franklin Mutual Series investment firm in 1996, (iii) the Franklin Bissett Canadian investment firm in 2000, (iv) the Fiduciary Trust International investment and trust services firm in 2001, (v) the Benefit Street Partners alternative credit management firm in 2019, (vi) the Athena Capital Advisors investment and wealth management firm in March 2020, (vii) The Pennsylvania Trust Company investment and trust services firm in May 2020, (viii) the Legg Mason global investment firm in July 2020, (ix) the O'Shaughnessy Asset Management quantitative asset management firm in December 2021, (x) the Lexington Partners global alternatives investment firm in April 2022, (xi) the Alcentra alternative credit investment firm in November 2022, (xii) the Putnam global investment firm in January 2024, (xiii) the Apera asset management firm in October 2025, and (xiv) the 250 Digital active cryptocurrency investment management firm in June 2026.

OUR BUSINESS STRUCTURE

Through our subsidiaries, we are committed to helping investors navigate global markets, as well as continuing to evolve and build on our strengths to meet the needs of our clients. We generally derive our revenues and income from providing investment management and related services to our products and the products we sub-advise. Our investment management fees, which represent a majority of our revenues, depend to a large extent on the level and relative mix of our AUM and the types of services provided, which are subject to change.

Our business is conducted through our subsidiaries, including subsidiaries registered with the United States ("U.S.") Securities and Exchange Commission (the "SEC") as investment advisers under the Investment Advisers Act of 1940 (the "Advisers Act"), as well as subsidiaries registered as investment adviser equivalents in jurisdictions including Australia, Brazil, Canada, China, Commonwealth of The Bahamas, Hong Kong, Ireland, India, Japan, Luxembourg, Malaysia, Mexico, Qatar, Saudi Arabia, Singapore, Switzerland, South Korea, the United Arab Emirates, the United Kingdom ("U.K.") and Uzbekistan.

Our AUM by Asset Class and Product Type

We offer a broad product mix under our equity, fixed income, alternative, multi-asset and cash management asset classes. Our equity capabilities include value, deep value, core value, blend, growth, convertibles, sector, Shariah, smart beta and thematic investments. Our fixed income capabilities include government, municipals, corporate credit, bank loans, securitized, multi-sector, and other investments. Our alternative capabilities include private debt, hedge funds, private equity, real estate and infrastructure investments. Our multi-asset capabilities include income, real return, balanced/hybrid, total return, target date/risk, absolute return, tactical asset allocation, managed volatility investments, and digital/ crypto strategies.

We believe, despite market risks, that we have a competitive advantage as a result of the economic and geographic diversity of our products available to our clients. Our U.S. funds include U.S. mutual funds, closed-end funds, exchange-traded funds ("ETFs"), private funds, sub-advised funds and other products (including products we sub-advise and those sub-advised by third parties). Our non-U.S. funds include a variety of funds sold to applicable U.S. and/or non-U.S. investors, including our cross-border funds principally domiciled in Luxembourg or Ireland and registered for sale to non-U.S. investors in certain other countries, together with other international locally domiciled funds and products for the particular local market. Our institutional separate account services are provided to various institutions globally for which we serve as an investment adviser. Our retail SMAs, commonly known as managed accounts or wrap programs, are sponsored by various financial institutions. We also offer and serve as investment adviser to various other products.

Our fees for providing investment management services are generally based on a percentage of AUM in the accounts that we advise, and vary based on asset class, type of services provided, and the market for those services.

AUM by asset class and product type was as follows:

(in billions) **as of September 30, 2026**	**U.S. Funds**	**Non-U.S. Funds**	**Institutional Separate Accounts**	**Retail Separately Managed Accounts**	**Other**	**Total**	**Percentage of Total AUM**
Equity	$ 424.2	$ 144.1	$ 46.1	$ 122.5	$ 26.9	$ 763.8	43%
Fixed Income	151.8	65.5	152.2	33.4	24.7	427.6	24%
Alternative	174.7	103.0	24.3	2.3	0.3	304.6	17%
Multi-Asset	108.6	18.9	5.6	38.1	52.3	223.5	12%
Cash Management	41.4	34.2	—	—	—	75.6	4%
Total	**$ 900.7**	**$ 365.7**	**$ 228.2**	**$ 196.3**	**$ 104.2**	**$ 1,795.1**	**100%**

See "Assets under Management" under Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, of Part II of this Annual Report for additional information about our AUM and business. Broadly speaking, other than AUM changes due to acquisitions, changes in our AUM depend primarily upon two factors: (i) the level and direction of net flows, and (ii) the increase or decrease in the market value of the securities and instruments held in the portfolio of investments. Changing market conditions, reputational harm and the evolving needs of our clients may cause asset volatility and a shift in our asset mix, which may result in an increase or decrease in our revenues and income.

Our Investment Management Related Services and Products

Our Investment Groups offer diverse perspectives and specialized expertise across asset classes and strategies. Across our business, our Investment Groups generally focus on a portion of the investment management industry in terms of the types of assets managed and each may differ in the types of products and services offered, the investment styles utilized, and the types and geographic locations of its clients. Many of our Investment Groups typically offer their products and services under their own brand names, with certain distribution functions provided by our corporate distribution subsidiaries where applicable.

Through our Investment Groups, our investment products are offered globally to retail, institutional and high-net-worth clients, which may include, among others, individual investors, institutional investors, sovereign wealth funds, defined benefit and contribution plans, endowments and charitable foundations, healthcare systems and insurance companies. Our investment products include mutual funds, closed-end funds, collective investment trusts, interval funds, private funds, institutional separate accounts, retail SMAs, and other products. Our products and capabilities are designed to accommodate a variety of investment goals and preferences, from capital appreciation to capital preservation, as well as other investor preferences.

We are committed to partnering closely with our clients to understand their challenges and aspirations, and drawing on our investment capabilities and resources to offer and/or design the right investment solutions for them. We distribute and market globally our different capabilities under our brand names through various subsidiaries and multiple points of access, including directly to investors and through financial intermediaries. We primarily engage new institutional business through our relationships with pension, defined contribution and management consultants, direct sales efforts and additional mandates from our existing client relationships, as well as from our responses to requests for proposals. We also market and distribute our products through various subsidiaries to institutional investors with separate accounts.

Our Investment Groups provide investment management services pursuant to agreements with each of our investment products and/or clients, including products for which we provide sub-advisory services. Our investment management services include fundamental investment research and valuation analyses, including original economic, political, industry and company research, and analyses of suppliers, customers and competitors. Our management fees vary with the types of services that we provide, and fees may at times be waived or voluntarily reduced by the parties, among other things.

Our Funds

Our Investment Groups manage a fund's portfolio of securities in accordance with the fund's stated objectives. To support the funds' operations, our subsidiaries either provide or arrange for the investment and other management, shareholder servicing and administrative services required by the funds. We outsource various administration, technology, transfer agency and other services for our funds to third-party providers. An investor may purchase shares of a mutual fund directly from us or through a broker-dealer, financial adviser, bank or other similar financial intermediary that provides investment advice to the investor, or an investor may purchase shares of a closed-end fund or ETF on the stock exchange where the fund is traded. Financial intermediaries may earn fees and commissions and receive other compensation with respect to fund shares sold to investors.

The applicable board of directors or trustees of our funds and our management personnel periodically review the investment management fee structures for the funds in light of fund performance, the level and range of services provided, industry conditions and other relevant factors. For our U.S. mutual funds, most of our investment management agreements with our funds must be renewed each year, and must be approved annually by a vote of each fund's board of directors or trustees as a whole and separately by a majority of the independent fund directors or trustees under the Investment Company Act of 1940 (the "Investment Company Act"), or by a vote of the holders of a majority of the fund's outstanding voting securities, and such agreements generally may be terminated by either party without penalty after prior written notice. Our non-U.S. mutual funds, private funds, institutional and high-net-worth separate accounts, and the products for which we provide sub-advisory services, are typically subject to various termination rights and/or renewal provisions, which often provide for termination upon relatively short notice with little or no penalty.

Alternatives

Certain of our Investment Groups manage alternative products and investment strategies which provide our clients with alternatives to traditional equity and fixed income products and services. Our alternative products include private credit funds and structured products, business development companies, real estate funds, hedge funds, and private equity, including secondary private equity and venture capital funds. These products employ various investment strategies and approaches, including loan origination, collateralized loan obligations, high-yield credit, hedge fund advisory, private equity and infrastructure transactions in emerging markets, global macro, consumer loans, direct real estate investments, and custom-tailored investment programs.

Customization and Vehicle Diversification

We are committed to providing our clients with a range of investment strategies in vehicles of their choice. Certain of our Investment Groups provide investment management services to retail SMA programs sponsored by various financial institutions. These retail SMA programs typically allow securities brokers or other financial intermediaries to offer their clients greater customization through the opportunity to choose from a number of investment management services pursuing different investment strategies provided by one or more investment managers, and generally charge an all-inclusive fee that can cover asset management, asset allocation and custodial and administrative services.

Private Wealth Management

Through Fiduciary Trust International, we provide private wealth investment management and related services to, among others, high-net-worth individuals and families, family offices, foundations and institutional clients. Fiduciary Trust International offers investment management and advisory services across different investment styles and asset classes. The majority of these client assets are actively managed by individual portfolio managers, while a significant number of clients also seek multi-manager, multi-asset class solutions. We also may provide SMAs, private funds, and trust, custody and related services, including administration, performance measurement, estate planning and tax planning.

Digital Assets

In connection with our acquisition of 250 Digital in June 2026, we expanded our digital assets team and introduced our newly formed Franklin Crypto group, bringing together crypto expertise with our global distribution to target institutional growth. Through our digital asset business and product lineup, we offer tokenization of certain U.S. mutual funds, building blockchain-based technology solutions and developing investment strategies. We also offer certain tokenized funds internationally to complement our U.S. offerings. We remain focused on investing in technology and innovation to harness blockchain's potential.

Strategic Partnerships and Insurance

Our focus on building strategic insurance and reinsurance products and partnerships has resulted in multiple sub-advisory fundings and strategic partnerships, which we believe reflects our growing position as a trusted partner to leading insurance companies, increases our capabilities and expands our relevance in this important sector of the financial industry.

Sales and Distribution

Our global distribution group is responsible for sales, marketing and business development and maintains a regional distribution model, with regional teams responsible for driving initiatives in collaboration with global teams. Our groups collaborate to meet the needs of our advisors, clients and investors. There are many sales channels across each region, which may include retail, institutional, private wealth, retirement, insurance, and other specialty sales. Our global footprint and breadth of investment capabilities provide the opportunity for us to work with global financial institutions to add value through and beyond investing, including by providing thought leadership and building business relationships and global economic partnerships.

In addition, we distribute certain products and services primarily to institutional investors, both directly and through consultants. Consultants play a large role in institutional investment management by helping clients select and retain investment managers. Institutional investment management clients and their consultants tend to be highly sophisticated and investment performance driven.

Our sales and distribution capabilities and related efforts are critical components of our business and may be impacted by global distribution trends and changes within the financial services industry. In the U.S., our distribution subsidiaries generally serve as the principal underwriters and distributors of shares of most of our mutual funds. Outside the U.S., certain of our non-U.S. subsidiaries provide sales, distribution and marketing services to our non-U.S. mutual funds. Some of our non-U.S. mutual funds, particularly our Luxembourg and Irish domiciled funds, are distributed globally on a cross-border basis, while others are distributed exclusively in local markets.

We earn sales and distribution fees primarily by distributing our mutual funds pursuant to distribution agreements with the funds. Under our distribution agreements with our U.S. mutual funds, we offer and sell the fund shares on a continuous basis and pay certain costs associated with selling, marketing and distributing the fund shares, including the costs of developing and producing sales literature, shareholder reports and prospectuses. Our sales and distribution fees primarily consist of upfront sales commissions and ongoing distribution fees, which generally will change with the overall level of gross sales, the size of individual transactions, and the relative mix of sales between different asset classes and types of investors.

The majority of our U.S. mutual funds, with the exception of certain money market funds and certain other funds specifically designed for purchase through SMA programs, have adopted distribution plans under Rule 12b-1 (the "Rule 12b-1 Plans") promulgated under the Investment Company Act. The Rule 12b-1 Plans permit the funds to pay us for marketing, marketing support, advertising, printing and sales promotion services relating to the distribution of their shares, subject to the Rule 12b-1 Plans' limitations on amounts based on daily average AUM. Similar arrangements exist for the distribution of non-U.S. mutual funds. The Rule 12b-1 Plans are established for one-year terms and must be approved annually by a vote of each fund's board of directors or trustees as a whole and separately by a majority of the independent fund directors or trustees under the Investment Company Act, and such plans are subject to termination at any time by a majority vote of the independent fund directors or trustees or by the fund's shareholders.

We pay the sales and distribution fees earned as revenues to the financial advisers and other intermediaries that sell our funds on our behalf. The distribution agreements with our U.S. mutual funds generally provide for us to pay commission expenses for sales of fund shares to qualifying broker-dealers and other independent financial intermediaries. These financial intermediaries receive various sales commissions and other fees for services in matching investors with funds whose asset classes match such investors' goals and risk profiles. The intermediaries also may receive fees for their assistance in explaining the operations of the funds, and for reporting and various other distribution services. Other compensation may be offered to the extent not prohibited by federal or state laws or any self-regulatory agency, such as the Financial Industry Regulatory Authority ("FINRA"), applicable to our business. We are heavily dependent upon these third-party distribution and sales channels and business relationships. There is increasing competition for access to these channels, which has caused our distribution costs to rise and could cause further increases in the future as competition continues and service expectations increase.

Similar arrangements exist with the distribution of our non-U.S. mutual funds where, generally, our subsidiary that distributes the funds receives maintenance fees from the funds and pays certain fees to financial advisers, banks and other intermediaries.

Shareholder Servicing

We perform our shareholder servicing services directly or through third parties. Substantially all shareholder servicing fees are earned from our funds for providing transfer agency services, which include providing shareholder statements, transaction processing, client service and tax reporting. Shareholder servicing fees are determined based on a contractual margin, or a percentage of AUM and either the number of transactions in shareholder accounts or the number of shareholder accounts. We outsource various transfer agency and other services for our funds to third-party providers who serve as a sub-agent or delegate, depending on the jurisdiction. Our fees and expenses are routinely benchmarked against applicable industry standards.

Artificial Intelligence

Our artificial intelligence ("AI") journey also continues to evolve, reflecting our belief that integrated, scalable AI platforms unlock value and contribute to positive business outcomes and commercial impact. As the pace of change in our industry increases, we remain committed to innovation.

COMPETITION

The financial services industry is a highly competitive global environment. Competition is based on various factors, including, among others, business reputation, investment performance, product mix and offerings, service quality and innovation, distribution relationships, and fees charged. We face strong competition from numerous investment management companies, securities brokerage and investment banking firms, insurance companies, banks, hedge fund firms and other financial management institutions, which offer a wide range of financial and investment management services and products to the same retail, institutional and high-net-worth investors and accounts that we are seeking to attract. We offer a broad product mix that meets a variety of investment goals and needs for different investors, and we may periodically introduce new products to provide investors with additional investment options.

We primarily derive our fund sales through third-party broker-dealers, banks, investment advisers and other financial intermediaries. Because we rely on third-party distribution and sales channels to sell our products, we do not control the ultimate investment recommendations given by them to clients. Such financial intermediaries may recommend competing products.

Due to our international presence and varied product mix, assessing our market position relative to other investment managers on a worldwide basis may be difficult, but we believe that we are one of the more widely diversified investment managers based in the U.S. We believe that our diversified asset offerings, coupled with our global presence, will serve our competitive needs well over the long term. We continue to focus on the long-term performance of our investment products, service to clients and extensive marketing activities through our strong broker-dealer and other financial institution distribution network as well as with high-net-worth and institutional clients.

The establishment of new investment management firms and continuous development of investment products increases the competition that we face. Many of our competitors have long-standing and established relationships with broker-dealers, investment advisers and their clients, and some have affiliated brokerage businesses. Others have focused on, offer and market specific product lines that provide strong competition to certain of our asset classes. In addition, consolidation in the financial services industry has created stronger competitors, some with greater financial resources and broader distribution channels than our own.

REGULATION

General

We are subject to extensive regulation. Virtually all aspects of our business are subject to various U.S. federal and state, and/or international regulation and supervision. Our regulators have broad authority with respect to the regulation of investment management and other financial services, including among other things, the authority to grant or cancel required licenses or registrations, impose net capital and other financial or operational requirements on us, and other enforcement powers described below. The regulations to which we are subject continue to change and evolve over time. Consequently, there is uncertainty associated with the regulatory environments in which we operate. The rules and regulations applicable to investment management organizations are very detailed and technical. Accordingly, the discussion below is general in nature and does not purport to be complete.

With our global operations, certain of our subsidiaries are registered with or licensed by various U.S. and/or non-U.S. regulators, and our funds are subject to various U.S. and/or non-U.S. laws. In particular, we are subject to various securities, compliance, corporate governance, disclosure, privacy, anti-bribery and anti-corruption, anti-money laundering, anti-terrorist financing, and economic, trade and sanctions laws and regulations, both domestically and internationally, as well as to various cross-border rules and regulations, such as the anti-bribery and anti-corruption rules under the Foreign Corrupt Practices Act of 1977 and the data protection rules under the General Data Protection Regulation (“GDPR”) of the European Union (“EU”). We are subject to sanctions programs administered by the Office of Foreign Assets Control of the U.S. Department of Treasury (“USDT”), as well as sanctions programs adopted and administered by non-U.S. jurisdictions where our services and products are offered. Our subsidiaries with custody of client assets or accounts are also subject to the applicable laws and regulations of U.S. states and non-U.S. jurisdictions regarding the reporting and escheatment of unclaimed or abandoned property, and applicable banking, trust company and/or fiduciary related regulations. We also must comply with complex and changing tax regimes in the jurisdictions where we operate our business.

Failure to comply with applicable laws, regulations, rules, codes, notices, directives, guidelines, orders, circulars and/or conditions in the various jurisdictions where we operate could result in a wide range of disciplinary actions against us, our subsidiaries and/or our business. Breaches of applicable laws and rules could result in regulatory enforcement, civil liability, criminal liability and/or the imposition of a range of sanctions or orders against us, including, as applicable, monetary damages, injunctions, disgorgements, fines, penalties, cease and desist orders, censures, reprimands, and the revocation, cancellation, suspension or restriction of licenses, registration status or approvals held by us or our business in a jurisdiction or market. In addition, a public regulatory issue can have a negative impact on our reputation, and as a result have indirect impacts on our business or growth.

U.S. Regulation

U.S. Regulatory Framework. As a U.S. reporting company, we are subject to U.S. federal securities laws, state securities and corporate laws, state escheatment laws and regulations, and the rules and regulations of certain U.S. regulatory and self-regulatory organizations, such as the SEC and the NYSE. In particular, we are subject to various securities, compliance, corporate governance and disclosure rules adopted by the SEC. We are also subject to various other U.S. federal and state laws, including those affecting corporate governance and disclosure, such as the Securities Act of 1933, the Securities Exchange Act of 1934 ("Exchange Act"), the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the Sarbanes-Oxley Act of 2002 and the USA PATRIOT Act of 2001. As a NYSE-listed company, we are also subject to NYSE listing and disclosure requirements.

As a global investment management organization, certain of our subsidiaries are also subject to the rules and regulations of various U.S. regulatory and self-regulatory organizations, including the SEC, FINRA, the U.S. Commodity Futures Trading Commission ("CFTC"), the National Futures Association, the U.S. Department of Justice ("DOJ"), the U.S. Department of Labor ("DOL"), and the USDT. Our non-U.S. operations also may be subject to regulation by U.S. regulators, including the SEC, the CFTC and the DOJ.

Certain of our subsidiaries are registered with the SEC under the Advisers Act and/or with the CFTC, and many of our funds are registered with the SEC under the Investment Company Act. These registrations, licenses and authorizations impose numerous obligations, as well as detailed operational requirements, on such subsidiaries and funds. The Advisers Act imposes numerous obligations on our registered investment adviser subsidiaries, including record keeping, operating and marketing requirements, disclosure obligations and prohibitions against fraudulent activities. The Investment Company Act similarly imposes extensive obligations on the registered investment companies advised by our subsidiaries.

U.S. Regulatory Reforms. Over the years, the U.S. federal corporate governance and securities laws have been augmented substantially and made significantly more complex by various legislation. As we continue to address our legal and regulatory requirements or focus on meeting new or expanded requirements, we may need to expend a substantial amount of additional time, costs and resources. Regulatory reforms may continue to add further complexity to our business and operations and could require us to alter our investment management services and related activities, which could be costly, impede our growth and adversely impact our AUM, revenues and income. Such reforms could significantly increase our reporting, disclosure and compliance obligations. Certain key regulatory reforms in the U.S. that impact or relate to our business, and may cause, or continue to cause, us to incur additional obligations, include:

Public Company Disclosure Requirements. In May 2026, the SEC proposed rule amendments to revise U.S. public companies' reporting requirements. Potential amendments include giving companies the option of filing semiannual financial reports instead of quarterly financial reports and changes in executive compensation disclosure requirements, rules on shareholder proposals and the shelf registration process. The SEC also requested public comment on potential reforms to Regulation S-K to reduce immaterial disclosures. The form of any such final rules and reforms could impact our public company reporting and compliance costs and obligations.

Antitrust Rules and Disclosure. The Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("HSR Act") and its implementing rules require parties to certain mergers and acquisitions to submit premerger notifications to the Federal Trade Commission ("FTC") and DOJ and observe a waiting period before consummating such transactions. In October 2024, the FTC approved various rule changes under the HSR Act amending certain premerger reporting and notification rules, significantly expanding the premerger information and documentation required to be submitted in connection with an HSR filing. The amended rules remain subject to litigation challenges.

Cybersecurity Disclosure. The SEC's rules require disclosure regarding cybersecurity risk management, strategy, governance and incident reporting by public companies. The rules require public companies to (i) disclose, on a current basis, any cybersecurity incident it deems to be material within four business days on a Form 8-K; (ii) describe, on an annual basis, the company's processes, if any, for the assessment, identification and management of material risks from cybersecurity threats, as well as whether any risks from cybersecurity threats have materially affected or are reasonably likely to materially affect their business strategy, results of operations or financial condition; and (iii) describe, on an annual basis, the board's oversight of risks from cybersecurity threats and management's role in assessing and managing those risks. The rules require ongoing evaluation and analysis of our applicable processes and procedures, including regarding cyber incident response plans and procedures, disclosure analysis framework, risk management processes, and board oversight structure.

Sustainability. Sustainable investing and related environmental, social and governance ("ESG") topics continue to be the focus of increased regulatory and legal scrutiny across jurisdictions. In the U.S., the SEC adopted, but subsequently stayed the implementation of, climate disclosure rules to require public issuers to include enhanced disclosure and financial metrics regarding corporate climate-related information in their periodic reports and registration statements. The SEC recently proposed to formally rescind these rules, which remain stayed. In addition, state laws and regulations regarding these topics continue to evolve. For example, California enacted the Climate Corporate Data Accountability Act, which requires annual disclosure of certain greenhouse gas emissions beginning in 2026 pursuant to applicable implementing regulations by the California Air Resources Board, while enforcement of the California Climate-Related Financial Risk Act, which requires biennial disclosure of certain climate-related financial risks and mitigation measures, remains stayed subject to ongoing legal challenges. Globally, the independent International Sustainability Standards Board and other applicable sustainability disclosure standards continue to impact how national regulators and governance bodies approach these and related topics.

Privacy and Data Protection. There continues to be a heightened regulatory and enforcement focus with respect to the protection of individuals' privacy and personal data around the world, and the ongoing need to secure and ensure only appropriate collection and use of sensitive customer, personnel, and others' personal data. A majority of the jurisdictions where we operate are covered, or we expect will be covered, by stringent privacy and data protection laws and regulations. As the regulatory focus on privacy continues to intensify and laws and regulations concerning the management of personal data continue to expand, risks related to the handling of privacy obligations and personal data collection across our business will increase. For example, in addition to international data protection and privacy laws and regulations like the EU's GDPR, we are, and expect to continue to be, subject to and affected by existing, new and evolving country, federal and state laws, regulations and guidance around the world impacting consumer and personnel privacy, including various U.S. state consumer privacy laws that provide for enhanced consumer protections for their residents and impose requirements for the handling, disclosure and deletion of personal information of their residents.

Systemically Important Financial Institutions. The mandate of the Financial Stability Oversight Council ("FSOC") is to identify and respond to threats to U.S. financial stability. Similarly, the U.S. and other members of the G-20 group of nations have empowered the Financial Stability Board ("FSB") to identify and respond, in a coordinated manner, to threats to global financial stability. The FSOC may designate certain non-bank financial companies as systemically important financial institutions ("SIFIs"), which are subject to supervision and regulation by the Board of Governors of the Federal Reserve System. The FSB may designate certain non-bank financial companies as global systemically important financial institutions ("G-SIFIs"). The FSOC recently proposed to revise its framework on SIFI designation to return to the activities-based approach of its 2019 guidance. To the extent that we or any of our funds are designated as a SIFI or G-SIFI, such designations would add additional supervision, review, monitoring and/or regulation resulting in increased scrutiny and oversight that could impact our business.

U.S. DOL Reforms. In March 2026, the DOL announced that, following the federal court vacatur of its 2024 fiduciary rule, it reinstated its historical five-part test for determining fiduciary status and does not plan to propose further amendments to the fiduciary rule at this time. The DOL is expected to propose a class exemption addressing re-eligibility options after disqualification under the Qualified Professional Asset Manager (QPAM) exemption, which was revised in 2024, and which many investment firms rely upon when providing services to and engaging in transactions on behalf of applicable retirement plans, individual retirement accounts (IRAs) and/or certain commingled investment vehicles that have retirement plan investors. The DOL is also expected to propose amendments to its rule, "Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights." Earlier this year, the DOL announced that it no longer would defend this rule in litigation. The DOL is expected to revise the rule so that plan fiduciaries must select investments and exercise shareholder rights based only on financial considerations. In August 2025, President Trump issued an Executive Order to facilitate the ability of participants in 401(k) and other defined contribution plans to obtain exposure to alternative assets, including private equity, real estate, and digital assets. In response to the Executive Order, the DOL in March 2026 issued a proposed rule on fiduciary duties in selecting designated investment alternatives. That rule has not yet been finalized.

Private Fund Adviser Reforms. In February 2024, the SEC and CFTC jointly adopted amendments to Form PF, which is the confidential reporting form that certain investment advisers to private funds file to provide confidential information to the agencies and the FSOC. The amendments require all private fund advisers to report additional information about themselves and the funds they advise, including assets under management, withdrawal and redemption rights, gross and net asset value, inflows and outflows, borrowings and types of creditors, beneficial ownership, and fund performance. Hedge fund advisers are subject to additional reporting requirements with respect to the funds they advise, including information about investment strategies, counterparty exposures, and trading and clearing mechanisms. Large hedge fund advisers that report on qualifying hedge fund assets are required to report more detailed information about investment exposures, borrowing and counterparty exposure, market factor effects, currency exposure, turnover, country and industry exposure, central clearing counterparty reporting, risk metrics, investment performance, portfolio liquidity, and financing and investor liquidity. The SEC proposed additional amendments to Form PF in April 2026. The compliance date for the amended reporting requirements was extended until July 1, 2027, providing additional time for the SEC to further update the form's reporting requirements.

Fund Names Rule Reforms. In September 2023, the SEC adopted amendments to the fund "Names Rule" impacting regulated investment funds. The Names Rule generally requires a fund to invest at least 80% of the value of its assets in the particular type of investments or industry suggested by the fund's name. The amendments expand the applicability of the Names Rule and impacted funds may need to modify their names, alter their investment strategies, or adopt new or revised investment policies to comply with the amendments, potentially impacting their portfolios. Funds with names that suggest a focus on investments that have particular characteristics, such as "growth," "value" or thematic terms such as "ESG," would be required to adopt a policy to invest at least 80% of the fund's assets in those investments and would be subject to enhanced disclosure and reporting requirements. Earlier this year, the SEC issued a proposal to eliminate certain Names Rule reporting requirements and the SEC staff issued additional guidance on application of the amended Names Rule. While the date for compliance with the amended rule for large fund complexes was June 2026, the SEC extended the compliance date for the related reporting requirements until November 2027 for large fund complexes.

Digital Assets. Regulatory attention to digital assets—including cryptocurrencies, stablecoins, tokenized securities and other distributed ledger instruments—has continued to intensify across jurisdictions. Current U.S. leadership has shown greater support for financial technology innovation and activity. In July 2025, the U.S. enacted the Guiding and Establishing National Innovation for US Stablecoins Act ("GENIUS Act"), which governs the issuance and regulatory oversight of payment stablecoins and is expected to become effective in January 2027. The federal financial agencies have been actively engaged in rulemaking required to implement the Act. Congress is also considering legislation that would allocate primary oversight of most other digital asset activities between the SEC and CFTC. It is unclear whether that legislation will be enacted. The SEC, CFTC, and other agencies have been moving forward rapidly to provide greater regulatory clarity regarding digital assets. Highlights include: (i) joint SEC/CFTC guidance on how the federal securities laws apply to various digital assets; (ii) the SEC's recent proposal of Regulation Crypto Assets, which would provide a tailored offering regime for certain crypto asset offerings; and (iii) joint guidance by the federal banking regulators on the regulatory capital treatment of tokenized securities. Internationally, the EU's Markets in Crypto-Assets Regulation became fully applicable in late 2024, and the U.K., Singapore, Hong Kong and Japan have introduced or strengthened licensing, prudential and consumer-protection rules for crypto-asset service providers. Although the expanding regulatory framework raises legal, compliance and operational challenges for firms, the anticipated clarity and predictability around permissible digital asset activities is broadly positive for the market and its participants.

Proxy Voting. In December 2025, President Trump issued an Executive Order regarding proxy advisory firms. The Executive Order directs multiple federal agencies to review and revise rules, guidance, and enforcement practices related to proxy advice, shareholder proposals, and stewardship activities. Since the Executive Order, federal agencies have taken actions including: (i) the DOL issued guidance on when a proxy advisory firm may be a fiduciary under the Employee Retirement Income Security Act of 1974; (ii) the DOJ's Antitrust Division withdrew a 1987 letter issued to proxy advisory firm Institutional Shareholder Services that had provided protection from antitrust enforcement; and (iii) the SEC proposed to rescind Rule 14a-8, which establishes the federal framework under which companies must include qualifying shareholder proposals in their proxy materials and under which the SEC staff historically has considered companies' requests to exclude particular proposals. In addition, the DOL is expected to propose amendments to its rule, "Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights" and the SEC is expected to issue proposed amendments to its rules governing shareholder proposals.

U.S. and Global Tax Compliance. Our business may be directly or indirectly affected by tax legislation and regulation, or the modification of existing tax laws, by applicable tax and other governmental authorities. The Organization for Economic Co-operation and Development, an intergovernmental organization, has focused on addressing the tax challenges of the digitalization of the economy, which may further impact multinational businesses by allocating a greater share of taxing rights to countries where consumers are located regardless of the current physical presence of a business, and by implementing a global minimum tax. We will continue to monitor developments regarding such matters and any significant impacts on our effective tax rate.

Non-U.S. Regulation

Our operations outside the U.S. are subject to the laws and regulations of various non-U.S. jurisdictions and non-U.S. regulatory agencies and bodies. Our international operations are subject to regulatory systems in various jurisdictions, comparable to those covering our operations in the U.S.

Europe. The Luxembourg Commission de Surveillance du Secteur Financier ("CSSF") regulates our substantial activities in Luxembourg, including our subsidiary Franklin Templeton International Services S.à r.l. ("FTIS Lux"). FTIS Lux is licensed as a management company for both the Undertakings for Collective Investment in Transferable Securities Directive ("UCITS") and alternative investment funds ("AIFs") and, as such, it manages our Luxembourg-domiciled UCITS and our EU-domiciled AIFs. FTIS Lux's license also covers certain investment services, such as discretionary portfolio management, investment advice and reception and transmission of orders in relation to financial instruments. The CSSF's rules include capital resource, governance and risk management requirements, business conduct rules, remuneration rules and oversight of systems and controls.

Our international funds include two broad ranges of cross-border UCITS that are domiciled in Luxembourg and Ireland, and thereby subject to regulation by the CSSF and the Central Bank of Ireland. Both UCITS are also registered for public sale in many countries around the world, both in the EU and beyond, and thus are also subject to the laws of, and certain supervision by, the governmental authorities of those countries.

In the U.K., the Financial Conduct Authority (the "FCA") regulates certain of our subsidiaries. Authorization by the FCA is required to conduct any financial services-related business in the U.K. pursuant to the Financial Services and Markets Act 2000. The FCA's rules under that act govern a firm's capital resources requirements, senior management arrangements, business conduct, interaction with clients, and systems and controls. In 2024, we updated the applicable product, marketing and other materials of our U.K. funds in line with the FCA's Sustainability Disclosure Requirements and prepared the first annual disclosure for funds with sustainability characteristics per the December 2025 deadline. We offer a significant number of EU UCITS to U.K. retail investors which have registered under the U.K.'s new Offshore Funds Regime to continue such offerings. We await a further consultation from the U.K. Treasury as to how such funds may in the future also be covered by the FCA's Sustainability Disclosure Requirements.

In addition, the EU Markets in Financial Instruments Directive, as revised ("MiFID II"), regulates the provision of investment services and conduct of investment activities throughout the European Economic Area ("EEA"). MiFID II sets out detailed requirements, governing the organization and business conduct of investment firms and regulated markets, and includes pre- and post-trade transparency requirements for equity markets and extensive transaction reporting requirements. It also includes an expansion of the types of instruments subject to these requirements, such as bonds, structured products and derivatives, and changes to business conduct requirements, including selling practices, intermediary inducements and client categorization. MiFID II also includes a ban on commission and other payments ("inducements") to independent advisers and discretionary managers, which has changed the commercial relationships between fund providers and distributors. Arrangements with non-independent advisers have also been affected, as narrower rules around the requirement that any commission reflect an enhancement of the service to customers came into effect, along with a prescriptive list of permissible non-monetary benefits. The interpretation of the inducements rules has also resulted in major changes to how fund managers finance investment research with many firms, including ours.

The European Market Infrastructure Regulation sets out rules in relation to the central clearing of specified derivatives. Mutual recognition of central counterparties has been achieved between the EU regulatory authorities and other important jurisdictions including the U.S. In addition, there are rules relating to margin requirements for uncleared over-the-counter derivatives. Future regulatory policy reviews will decide whether these rules are extended to other types of derivative instruments, which could increase operational costs for our business and transactional costs for our clients.

The EU's Alternative Investment Fund Managers Directive ("AIFMD") regulates managers of, and service providers to, AIFs that are domiciled and offered in the EU and that are not authorized as retail funds under UCITS. The AIFMD also regulates the marketing within the EU of all AIFs, including those domiciled outside the EU. Compliance with the AIFMD's requirements may restrict AIF marketing and imposes compliance obligations in the form of remuneration policies, capital requirements, reporting requirements, leverage oversight, valuation, stakes in EU companies, the domicile, duties and liability of custodians and liquidity management.

The EU regulation on packaged retail investment and insurance products ("PRIIPs") imposed new pre-contractual disclosure requirements under the form of a Key Information Document ("KID") for the benefit of retail investors when they are considering the purchase of packaged retail investment products or insurance-based products.

The EU's Sustainable Finance Disclosure Regulation ("SFDR") imposes mandatory ESG disclosure obligations on asset managers and other financial markets participants. SFDR requires all covered firms to disclose how financial products integrate sustainability risks in the investment process, including whether they consider adverse sustainability impacts, and, for those products promoting sustainable objectives, the provision of sustainability-related information. Related amendments to applicable legislation require that all covered investment managers must consider in their investment process any ESG risks which are likely to have a material impact on the value of the investment and require investment advisers to inquire as to the investor's desire for ESG-focused products in their portfolio when assessing suitability. The availability of such sustainability disclosures may impact the investment decisions of European investors. In November 2025, the European Commission published its legislative proposal of key changes to SFDR ("SFDR 2.0"), including introducing three new categories of sustainable and transition products, and amending applicable disclosure and marketing requirements. SFDR 2.0 remains subject to applicable review for final adoption and implementation.

The EU's Corporate Sustainability Due Diligence Directive ("CSDDD") will impose due diligence obligations requiring companies to identify, and to prevent or at least mitigate, adverse impacts on human rights and the environment across their value chain, including by their subsidiaries, supply chain partners and clients. Obligations would be enforced through administrative sanctions and civil liability, with a defense of having exercised reasonable due diligence. The CSDDD remains subject to further secondary rulemaking and guidance around implementation. While CSDDD does not currently apply to investment funds, the European Commission is required to consider the merits of potentially extending the requirements to funds. As investors in the public markets do not have the contractual relationship with issuers to compel them to provide the information required by CSDDD, the imposition of CSDDD to funds could prove problematic for the industry. With a major political focus on encouraging EU economic growth and regulatory simplification, a fundamental review of both CSDDD and the EU's Corporate Sustainability Reporting Directive ("CSRD") began early in 2025, and, in March 2026, the EU enacted the EU Omnibus I Simplification Package which significantly scales back the scope and delays the implementation deadlines for both CSDDD and CSRD.

Australia. In Australia, our subsidiaries are subject to various Australian federal and state laws and are regulated by the Australian Securities and Investments Commission ("ASIC"). ASIC regulates companies, financial markets and financial services in Australia. ASIC imposes certain conditions on licensed financial services organizations that apply to our subsidiaries, including requirements relating to capital resources, operational capability and controls.

Canada. In Canada, our subsidiaries are subject to provincial and territorial laws and are registered with and regulated by provincial and territorial securities regulatory authorities. The mandate of Canadian securities regulatory authorities is generally to protect investors; to foster fair, efficient and competitive capital markets; to foster capital formation; and to contribute to the stability of the financial system and the reduction of systemic risk. Securities regulatory authorities impose certain requirements on registrants, including a standard of conduct, capital and insurance, record keeping, regulatory financial reporting, conflict of interest management, compliance systems and security holder reporting. In addition, one of our Canadian subsidiaries is a federally licensed trust company subject to regulation and supervision by the Office of the Superintendent of Financial Institutions and another subsidiary is a member of and regulated by the Canadian Investment Regulatory Organization. These regulatory bodies have similar requirements to those of the securities regulatory authorities with a view to ensuring the capital adequacy and sound business practices of the subsidiaries and the appropriate treatment of their clients.

Cayman Islands. In the Cayman Islands, the Cayman Islands Monetary Authority ("CIMA") is responsible for the regulation and supervision of financial services, the monitoring of compliance with anti-money laundering regulations, and the issuance of statements of principle and guidance. In February 2020, the Cayman Islands enacted the Private Funds Law 2020 (the "Private Funds Law"), which requires private funds that engage in business in or from the Cayman Islands to register with CIMA, unless an exemption applies. The Private Funds Law applies to any Cayman Islands closed-end fund. Open-end funds such as hedge funds continue to be regulated by the Mutual Funds Law in the Cayman Islands. The registration requirements applicable to our private funds domiciled in the Cayman Islands have posed, and may continue to pose, additional compliance costs and burdens on our business.

Hong Kong. In Hong Kong, our applicable subsidiaries are subject to the Securities and Futures Ordinance ("SFO") and its subsidiary legislation, which governs the securities and futures markets and regulates, among others, offers of investments to the public and provides for the licensing of dealing in securities and asset management activities and intermediaries. This legislation is administered by the Securities and Futures Commission ("SFC"). The SFC is also empowered under the SFO to establish standards for compliance as well as codes and guidelines. Our subsidiaries and employees conducting any of the regulated activities specified in the SFO are required to be licensed with the SFC, and are subject to the rules, codes and guidelines issued by the SFC from time to time.

India. The Securities and Exchange Board of India, Reserve Bank of India, the International Financial Services Centres Authority, the Ministry of Corporate Affairs and the Department of Industrial Policy and Promotion are the major regulatory authorities that are capable of issuing directions of a binding nature to our subsidiaries in India.

Japan. In Japan, our subsidiaries are subject to the Financial Instruments and Exchange Act and the Act on Investment Trusts and Investment Corporations. These laws are administered and enforced by the Japanese Financial Services Agency, which establishes standards for compliance, including capital adequacy and financial soundness requirements, customer protection requirements, and business conduct rules.

Singapore. In Singapore, our subsidiaries are subject to, among others, the Securities and Futures Act ("SFA"), the Financial Advisers Act ("FAA") and the subsidiary legislation promulgated pursuant to these Acts, which are administered by the Monetary Authority of Singapore ("MAS"). Our asset management subsidiaries and their employees conducting regulated activities specified in the SFA and/or the FAA are required to be licensed with the MAS.

Other Non-U.S. Jurisdictions. There are similar legal and regulatory arrangements in effect in many other non-U.S. jurisdictions where our subsidiaries, branches and representative offices, as well as certain joint ventures or companies in which we own minority stakes, are authorized to conduct business. We are also subject to regulation and supervision by, among others, the Securities Commission of The Bahamas, the Comissão de Valores Mobiliários in Brazil, the China Securities Regulatory Commission and the Financial Supervisory Commission in the People's Republic of China, the Securities Commission in Malaysia, the Comision Nacional Bancaria y de Valores in Mexico, the Qatar Financial Centre Regulatory Authority, the Romanian Financial Services Authority, the Saudi Capital Market Authority, the Financial Services Commission and the Financial Supervisory Service in South Korea, the Swiss Federal Banking Commission, the Dubai Financial Services Authority in the United Arab Emirates, the National Agency of Perspective Projects in Uzbekistan, and the State Securities Commission of Vietnam.

INTELLECTUAL PROPERTY

We have used, registered, and/or applied to register certain trademarks, service marks and trade names to distinguish our sponsored products and services from those of our competitors in the U.S. and in other countries and jurisdictions, including, but not limited to, Franklin Templeton®, Apera®, Benefit Street Partners®, Benji®, Brandywine Global Investment Management®, Canvas®, Clarion Partners®, ClearBridge Investments®, Fiduciary Trust International™, Franklin®, Franklin Mutual Series®, K2®, Legg Mason®, Lexington Partners®, MosaiQ®, Putnam®, Royce®, Templeton® and Western Asset Management Company®. Our trademarks, service marks and trade names are important to us and, accordingly, we enforce our trademark, service mark and trade name rights. The Franklin Templeton® brand has been, and continues to be, extremely well received both in our industry and with our clients, reflecting the fact that our brand, like our business, is based in part on trust and confidence. If our brand is harmed, our future business prospects may be adversely affected.

HUMAN CAPITAL RESOURCES

As of September 30, 2026, we employed approximately 9,900 employees and operated offices in over 30 countries. We consider our relations with our employees to be satisfactory. We depend upon our key personnel to manage our business, including our portfolio managers, investment analysts, sales and management personnel and other professionals as well as our executive officers and other business leaders. Competition for experienced personnel is significant and from time to time we may experience a loss of valuable personnel. The retention of our key investment personnel is material to the management of our business.

As a global asset manager, we are committed to building and maintaining an inclusive workplace that respects and values all employees. To support our efforts, we have established dedicated resources and a global governance structure. We support our business resource groups, regional executive councils, partnerships, programs and other practices that align with this focus. At an enterprise level, we use employee surveys to understand sentiment and engagement in the organization. We also host live forums for leaders to engage directly with employees to help reinforce our culture of open feedback. Our employees have access to a valuable set of equitable and competitive total rewards, which consists of a mix of monetary and non-monetary rewards designed to recognize their time, talents and results.

We have developed strategies and initiatives anchored in our core values to prioritize attracting and retaining top talent, promoting an inclusive workplace, driving good decision-making and igniting innovation, all of which we believe are important to our long-term success.

AVAILABLE INFORMATION

The SEC maintains a website that contains current and periodic reports, proxy and information statements, and other information regarding issuers, including Franklin, that file electronically with the SEC, at www.sec.gov. Additional information about Franklin's filings can also be obtained through our website at www.franklintempleton.com/corporate under "Investor Relations." We make available free of charge on our website Franklin's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Franklin periodically provides other information for investors on its website, such as press releases, presentations and other information about financial performance. The information on our website is not incorporated by reference into, and is not a part of, this Annual Report.

Item 1A. Risk Factors.

MARKET AND VOLATILITY RISKS

Volatility and disruption of our business and financial markets and adverse changes in the global economy may significantly affect our results of operations and put pressure on our financial results.

We derive substantially all of our operating revenues and income from providing investment management and related services to investors in jurisdictions worldwide through our investment products, which include our funds, as well as institutional and high-net-worth separate accounts, retail SMA programs, sub-advised products, and other investment vehicles. Related services include fund administration, sales and distribution, and shareholder servicing, which we may perform directly or outsource to third parties. The investment management industry continues to experience disruption and challenges, including continued fee pressure, regulatory changes, an increasing and changing role of technology in investment management services, the continuous introduction of new products and services, and the consolidation of financial services firms through mergers and acquisitions. Further, financial markets have experienced and may continue, from time to time, to experience volatility and disruption worldwide. Declines in global economic markets have periodically resulted, and may in the future result, in significant decreases in our AUM, revenues and income, and future declines may further negatively impact our financial results. Such declines have had, and may in the future have, a material adverse impact on our business. We may need to modify our business, strategies or operations and we may be subject to additional constraints or costs in order to compete in a changing global economy and business environment.

Individual financial, equity, debt and commodity markets may be adversely affected by financial, economic, operational, political, electoral, diplomatic or other changes and/or instabilities that are particular to the country or region in which a market is located, including without limitation local acts of terrorism, economic crises, political protests, war, insurrection or other business, social or political crises. For example, regional conflicts such as the ongoing Ukraine-Russia and Middle East wars and tensions may continue to develop and expand globally and significantly impact the global economy and financial markets, which may have an adverse effect on our investment performance and flows in certain products. Global economic conditions, exacerbated by war, terrorism, social, civil or political unrest, natural disasters, public health crises, such as epidemics or pandemics, or financial crises, changes in the equity, debt or commodity marketplaces or market operations, changes in currency exchange rates, interest rates, inflation rates, the yield curve, defaults by trading counterparties, bond defaults, revaluation and bond market liquidity risks, geopolitical risks, the imposition of economic sanctions and other factors that are difficult to predict, affect the mix, market values and levels of our AUM. Changing market conditions could also cause an impairment to the value of our goodwill and other intangible assets.

The amount and mix of our AUM are subject to significant fluctuations, and a shift in our asset mix toward lower-fee products may negatively impact our revenues and income.

Fluctuations in the amount and mix of our AUM may be attributable in part to market conditions outside of our control that have had, and in the future could have, a negative impact on our revenues and income. The level of our revenues depends largely on the level and relative mix of AUM. Our investment management fee revenues are based primarily on a percentage of AUM and vary with the types and strategies of our products. Any decrease in the value or amount of our AUM because of market volatility or other factors, such as asset outflows or a decline in the price of securities, in particular market segments or in the securities market generally, negatively impacts our revenues and income. Changing market conditions and investor preferences may cause a shift in our asset mix toward certain lower fee products, such as fixed income products and ETFs, and away from higher fee equity and alternative products, which may cause a related decline in our revenues and income. In addition, increases in interest rates, particularly if rapid, as well as uncertainty in the future direction of interest rates, may have a negative impact on our fixed income products and decrease the total return on bond investments due to lower market valuations of existing bonds. Moreover, we generally derive higher investment management and distribution fees from our international products than from our U.S. products, and higher sales fees from our U.S. products than from our international products. Changing market conditions may cause a shift in our asset mix between international and U.S. products, which may result in a decline in our revenues and income.

Our funds may be subject to liquidity risks or unanticipated large numbers of redemptions and fund closures.

Due to market volatility, reputational harm or other events or conditions described above, our funds may need to sell securities or instruments that they hold, possibly at a loss, or draw on any available lines of credit, to obtain cash to maintain sufficient liquidity or settle redemptions, or settle in-kind with securities held in the applicable fund. While we have no legal or contractual obligation to do so, we have in the past provided, and may in the future at our discretion provide, financial support to our funds to enable them to maintain sufficient liquidity in any such event. Changes in investor preferences regarding our more popular products have in the past caused, and could in the future cause, sizable redemptions and lower the value of our AUM, which would result in lower revenue and operating results. Increased market volatility and changes in investor preferences also increase the risk of fund closures. Any decrease in the level of our AUM resulting from market declines, credit or interest rate volatility or uncertainty, increased redemptions or other factors could negatively impact our revenues and income.

INVESTMENT PERFORMANCE AND REPUTATIONAL RISKS

Poor investment performance of our products could reduce the level of our AUM or affect our sales, and negatively impact our revenues and income.

Our investment performance, along with achieving and maintaining superior distribution and client service, is critical to the success of our business. Strong investment performance often stimulates sales of our products. Poor investment performance, as has been and may be periodically experienced by certain of our products, as compared to third-party benchmarks or competitive products, has led, and could in the future lead, to a decrease in sales of our products and stimulate redemptions from existing products, generally lowering the overall level of AUM and reducing the management fees we earn. We can provide no assurance that past or present investment performance in our products will be indicative of future performance. If we fail, or appear to fail, to successfully and promptly address the underlying causes of poor investment performance, our future business prospects would likely be negatively affected.

Harm to our reputation may negatively impact our revenues and income.

Our reputation is critical to the success of our business. We believe that our brand names have been, and continue to be, well received both in our industry and with our clients, reflecting the fact that our brands, like our business, are based in part on trust and confidence. If our brands or reputation are harmed, existing clients may reduce amounts held in, or withdraw entirely from, our products and services, and/or our clients and products may terminate their management agreements with us, which could reduce the amount of our AUM and cause us to suffer a corresponding loss in our revenues and income. Such impacts could materially and adversely affect our profitability, lead to further business and operational disruptions, and expose us to additional costs and increased reputational damage and risk. In addition, reputational harm may prevent us from attracting new clients or developing new business, and any inability to meet applicable client, regulatory or other requirements may adversely impact our reputation and business.

GLOBAL OPERATIONAL RISKS

Our business and operations are subject to adverse effects from the outbreak and spread of contagious diseases.

The outbreak and spread of contagious diseases have had, and may in the future have, adverse effects on our business, financial condition and results of operations. Such infectious illness outbreaks or other adverse public health developments in countries where we operate, as well as local, state and/or national government restrictive measures implemented to control such outbreaks, could adversely affect the economies of many nations or the entire global economy, the financial condition of individual issuers or companies and capital markets, in ways that cannot necessarily be foreseen, and such impacts could be significant and long term. Such extraordinary events and their aftermaths can cause investor fear and panic, which can further adversely affect the operations and performance of companies, sectors, nations, regions and financial markets in general and in ways that cannot necessarily be foreseen. It is not possible to predict the full extent to which a pandemic may evolve and/or adversely impact our business, liquidity, capital resources, financial results and operations.

We may review and pursue strategic transactions that could pose risks to our business and global operations.

As part of our global business strategy, we regularly consider, and have discussions with respect to, potential strategic transactions, including mergers, acquisitions, dispositions, joint ventures or similar transactions, some of which may be deemed material. There can be no assurance that we will find suitable candidates for strategic transactions at acceptable prices, have sufficient capital resources to accomplish our strategy, or be successful in entering into agreements for desired transactions. In addition, such transactions typically involve a number of risks and present financial, managerial and operational challenges. Acquisitions and related transactions pose the risk that any business we acquire may result in the loss of clients, customers or personnel or could underperform relative to expectations. We also may not realize the anticipated benefits of an acquisition, including with respect to revenue, tax benefits, financial benefits or returns, and expense and other synergies. We could also experience financial or other setbacks if transactions encounter unanticipated problems, including problems related to execution or integration. Entries into material or strategic transactions typically are announced publicly even though they may remain subject to numerous closing conditions, contingencies and approvals, and there is no assurance that any announced transaction will actually be consummated. Future transactions also may further increase our leverage or, if we issue equity securities to pay for acquisitions, dilute the holdings of our existing stockholders.

In addition, from time to time, we enter into joint ventures or take minority stakes in companies in which we typically do not have control. These investments may involve risks, including the risk that the controlling stakeholder or joint venture partner may have business interests, strategies or goals that are inconsistent with ours. The business decisions or other actions or omissions of the controlling stakeholder, joint venture partner or the entity itself may result in liability to us or harm to our reputation, or adversely affect the value of our investment in the entity.

Our business operations are complex and a failure to perform operational tasks properly or comply with applicable regulatory requirements could have an adverse effect on our revenues and income.

Through our subsidiaries, we provide investment management and related services to investors globally. Further, we outsource various administration, technology, transfer agency and other services for our funds to third-party providers who may serve as a sub-agent or delegate. In order to be competitive and comply with our agreements, we must properly manage our business and subsidiaries around the world, and effectively perform our fund and portfolio administration and related responsibilities, including portfolio record keeping and accounting, security pricing, corporate actions, investment restrictions compliance, daily net asset value computations, account reconciliations, and required distributions to fund shareholders. Many of our operations are complex and dependent on our ability, and the ability of our third-party providers, to process and monitor a large number of transactions effectively, which may occur across numerous markets and currencies at high volumes and frequencies. Although we expend considerable resources on internal controls, supervision, technology and training in an effort to ensure that such transactions do not violate applicable guidelines, rules and regulations or adversely affect our clients, counterparties or us, our operations are ultimately dependent on our personnel, as well as others involved in our business, such as third-party providers and other intermediaries, and subject to human error. Our personnel and others involved in our business may, from time to time, make mistakes that are not always immediately detected, which may disrupt our operations, cause losses, lead to regulatory fines or sanctions, litigation, or otherwise damage our reputation. In addition, any misrepresentation of our services and products in advertising materials, public relations information, social media or other external communications could also adversely affect our reputation and business prospects. Our investment management fees, which represent a majority of our revenues, are dependent on fees earned under investment management agreements that we have with our products and clients. Our revenues could be adversely affected if such agreements representing a significant portion of our AUM are terminated. Further, certain of our subsidiaries may act as general partner for various investment partnerships, which may subject them to liability for the partnerships' liabilities. If we fail to perform and monitor our operations properly, our business could suffer and our revenues and income could be adversely affected.

Failure to establish adequate controls and risk management policies, or the circumvention of controls and policies, could have an adverse effect on our global operations, reputation and financial position.

Although we have adopted risk management, operational and financial controls and compliance policies, procedures and programs that are subject to regular review and update, we cannot ensure that these measures will enable us effectively to identify and manage internal and external risks including those related to fraudulent activity and dishonesty. We are subject to the risk that our personnel, contractors, vendors and other third parties may deliberately or recklessly circumvent or violate our controls to commit fraud against our business, products and/or client accounts, pay or solicit bribes, or

otherwise act in ways inconsistent with our controls, policies, workplace culture and business principles. Attempts to circumvent our policies and controls or incidents involving violation of controls and policies, fraud or conflicts of interests could negatively impact our business and reputation and result in adverse publicity, regulatory investigations and actions, legal proceedings and losses and adversely affect our operations, reputation, AUM and financial results.

We face risks, and corresponding potential costs and expenses, associated with conducting operations and growing our business in numerous countries.

We sell our products and offer our strategies and investment management and related services to clients in many different regulatory jurisdictions around the world, and intend to continue to expand our operations internationally. As we do so, we will continue to face challenges to the adequacy of our resources, procedures and controls to operate our business consistently and effectively. In order to remain competitive, we must be proactive and prepared to implement necessary resources when growth opportunities present themselves, whether as a result of a business acquisition or rapidly increasing business activities in particular markets or regions. Local regulatory environments may vary widely in terms of scope, adequacy and sophistication. Similarly, local distributors, and their policies and practices as well as financial viability, may vary widely and they may be inconsistent or less developed or mature than other more internationally focused distributors. Growth of our international operations has involved and may continue to involve near-term increases in expenses, as well as additional capital costs, such as information systems and technology costs, and costs related to compliance with particular regulatory or other local requirements or needs. Local requirements or needs also may place additional demands on sales and compliance personnel and resources, such as meeting local language requirements, while also integrating personnel into an organization with a single operating language. Finding, hiring and retaining additional, well-qualified personnel and crafting and adopting policies, procedures and controls to address local or regional requirements remain challenges as we expand our operations internationally.

Moreover, regulators in non-U.S. jurisdictions could also change their policies or laws in a manner that might restrict or otherwise impede our ability to distribute or authorize products or maintain their authorizations in their respective markets. Any of these local requirements, activities or needs could increase the costs and expenses we incur in a specific jurisdiction without any corresponding increase in revenues and income from operating in the jurisdiction. Certain laws and regulations both inside and outside the U.S. have extraterritorial application. This may lead to duplicative or conflicting legal or regulatory burdens and additional costs and risks.

Our focus on international markets as a source of investments and sales of our products subjects us to increased exchange rate and market-specific political, economic or other risks that may adversely impact our revenues and income generated overseas.

While we maintain a significant portion of our operations in the U.S., we also provide services and earn revenues in jurisdictions around the world. As a result, we are subject to foreign currency exchange risk through our non-U.S. operations. Fluctuations in the exchange rates to the U.S. dollar have affected, and will in the future affect, our financial results from one period to the next. While we have taken steps to reduce our exposure to foreign exchange risk, for example, by denominating a significant amount of our transactions in U.S. dollars, our situation may change in the future. Appreciation of the U.S. dollar could in the future moderate revenues from managing our products internationally, or could affect relative investment performance of certain of our products invested in non-U.S. securities. In addition, we have risk associated with the foreign exchange revaluation of U.S. dollar balances held by certain non-U.S. subsidiaries for which the local currency is the functional currency. Separately, management fees that we earn tend to be higher in connection with non-U.S. AUM than with U.S. AUM. Consequently, downturns in international markets have in the past had, and could in the future have, a significant effect on our revenues and income. Moreover, our emerging market portfolios and revenues derived from managing these portfolios are subject to significant risks of loss from financial, economic, political and diplomatic developments, currency fluctuations, social instability, changes in governmental policies, nationalization, asset confiscation and changes in legislation related to non-U.S. ownership. International trading markets, particularly in some emerging market countries, are often smaller, less liquid, less regulated and significantly more volatile than those in the U.S. Any ongoing and future business, economic, political or social unrest affecting these markets, in addition to any direct consequences such unrest may have on our personnel and facilities located in the affected area, also may have a lasting impact on the long-term investment climate in these and other areas and, as a result, our AUM and the corresponding revenues and income that we generate from them may be negatively affected.

COMPETITION AND DISTRIBUTION RISKS

Failure to properly address the increased transformative pressures affecting the investment management industry could negatively impact our business.

The investment management industry is facing transformative pressures and trends from a variety of different sources including increased fee pressure; a continued shift away from actively managed core equities and fixed income strategies towards alternative, passive and smart beta strategies; increased demands from clients and distributors for client engagement and services; a trend towards institutions developing fewer relationships and partners and reducing the number of investment managers they work with; increased regulatory activity and scrutiny of many aspects of the investment management industry, including transparency/unbundling of fees, inducements, conflicts of interest, capital, liquidity, solvency, leverage, operational risk management, controls and compensation; addressing the key emerging markets in the world, such as China and India, which often have populations with different needs, preferences and horizons than the U.S. and European markets; advances in technology and digital wealth and distribution tools and increasing client interest in interacting digitally with their investment portfolios; and the growing use of AI and digital asset markets that remain subject to substantial volatility, significant regulatory uncertainty and potential misuse by illicit actors. As a result of the trends and pressures discussed above, the investment management industry is facing an increased level of disruption. If we are unable to adapt our strategy and business to address adequately these trends and pressures, we may be unable to meet client needs satisfactorily, our competitive position may weaken, and our business results and operations may be adversely affected.

Strong competition from numerous and sometimes larger companies with competing offerings and products could limit or reduce sales of our products, potentially resulting in a decline in our market share, revenues and income.

We compete with numerous investment management companies, securities brokerage and investment banking firms, insurance companies, banks, hedge fund firms and other financial management institutions. Our products also compete with products offered by these competitors, as well as with other financial products. The periodic establishment of new investment management companies and other competitors increases the competition that we face. At the same time, consolidation in the financial services industry has created stronger competitors with greater financial resources and broader distribution channels than our own. Competition is based on various factors, including, among others, business reputation, investment performance, product mix and offerings, business trends and strategic considerations, investor goals and preferences, service quality and innovation, distribution relationships, fees charged, and legal and product requirements and restrictions. Further, although we offer many types of ETFs, to the extent that there is a trend among existing or potential clients in favor of lower-fee index and other ETFs, it may favor our competitors who may offer such products that are more established or on a larger scale than we do. Additionally, competing securities broker-dealers and banks, upon which we rely to distribute and sell certain of our funds and other products, also may sell their own proprietary funds and products, which could limit the distribution of our products. To the extent that existing or potential clients, including securities broker-dealers, decide to invest in or distribute the products of our competitors, the sales of our products as well as our market share, revenues and income could decline. Our ability to attract and retain AUM is also dependent on the relative investment performance of our products, offering a mix of products and strategies that meets investor demands, and our ability to maintain our investment management fees and pricing structure at competitive levels.

Increasing competition and other changes in the third-party distribution and sales channels on which we depend could reduce our revenues and income and hinder our growth.

We primarily derive our fund sales through third-party broker-dealers, banks, investment advisers and other financial intermediaries. Because we rely on third-party distribution and sales channels to sell our products, we do not control the ultimate investment recommendations given by them to clients. Such financial intermediaries may recommend competing products. Increasing competition for these distribution and sales channels, and regulatory changes and initiatives, have caused our distribution costs to rise and could cause further cost increases in the future, or could otherwise negatively impact the distribution of our products. Consolidations in the broker-dealer or banking industries also could adversely impact our revenues and income. A failure to maintain our third-party distribution and sales channels, or a failure to maintain strong business relationships with our distributors and other intermediaries, may impair our distribution and sales operations. Any inability to access and successfully sell our products to clients through such third-party channels could have a negative effect on our level of AUM and adversely impact our business.

Moreover, we can provide no assurance that we will continue to have access to the third-party financial intermediaries that currently distribute our products, or that we will continue to have the opportunity to offer all or some of our existing products through them. If several of the major financial advisers that distribute our products were to cease operations or limit or otherwise end the distribution of our products, it could have a significant adverse impact on our revenues and income.

Further, the standards of conduct and disclosure and reporting requirements, with respect to fees, products, services and possible conflicts of interest, applicable to broker-dealers and other financial intermediaries in the U.S., remain subject to change and enhancement pursuant to business and regulatory developments and requirements, including with respect to investor suitability obligations, enhanced investor protections for retail customers, and increased compliance requirements.

In addition, Canada, the U.K., the Netherlands and the EU have adopted regimes that ban, or may limit, the payment of commissions and other inducements to intermediaries in relation to certain sales to retail customers in those jurisdictions, and similar regimes are under consideration in several other jurisdictions. Depending on their exact terms, such regimes may result in existing flows of business moving to less profitable channels or even to competitors providing substitutable products outside the regime. Arrangements with non-independent advisers will also continue to be affected as narrower rules related to the requirement that commissions reflect an enhancement of the service to customers continue to come into effect, along with a prescriptive list of permissible non-monetary benefits. The interpretation of the inducements rules has also resulted in major changes to how fund managers, including us, finance investment research with many firms.

THIRD-PARTY RISKS

Any failure of our third-party providers to fulfill their obligations, or our failure to maintain good relationships with our providers, could adversely impact our business.

We currently, and may in the future, depend on third-party providers to support various operational, administrative, technology, transfer agency, market data, distribution, and other business needs of our company. Further, we outsource various administration, technology, transfer agency and other services for our funds to third-party providers. In addition, we may, from time to time, transfer vendor contracts and services from one provider to another. If our third-party providers fail to deliver required services on a timely basis, or if we experience other negative service quality or relationship issues with our providers, we may be exposed to significant costs and/or operational difficulties, and our ability to conduct and grow our business may be impaired. Such administrative and functional changes are costly and complex, and may expose us to heightened operational risks. Any failure to mitigate such risks could result in reputational harm to us, as well as financial losses to us and our clients. The failure of any key provider or vendor to fulfill its obligations to us could result in outcomes inconsistent with our or our clients' objectives and requirements, result in legal liability and regulatory issues for us, and otherwise adversely impact us.

We may be adversely affected if any of our third-party providers is subject to a successful cyber or security attack.

Due to our interconnectivity with and dependency upon third-party providers, including, for example, advisors, central agents, exchanges, clearing organizations, transfer agents, other financial institutions, and other service providers supporting our business and technology needs, we may be adversely affected if any of them is subject to a successful cyber attack or other privacy or information security event or disruption. Cybersecurity issues affecting third-party providers are a growing concern in the asset management industry. Many services that we use in our business are delivered from and supported, upgraded and maintained by, third-party providers. A breach, suspension or termination of these services or related support, upgrades and maintenance could cause system delays or interruption, and/or unauthorized access to confidential or private data, that could adversely impact our business, including financial losses to us and our clients, legal and regulatory issues, and reputational harm.

TECHNOLOGY AND SECURITY RISKS

Our ability to manage and grow our business successfully can be impeded by systems and other technological limitations.

Our continued success in effectively managing and growing our business depends on our ability to integrate our varied accounting, financial, information, and operational systems on a global basis. Moreover, adapting or developing the existing technology systems we use to meet our internal needs, as well as client needs, industry demands and new regulatory requirements, is also critical for our business. The introduction of new technologies presents new challenges to us. On an ongoing basis, we need to upgrade and improve our technology, including our technology platform, data

processing, financial, accounting, shareholder servicing and trading systems. For example, in July 2024, we selected a third-party technology solution to further support our investment management process and unify our investment management technology platform across asset classes to reduce complexity and support business growth, subject to a multi-year transition and implementation period. Further, we also must be proactive and prepared to implement new technology when growth opportunities present themselves, whether as a result of a business acquisition, technological advancements or rapidly increasing business activities in particular markets or regions. These needs could continue to present operational issues or require significant capital spending, and may require us to reevaluate the current value and/or expected useful lives of the technology we use or intend to use, which could negatively impact our results of operations. In addition, technology is subject to rapid advancements and changes and our competitors may, from time to time, implement newer technologies or more advanced platforms for their services and products, including investment management platforms, digital advisers, digital wealth and distribution tools, digital asset tools and other advanced electronic systems, which could adversely affect our business if we are unable to remain competitive.

Any significant limitation, failure or security breach of our information and cybersecurity infrastructure, software applications, technology or other systems, or those of our third-party providers, that are critical to our operations could disrupt our business and harm our operations, financial condition, and reputation.

We are highly dependent upon the use of various proprietary and third-party information and security technology, software applications, external third-party services and other technology systems, and remote equipment and connectivity infrastructure, to access critical business systems necessary to operate our business. We are also dependent on the continuity and effectiveness of our information and cybersecurity infrastructure, management oversight and reporting framework, policies, procedures and capabilities to protect our computer and telecommunications systems and the data that reside on or are transmitted through them and contracted third-party systems. We use technology and third-party providers on a daily basis in our business to, among other things, support our business continuity and operations, process and transmit confidential communications, store and maintain confidential and proprietary data including personal employee and/or client data, obtain securities pricing information, process client transactions, and provide reports and other services to our clients. In addition, developments in our use of process automation and AI further heighten our dependency on technology, as such technology may be complex and unpredictable. Any disruptions, inaccuracies, mismanagement, delays, theft, systems failures, data security or privacy breaches, cybersecurity threats, incidents, attacks, individual or brand impersonations, or other cyber-related fraud, or other security breaches in these and other processes, could subject us to significant legal and regulatory issues, client dissatisfaction, attrition and financial losses, and damage our reputation. We and our third-party providers have been, and we expect to continue to be, the subject of these types of risks, breaches and/or attacks. Ongoing advances in technology, including generative AI, as well as the malicious use of such technology, further heighten the risks to our business.

Although we take protective measures, including measures to secure and protect information through system security technology and our internal security procedures, as well as measures to assess third-party provider security posture and controls, and maintain insurance coverage for cybersecurity incidents, we can provide no assurance that any of these measures or coverage will prove adequate or effective, or comply with evolving information security standards, particularly given the expanding nature and sophistication of cyber and technology threats and attacks. The technology systems we use or rely on, including those provided and/or leveraged by third-party providers, remain vulnerable to denial of service attacks, unauthorized access, computer viruses, human error and other events and circumstances that may have a security impact, such as an external or internal hacker attack by one or more cyber criminals (including through the use of directive attacks involving impersonation, social engineering, phishing, malware, ransomware, deepfakes and other methods and activities maliciously designed to obtain and exploit confidential information and to cause system and service disruption and other damage), and to our personnel or vendors inadvertently or recklessly causing release of confidential information, which could materially harm our operations and reputation.

Moreover, while we take precautions to password protect and encrypt our laptops and sensitive information on our other mobile electronic devices, if such devices are stolen, misplaced or left unattended, they may become vulnerable to hacking or other unauthorized use, creating a possible security risk, which may require us to incur additional administrative costs and/or take remedial actions. In addition, our or our third-party providers' failure to manage and operate properly the data centers and third-party cloud storage and computing application services we use could have an adverse impact on our business.

System disruptions, failures or breaches of the technology we use or the security infrastructure we rely upon, including third-party applications and services, or our failure effectively and timely to identify, detect, manage, mitigate, disclose or communicate a cybersecurity incident, could result in: (i) material financial loss or costs, (ii) delays in clients'

ability to access account information or in our ability to process transactions, (iii) the unauthorized disclosure or modification of sensitive or confidential client and business information, (iv) loss of valuable information, (v) breach of client and vendor contracts, (vi) liability for stolen assets, information or identity, (vii) remediation costs to repair damage caused by the failure or breach, (viii) additional security and organizational costs to mitigate against future incidents, (ix) reputational harm, (x) loss of confidence in our business and products, (xi) liability for failure to review and disclose applicable incidents or provide relevant updated disclosure properly and timely, (xii) regulatory investigations or actions, and/or (xiii) legal claims, litigation, and liability costs, any one or more of which may be material. Moreover, loss or unauthorized disclosure or transfer of confidential and proprietary data or confidential customer identification information could further harm our reputation and subject us to liability under laws that protect confidential data and personal information, resulting in increased costs or a decline in our revenues or common stock price.

Our inability to recover successfully, should we experience a disaster or other business continuity problem, could cause material financial loss, regulatory actions, legal liability, and/or reputational harm.

Should we experience a local or regional disaster or other business continuity problem, such as an earthquake, hurricane, tsunami, terrorist attack, public health crisis, pandemic or other natural or man-made disaster, our continued success will depend, in part, on the safety and availability of our personnel, our office facilities and infrastructure, and the proper functioning of our technology, computer, telecommunication and other systems and operations that are critical to our business. While our operational size, the diversity of locations from which we operate, and our various back-up systems provide us with an advantage, should we experience a local or regional disaster or other business continuity event, we could still experience operational challenges, in particular depending upon how such a local or regional event may affect our personnel across our operations or with regard to particular aspects of our operations, such as key executives or personnel in our technology groups. Moreover, as we grow our operations in new geographic regions, the potential for particular types of natural or man-made disasters, political, economic or infrastructure instabilities, information, technology or security limitations or breaches, or other country- or region-specific business continuity risks increases. Past disaster recovery efforts have demonstrated that even seemingly localized events may require broader disaster recovery efforts throughout our operations and, consequently, we regularly assess and take steps to improve upon our existing business continuity plans. However, a disaster on a significant scale or affecting certain of our key operating areas within or across regions, or our inability to recover successfully following a disaster or other business continuity problem, could adversely impact our business and operations, and could result in regulatory actions, legal liability and/or reputational harm.

Developing regulatory and legislative treatment of AI, and failure to adequately address AI-related challenges, creates a risk of reputational harm and an impediment to growth.

AI is used in many areas of our business and we plan to further incorporate AI into additional areas. The use of AI offers efficiencies, but also introduces significant challenges related to data security, privacy, intellectual property, regulatory and legislative compliance, accuracy and bias concerns, and reputational harm, among others. For example, AI technologies, including generative AI, may create content that appears correct but is factually inaccurate or flawed. AI technologies evolve at a rapid pace and their usage requires integration with other technology applications, data platforms and business processes. Globally, courts, regulatory agencies and legislative bodies are developing approaches to dealing with AI-related issues, which creates uncertainty around the use of the technology. Use of AI technologies requires appropriate governance, operational controls and procedures, and the development and implementation of appropriate protections and safeguards. Our growing reliance on technological data and algorithms and use of AI may make us more susceptible to cybersecurity threats. Failure to successfully integrate AI technologies, respond to client or market demands, identify or address applicable legal or regulatory issues or effectively manage related risks could result in legal and regulatory liabilities and harm our reputation and growth.

HUMAN CAPITAL RISKS

We depend on key personnel and our financial performance could be negatively affected by the loss of their services.

The success of our business will continue to depend upon our key personnel, including our portfolio managers, investment analysts, sales and management personnel and other professionals as well as our executive officers and other business leaders. Competition for qualified, motivated, and highly skilled executives, professionals and other key personnel in the investment management industry remains significant. Our success depends to a substantial degree upon our ability to find, attract, develop, retain and motivate qualified individuals, including through competitive compensation packages, and upon the continued contributions of these people. Global and/or local laws and regulations could impose restrictions on compensation paid by financial institutions, which could restrict our ability to compete effectively for qualified

professionals. As our business develops, we may need to increase the number of individuals that we employ. Moreover, in order to retain certain key personnel, we may be required to increase compensation to such individuals and increase our key management succession planning, resulting in additional expense without a corresponding increase in potential revenues. There is no assurance that we will be successful in finding, attracting and retaining qualified individuals, and the departure of key investment personnel, in particular, could cause us to lose clients, which could have a material adverse effect on our financial condition, results of operations and business prospects. In addition, due to the global nature of our business, our key personnel may, from time to time, have reasons to travel to regions susceptible to higher risk of civil unrest, organized crime or terrorism, and we may be unable to ensure the safety of our personnel traveling to such regions.

CASH MANAGEMENT RISKS

Our ability to meet cash needs depends upon certain factors, including the market value of our assets, our operating cash flows and our perceived creditworthiness.

If we are unable to obtain cash, financing or access to the capital markets in a timely manner, we may be forced to incur unanticipated costs or revise our business plans, and our business could be adversely impacted. Further, our access to the capital markets depends significantly on our credit ratings. A reduction in our long- or short-term credit ratings could increase our borrowing costs and limit our access to the capital markets. Volatility in the global financing markets also may impact our ability to access the capital markets should we seek to do so, and may have an adverse effect on investors' willingness to purchase our securities, interest rates, credit spreads and/or the valuation levels of equity markets.

We are dependent on the earnings of our subsidiaries.

Substantially all of our operations are conducted through our subsidiaries. As a result, our cash flow and our ability to fund operations are dependent upon the earnings of our subsidiaries and the distribution of earnings, loans or other payments by our subsidiaries. Our subsidiaries are separate and distinct legal entities and have no obligation to fund our payment obligations, whether by dividends, distributions, loans or other payments. Any payments to us by our subsidiaries could be subject to statutory or contractual restrictions and are contingent upon our subsidiaries' earnings and business considerations. Certain of our subsidiaries are subject to regulatory restrictions that may limit their ability to transfer assets to their parent companies. Our financial condition could be adversely affected if certain of our subsidiaries are unable to distribute assets to us.

LEGAL AND REGULATORY RISKS

For a more extensive discussion of certain laws, regulations (including certain pending regulatory reforms) and regulators to which we are subject, as well as certain defined terms referenced below, see "Regulation" under Item 1, Business, in Part I of this Annual Report.

We are subject to extensive, complex, overlapping and frequently changing rules, regulations, policies, and legal interpretations.

There is uncertainty associated with the regulatory and compliance environments in which we operate. Our business is subject to extensive and complex, overlapping and/or conflicting, and frequently changing and increasing rules, regulations, policies and legal interpretations, around the world. Political and electoral changes, developments and conflicts have in the past introduced, and may in the future introduce, additional uncertainty. Our regulatory and compliance obligations impose significant operational and cost burdens on us and cover a broad range of requirements related to financial reporting and other disclosure matters, securities and other financial instruments, investment and advisory matters, accounting, tax, compensation, ethics, intellectual property, privacy and data protection, sanctions programs, and escheatment requirements. We may be adversely affected by a failure to comply with applicable laws, regulations and changes in the countries in which we operate.

We may be adversely affected as a result of new or revised legislation or regulations or by changes in the interpretation of existing laws and regulations, in the U.S. and other jurisdictions.

The laws and regulations applicable to our business generally involve restrictions and requirements in connection with a variety of technical, specialized, and expanding matters and concerns. Over the years, the U.S. federal corporate governance and securities laws, and laws in other jurisdictions, have been augmented substantially and made significantly more complex by various legislation. As we continue to address our legal and regulatory requirements or focus on meeting new or expanded requirements, we may need to continue to expend a substantial amount of additional time, costs and

resources. Regulatory reforms may add further complexity to our business and operations and could require us to alter our investment management services and related activities, which could be costly, impede our growth and adversely impact our AUM, revenues and income. Regulatory reforms also may impact our clients, which could cause them to change their investment strategies or allocations in a manner adverse to our business. Certain key regulatory reforms and proposals in the U.S. and other jurisdictions that may impact or relate to our business, and may cause us to incur additional obligations, include regulatory matters related to public company disclosure requirements, antitrust rules and disclosure, cybersecurity disclosure, sustainability, privacy and data protection, SIFIs, financial products, fiduciary and fund-related reforms, digital assets, proxy voting, tax compliance, and other investment management disclosure and compliance requirements. The impacts of these and other regulatory reforms on us, now and in the future, could be significant. We expect that the regulatory requirements and developments applicable to us will cause us to continue to incur additional compliance and administrative burdens and costs. Any inability to meet applicable requirements within the required timeframes may subject us to sanctions or other restrictions by governments and/or regulators that could adversely impact our broader business objectives.

Global regulatory and legislative actions and reforms have made compliance in the regulatory environment in which we operate more costly and future actions and reforms could adversely impact our financial condition and results of operations.

As in the U.S., regulatory and legislative actions outside the U.S. have been, and continue to be, augmented substantially and made more complex. Further, ongoing changes in the EU's regulatory framework applicable to our business, including any new changes in the composition of the EU's member states, may add further complexity to our global risks and operations. Moreover, the adoption of new laws, regulations or standards and changes in the interpretation or enforcement of existing laws, regulations or standards have directly affected, and will continue to affect, our business. With new laws and changes in interpretation of existing requirements, the associated time we must dedicate to and related costs we must incur in meeting the regulatory complexities of our business have increased. We may be required to continue to invest significant additional management time and resources to address new and changing regulations and laws. Outlays associated with meeting regulatory complexities have also increased as we expand our business into new jurisdictions.

The EU's GDPR strengthened and unified data protection rules for individuals within the EU and addresses export of personal data outside the EU. The failure to comply properly with GDPR rules on a timely basis and to maintain ongoing compliance with such rules may subject us to enforcement proceedings and significant fines and costs. For example, a failure to comply with GDPR could result in fines up to 4% of our annual global revenues.

Compliance activities to address these and other new legal requirements have required, and will continue to require, us to expend additional time and resources, and, consequently, we are incurring increased costs of doing business, which may negatively impact our profitability and future financial results. Finally, any further regulatory and legislative actions and reforms affecting the investment management industry, including compliance initiatives, may negatively impact revenues by increasing our costs of accessing or operating in financial markets or by making certain investment offerings less favorable to our clients.

Failure to comply with the laws, rules or regulations in any of the jurisdictions in which we operate could result in substantial harm to our reputation and results of operations.

As with all investment management companies, our activities are highly regulated in the countries in which we conduct business. Failure to comply with the applicable laws, rules, regulations, codes, directives, notices or guidelines in any of our jurisdictions could result in regulatory enforcement, civil liability, criminal liability and/or the imposition of a range of sanctions or orders against us, including, as applicable, monetary damages, injunctions, disgorgements, fines, penalties, cease and desist orders, censures, reprimands, and the revocation, cancellation, suspension or restriction of licenses, registration status or approvals held by us or our business in a jurisdiction or market, any of which could adversely affect our reputation and operations. Moreover, any errors, whether financial or otherwise, if material, could damage our reputation and adversely affect our business. While management has focused attention and resources on our compliance policies, procedures and practices, the regulatory environments of the jurisdictions where we conduct our business, or where our products are organized or sold, are complex, uncertain and subject to change. Local regulatory environments may vary widely and place additional demands on our sales, investment, legal and compliance personnel. In recent years, the regulatory environments in which we operate have seen significant increased and evolving regulations, which have imposed and may continue to impose additional compliance and operational requirements and costs on us in the applicable jurisdictions. Regulators could also change their policies or laws in a manner that might restrict or otherwise impede our ability to offer our services and products in their respective markets, or we may be unable to keep up with, or

adapt to, the ever changing, complex regulatory requirements in such jurisdictions or markets, which could further negatively impact our business.

Changes in tax laws or exposure to additional income tax liabilities could have a material impact on our financial condition, revenues and income.

We are subject to complex tax regimes, changing tax laws, income taxes, non-income-based taxes, and ongoing tax audits, in the various jurisdictions in which we operate. Tax authorities may disagree with certain positions we have taken and assess additional taxes. We regularly assess the likely outcomes of these audits in order to determine the appropriateness of our tax provision. However, there can be no assurance that we will accurately predict the outcomes of these audits and the actual outcomes could have a material impact on our financial condition. Changes in tax laws or rulings, including corporate tax rate increases, capital gains rate increases for fund investors and other tax rate increases impacting our clients and their willingness to invest in our products, may at times materially impact our revenues and income.

Regulatory and governmental examinations and/or investigations, litigation and the legal risks associated with our business, could adversely impact our AUM, increase costs and negatively impact our profitability and/or our future financial results.

We operate in a highly regulated industry and have received and routinely receive and respond to regulatory and governmental requests for documents or other information, subpoenas, examinations and, in some instances, investigations in connection with our business activities. Further, regulatory or governmental examinations or investigations that have been inactive could become active. In addition, we are named as a party in litigation in the ordinary course of business. Claims made against us, including those without merit, have resulted and may continue to result in reputational harm and responding to such matters is an expensive process. Risks associated with legal liability often are difficult to assess or quantify and their existence and magnitude can remain unknown for significant periods of time. Regulatory enforcement and civil litigation matters can result in the imposition of a range of sanctions or orders against us, including, as applicable, monetary damages, injunctions, disgorgements, fines, penalties, cease and desist orders, censures, reprimands, and the revocation, cancellations, suspension or restriction of licenses, registration status or approvals held by us or our business. In addition, we may be obligated, and under our certificate of incorporation, bylaws and form of director indemnification agreement are obligated under certain conditions, or may choose, to indemnify directors, officers or personnel against liabilities and expenses they may incur in connection with such matters to the extent permitted under applicable law. Financial exposures, including AUM outflows, from and expenses incurred relating to any examinations, investigations, enforcement actions, litigation, and/or settlements have and may continue to adversely impact our AUM, increase costs, and negatively impact our reputation, profitability, and revenue any of which could have a material negative impact on our financial results. For a discussion of certain legal proceedings and regulatory matters in which we are involved, see “Legal Proceedings” in Note 15 - Commitments and Contingencies in the notes to consolidated financial statements in Item 8 of Part II of this Annual Report.

Our contractual obligations may subject us to indemnification costs and liability to third parties.

In the ordinary course of business, we enter into contracts with third parties, including, without limitation, clients, vendors, and other service providers, that contain a variety of representations and warranties and that provide for indemnifications by us in certain circumstances. Pursuant to such contractual arrangements, we may be subject to indemnification costs and liability to third parties if, for example, we breach any material obligations under the agreements or agreed standards of care, or in the event such third parties have certain legal claims asserted against them. The terms of these indemnities vary from contract to contract, and future indemnification claims against us could negatively impact our financial condition.

Failure to protect our intellectual property may negatively impact our business.

Although we take steps to safeguard and protect our intellectual property, including but not limited to our trademarks, patents, copyrights and trade secrets, there can be no assurance that we will be able to effectively protect our rights. If our intellectual property rights were violated, we could be subject to economic and reputational harm that could negatively impact our business and competitiveness in the marketplace. Conversely, while we take efforts to avoid infringement of the intellectual property of third parties, if we are deemed to infringe on a third party’s intellectual property rights it could expose us to litigation risks, license fees, liability and reputational harm.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

Risk Management and Strategy

We recognize the importance of assessing, identifying and managing material risks from cybersecurity threats. Our cybersecurity program focuses on (i) identification of and protection from cybersecurity risks, (ii) detection and analysis of cybersecurity events, (iii) response to and recovery from cybersecurity incidents, and (iv) education and awareness. Under our program, designated personnel are responsible for:

- assessing the severity of a cybersecurity incident and associated threat;
- containing the threat;
- remediating the threat, including recovery of data and access to systems;
- analyzing the reporting obligations associated with the incident; and
- performing post-incident analysis and program improvements.

Our cybersecurity team is led by our Chief Security Officer ("CSO") or the CSO's delegee partnering with our risk, technology, legal, compliance, privacy, human resources, and other applicable business teams. We are subject to audit by regulators and independent parties and we map our cybersecurity program to industry standards.

Identification and Protection. Our cybersecurity program has established processes to identify and categorize cybersecurity threats and vulnerabilities as part of our risk identification process, pursuant to which we regularly seek to obtain, monitor, assess and respond to evolving threat and vulnerability information. Information about threats and vulnerabilities generally originates from multiple sources, including, but not limited to, government, information-sharing organizations, industry threat intelligence sources, and other third parties. The identification of risks is supported through various security controls and testing to help minimize exposure to reported cybersecurity threats and vulnerabilities. These security controls include, but are not limited to, penetration testing, compromise assessments, vulnerability scanning, and various additional internal and external security audits and assessments. In addition, we maintain a third-party risk management program that includes an initial and periodic cybersecurity assessment on critical vendors' security posture and controls.

Detection and Analysis. Cybersecurity incidents may be detected through a variety of means, which include, but are not limited to, automated event-detection notifications or similar technologies that are monitored by our security operations team, as well as notifications from employees or third-party providers. Once a cybersecurity incident is identified, including third-party cybersecurity events, our incident response team investigates the incident, determines the nature of the event and assesses the severity of the event, including any operational impact and sensitivity of any compromised data.

Response and Recovery. In the event of a cybersecurity incident, our initial focus is to contain the cybersecurity incident as quickly as possible consistent with our incident response plan. Once a cybersecurity incident is contained, we focus on remediation and recovery activities, which depend on the nature of the cybersecurity incident. We have relationships with third-party providers to assist with cybersecurity containment and remediation efforts, including for example, forensic investigations and incident response management. If a cybersecurity incident materially impacts us, or is expected to materially impact us, we promptly notify senior management, the Franklin Board of Directors ("Board") and/or Franklin Audit Committee, as appropriate based on the severity of the incident. Our response plan also addresses engagement with appropriate individuals and committees with respect to disclosure determinations related to cybersecurity incidents. We review and, if necessary, update our cybersecurity incident response plan at least annually.

Education and Awareness. Our cybersecurity education and awareness program for employees and contractors covers a wide range of cyber topics including, but not limited to, policies and procedures, business/technology roles and responsibilities, threats and vulnerabilities, data privacy, confidentiality and asset protection. Our employees and contractors are required to complete mandatory initial onboarding and annual cybersecurity trainings, supplemented by other periodic cyber-related testing and training.

Governance

Our Board is responsible for the oversight of our cybersecurity risk management program. The Board has delegated to the Franklin Audit Committee oversight responsibility regarding cybersecurity risks. Our CSO reports directly to our Chief Risk and Transformation Officer, each of whom has extensive experience in information security and risk management. The Board and/or Audit Committee receive(s) reports or updates from senior leadership on cybersecurity matters, including threats, events and program enhancements, more frequently than annually. We update our cybersecurity policies at a minimum annually and benchmark our program to applicable cybersecurity standards and frameworks.

While we have experienced cybersecurity threats and breaches targeting our information technology systems and networks and those of our third-party providers, we are not aware of any cybersecurity threats or incidents that have materially impacted us, or for which we have incurred material costs or damages, during the three fiscal year periods ended September 30, 2026, or that are reasonably likely to materially affect our business, including our business strategy, results of operations or financial condition. We routinely face risks of cybersecurity incidents, whether through attempted or actual: cyber-attacks or cyber intrusions, ransomware and other forms of malware, computer viruses, attachments to emails, individual or brand impersonation, phishing, extortion or other scams. Although we make efforts to maintain the security and integrity of our systems, these systems and the proprietary, confidential and personal information that resides on or is transmitted through them, are subject to the risk of a cybersecurity incident or disruption, and there can be no assurances regarding the effectiveness of our security efforts and measures or those of our third-party providers who have access to, transmit, or store such data. For additional information regarding our cybersecurity risks, see our risk factors under Item 1A in Part I of this Annual Report.

Item 2. Properties.

We conduct our worldwide operations using a combination of owned and leased facilities. While we believe our facilities are suitable and adequate to conduct our business at present, we will continue to acquire, lease and dispose of facilities throughout the world, as necessary.

We own our San Mateo, California corporate headquarters and various other office buildings in the U.S. and internationally. We lease excess owned space to third parties under leases with terms through 2039. Our owned properties consist of the following:

Location	Owned Square Footage	Owned Square Footage Leased to Third Parties
San Mateo, California	743,793	475,183
St. Petersburg, Florida	560,948	371,990
Rancho Cordova, California	445,023	47,556
Hyderabad, India	379,052	23,164
Poznan, Poland	284,436	121,994
Ft. Lauderdale, Florida	102,246	31,705
Edinburgh, Scotland	87,016	24,879
Other	18,947	0
Total	**2,621,461**	**1,096,471**

We lease office space in 16 states in the U.S. and Washington, D.C., and internationally, including Australia, Brazil, Canada, the People's Republic of China (including Hong Kong), Germany, India, Japan, Luxembourg, Mexico, Singapore, South Korea, United Arab Emirates, Malaysia and the U.K. As of September 30, 2026, we leased and occupied approximately 2,053,000 square feet of office space worldwide, and subleased to third parties approximately 237,000 square feet of excess leased space.

Item 3. Legal Proceedings.

Incorporated herein by reference is information regarding certain legal proceedings and regulatory matters in which we are involved as set forth under "Legal Proceedings" contained in Note 15 – Commitments and Contingencies in the notes to consolidated financial statements in Item 8 of Part II of this Annual Report.

Item 4. Mine Safety Disclosures.

Not applicable.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

The following description of our executive officers is included as an unnumbered item in this Part I of this Annual Report in lieu of being included in our definitive proxy statement for our annual meeting of stockholders. Set forth below are the name, age, present title, and certain other information for each of our executive officers as of the filing date of this Annual Report. Generally, each executive officer is appointed by our board of directors and holds his or her office until the earlier of his or her death, resignation, retirement, disqualification or removal.

Jennifer M. Johnson
Age 62

Chief Executive Officer and director of Franklin since February 2020; formerly, President of Franklin from December 2016 to October 2025, Chief Operating Officer of Franklin from February 2017 to February 2020, Co-President of Franklin from October 2015 to December 2016, Executive Vice President and Chief Operating Officer of Franklin from March 2010 to September 2015, Executive Vice President – Operations and Technology of Franklin from December 2005 to March 2010, and Senior Vice President and Chief Information Officer of Franklin from May 2003 to December 2005; officer and/or director of certain subsidiaries of Franklin; officer, director and/or trustee of certain funds registered as investment companies managed or advised by subsidiaries of Franklin. Director of Thermo Fisher Scientific Inc. since July 2023.

Gregory E. Johnson
Age 65

Executive Chairman of Franklin since February 2020, Chairman of the Board of Franklin since June 2013 and director of Franklin since January 2007; Chairman of the San Francisco Giants, a professional baseball organization, since November 2019; formerly, Chief Executive Officer of Franklin from July 2005 to February 2020, Co-Chief Executive Officer of Franklin from January 2004 to July 2005, and President of Franklin from December 1999 to September 2015; officer and/or director of certain subsidiaries of Franklin; officer, director and/or trustee of certain funds registered as investment companies managed or advised by subsidiaries of Franklin.

Rupert H. Johnson, Jr.
Age 86

Vice Chairman of Franklin since December 1999 and director of Franklin since 1971; officer and/or director of certain subsidiaries of Franklin; officer, director and/or trustee of certain funds registered as investment companies managed or advised by subsidiaries of Franklin.

Daniel Gamba
Age 59

Co-President and Chief Commercial Officer of Franklin since October 2025; formerly, President of Northern Trust Asset Management and Executive Vice President of Northern Trust Corporation financial services firms from April 2023 to September 2025; and formerly spent over two decades at Blackrock, Inc. financial services firm where, among other roles, he served as Co-Head of Fundamental Equities from 2020 to February 2023, Global Head of Active Equity Product Strategy from 2016 to 2020, and Head of Americas Institutional iShares Business and Co-Head iShares U.S. from 2011 to 2016.

Terrence J. Murphy
Age 59

Co-President of Franklin since October 2025 and Head of Public Market Investments of Franklin since October 2022; Chairman since 2014 and Chief Executive Officer and President since 2012 of ClearBridge Investments, LLC, a subsidiary of Franklin; officer and/or director of certain other subsidiaries of Franklin. Formerly, Executive Vice President of Franklin from October 2022 to October 2025, Chief Operating Officer and Chief Financial Officer of ClearBridge from 2006 to 2011, Chief Financial Officer of Citigroup Asset Management a financial services firm from 2005 to 2006 and Director of Planning from 2000 to 2005; and business Controller for various product lines at Citigroup’s Corporate and Investment Bank from 1997 to 2000.

Matthew Nicholls
Age 54

Co-President of Franklin since October 2025, Chief Financial Officer of Franklin since May 2019 and Chief Operating Officer since April 2022; officer and/or director of certain subsidiaries of Franklin. Formerly, Executive Vice President of Franklin from May 2019 to October 2025, and formerly with Citigroup, Inc. a financial services firm from 1995 to May 2019, as Managing Director, Global Head of Financial Institutions, Corporate Banking, and Global Head of Asset Management, Corporate and Investment Banking, from 2017 to May 2019, as Managing Director, Co-Head, Financial Institutions Corporate and Investment Banking, North America, and Global Head of Asset Management, Corporate and Investment Banking, from 2014 to 2017, as Managing Director, Co-Head, North America, Financial Institutions Corporate and Investment Banking from 2011 to 2014, as Managing Director and Co-Head, North America, Financial Institutions Corporate Banking from 2007 to 2011, and as Managing Director and Co-Head of Asset Management Banking from 2006 to 2007.

Thomas C. Merchant
Age 58

Executive Vice President and General Counsel of Franklin since May 2022; formerly, Corporate Secretary from July 2021 to December 2024; oversaw global regulatory compliance of Franklin as Deputy General Counsel from August 2020 to May 2022; officer and/or director of certain subsidiaries of Franklin. Formerly, General Counsel and Executive Vice President of Legg Mason, Inc. from 2013 and Secretary from 2008, until its acquisition by Franklin Templeton in July 2020; joined Legg Mason as Associate General Counsel in 1998, serving as Corporate General Counsel and Deputy General Counsel. Formerly, served as a Corporate Associate at Shearman & Sterling, a law firm, in New York from 1993 to 1998.

Family Relationships

Jennifer M. Johnson and Gregory E. Johnson are siblings, and their uncle is Rupert H. Johnson, Jr. Each serves as both a director and an executive officer of Franklin.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our common stock is traded on the NYSE under the ticker symbol "BEN." At October 31, 2026, there were 2,132 stockholders of record of our common stock.

The following table provides information with respect to the shares of our common stock that we repurchased during the three months ended September 30, 2026.

Month	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased As Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
July 2026	83,144	$ 33.61	83,144	25,485,906
August 2026	2,408,375	34.15	2,408,375	23,077,531
September 2026	30,447	32.41	30,447	23,047,084
Total	**2,521,966**		**2,521,966**	

Under our stock repurchase program, which is not subject to an expiration date, we can repurchase shares of our common stock from time to time in the open market and in private transactions in accordance with applicable laws and regulations, including without limitation applicable federal securities laws. In order to pay taxes due in connection with the vesting of employee and executive officer stock and stock unit awards, we may repurchase shares under our program using a net stock issuance method. In December 2025, our Board of Directors authorized the repurchase of up to an additional 20.8 million shares of our common stock in either open market or private transactions, for a total of up to 40.0 million shares available for repurchase under the stock repurchase program as of such authorization date.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

FORWARD-LOOKING STATEMENTS

The following discussion and analysis of the results of operations and financial condition of Franklin Templeton, Inc. ("Franklin") and its subsidiaries (collectively, the "Company") should be read in conjunction with the "Forward-looking Statements" disclosure set forth in Part I and the "Risk Factors" set forth in Item 1A of Part I of this Annual Report on Form 10-K (this "Annual Report") and in any more recent filings with the U.S. Securities and Exchange Commission (the "SEC"), each of which describe our risks, uncertainties and other important factors in more detail. Words such as "we," "us," "our" and similar terms refer to the Company.

OVERVIEW

Franklin is a holding company with subsidiaries operating under our Franklin Templeton® and/or subsidiary brand names. We are a global investment management organization that derives operating revenues and net income from providing investment management and related services to investors in jurisdictions worldwide. We deliver our investment capabilities through a variety of investment products, which include our sponsored funds, as well as institutional and high-net-worth separate accounts, retail separately managed account programs, sub-advised products and other investment vehicles. Related services include fund administration, sales and distribution, and shareholder servicing, which we may perform directly or outsource to third parties. We offer our services and products under our various distinct brand names, including, but not limited to, Franklin Templeton®, Apera®, Benefit Street Partners®, Benji®, Brandywine Global Investment Management®, Canvas®, Clarion Partners®, ClearBridge Investments®, Fiduciary Trust International™, Franklin®, Franklin Mutual Series®, K2®, Legg Mason®, Lexington Partners®, MosaiQ®, Putnam®, Royce®, Templeton®, and Western Asset Management Company®. We offer a broad product mix of equity, fixed income, alternative, multi-asset and cash management asset classes and solutions that meet a wide variety of specific investment goals and needs for individual and institutional investors. We also provide sub-advisory services to certain investment products sponsored by

other companies which may be sold to investors under the brand names of those other companies or on a co-branded basis.

The level of our revenues depends largely on the level and relative mix of assets under management ("AUM"). As noted in the "Risk Factors" section set forth above in Item 1A of Part I of this Annual Report, the amount and mix of our AUM are subject to significant fluctuations, including as a result of reputational harm, that can negatively impact our revenues and income. The level of our revenues also depends on the fees charged for our services, which are based on contracts with our funds and customers, fund sales, and the number of shareholder transactions and accounts. These arrangements could change in the future.

During the fiscal year ended September 30, 2026 ("fiscal year 2026"), U.S. and global equity markets generated positive returns, supported by resilient economic growth, strong corporate earnings, and continued AI-driven investment despite elevated inflation, higher interest rates, and geopolitical uncertainty. The S&P 500 Index and MSCI World Index each increased 15.7% for the fiscal year. The global bond markets declined as the Bloomberg Global Aggregate Index decreased 2.4% for the fiscal year.

Our total AUM was $1,795.1 billion at September 30, 2026, 8% higher than at September 30, 2025. Simple monthly average AUM ("average AUM") increased 8% during fiscal year 2026.

On October 1, 2025, we acquired Apera Asset Management ("Apera"), a pan-European private credit firm.

The business and regulatory environments in which we operate globally remain complex, uncertain and subject to change. We are subject to various laws, rules and regulations globally that impose restrictions, limitations, registration, reporting and disclosure requirements on our business, and add complexity to our global compliance operations.

Uncertainties regarding the global economy remain for the foreseeable future. As we continue to confront the challenges of the current economic and regulatory environments, we remain focused on the investment performance of our products and on providing high quality service to our clients. We continuously perform reviews of our business model. While we remain focused on expense management, we will also seek to attract, retain and develop personnel and invest strategically in our business and in systems and technology to support our evolving business. We will continue to seek to protect and further our brand recognition while developing and maintaining broker-dealer and client relationships. The success of these and other strategies may be influenced by the factors discussed in the "Risk Factors" section.

The following discussion and analysis includes a comparison of our financial results for fiscal year 2026 to fiscal year 2025. For discussion and analysis of the financial results for fiscal year 2025 compared to fiscal year 2024, see Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, of our Annual Report on Form 10-K for the fiscal year ended September 30, 2025, which was filed with the SEC on November 10, 2025.

RESULTS OF OPERATIONS

(in millions, except per share data)

for the fiscal years ended September 30,	2026	2025	2024	2026 vs. 2025	2025 vs. 2024
Operating revenues	$ 9,415.3	$ 8,770.7	$ 8,478.0	7%	3%
Operating income	1,175.9	604.1	407.6	95%	48%
Operating margin[1]	12.5 %	6.9 %	4.8 %		
Net income attributable to Franklin Templeton, Inc.	$ 1,075.3	$ 524.9	$ 464.8	105%	13%
Diluted earnings per share	$ 1.97	$ 0.91	$ 0.85	116%	7%
As adjusted (non-GAAP):[2]					
Adjusted operating income	$ 2,019.4	$ 1,640.2	$ 1,713.1	23%	(4%)
Adjusted operating margin	28.0 %	24.5 %	26.1 %		
Adjusted net income	$ 1,642.6	$ 1,195.8	$ 1,276.7	37%	(6%)
Adjusted diluted earnings per share	$ 3.07	$ 2.22	$ 2.39	38%	(7%)

1 Defined as operating income divided by total operating revenues.
2 "Adjusted operating income," "adjusted operating margin," "adjusted net income" and "adjusted diluted earnings per share" are based on methodologies other than generally accepted accounting principles. See "Supplemental Non-GAAP Financial Measures" for definitions and reconciliations of these measures.

ASSETS UNDER MANAGEMENT

AUM by asset class was as follows:

(in billions)

as of September 30,	2026	2025	2024	2026 vs. 2025	2025 vs. 2024
Equity	$ 763.8	$ 686.2	$ 632.1	11%	9%
Fixed Income	427.6	438.7	556.4	(3%)	(21%)
Alternative	304.6	263.9	249.9	15%	6%
Multi-Asset	223.5	193.9	176.2	15%	10%
Cash Management	75.6	78.5	64.0	(4%)	23%
Total	**$ 1,795.1**	**$ 1,661.2**	**$ 1,678.6**	**8%**	**(1%)**

Changes in average AUM are generally more indicative of trends in revenue for providing investment management services than the year-over-year change in ending AUM. Average AUM and the mix of average AUM by asset class are shown below.

(in billions)

	Average AUM [1]				
for the fiscal years ended September 30,	2026	2025	2024	2026 vs. 2025	2025 vs. 2024
Equity	$ 723.6	$ 637.0	$ 544.0	14%	17%
Fixed Income	438.1	466.5	542.3	(6%)	(14%)
Alternative	283.3	253.7	254.9	12%	0%
Multi-Asset	210.2	179.8	161.1	17%	12%
Cash Management	80.2	69.7	63.5	15%	10%
Total	**$ 1,735.4**	**$ 1,606.7**	**$ 1,565.8**	**8%**	**3%**

1 Average AUM is calculated as the average of the month-end AUM for the trailing thirteen months.

for the fiscal years ended September 30,	Mix of Average AUM 2026	2025	2024
Equity	42%	40%	35%
Fixed Income	25%	29%	35%
Alternative	16%	16%	16%
Multi-Asset	12%	11%	10%
Cash Management	5%	4%	4%
Total	**100%**	**100%**	**100%**

Components of the change in AUM are shown below. Net market change, distributions and other includes appreciation (depreciation), distributions to investors that represent return on investments and return of capital, and foreign exchange revaluation.

(in billions)

for the fiscal years ended September 30,	2026 [1]	2025	2024
Beginning AUM	$ 1,661.2	$ 1,678.6	$ 1,374.2
Long-term inflows	473.5	343.9	319.0
Long-term outflows	(389.4)	(441.3)	(351.6)
Long-term net flows	84.1	(97.4)	(32.6)
Cash management net flows	(2.8)	12.6	2.7
Total net flows	81.3	(84.8)	(29.9)
Acquisitions (disposition)	6.2	(0.2)	148.3
Net market change, distributions and other	46.4	67.6	186.0
Ending AUM	**$ 1,795.1**	**$ 1,661.2**	**$ 1,678.6**

[1] Beginning in fiscal year 2026, non-fee generating uncalled capital commitments, which were previously included in net market change, distributions, and other, are reflected in long-term inflows in the period the capital is committed. Prior periods have not been revised to reflect the current presentation.

Components of the change in AUM by asset class were as follows:

(in billions)

for the fiscal year ended September 30, 2026	Equity	Fixed Income	Alternative[1]	Multi-Asset	Cash Management	Total
AUM at October 1, 2025	$ 686.2	$ 438.7	$ 263.9	$ 193.9	$ 78.5	$ 1,661.2
Long-term inflows	236.7	124.4	48.7	63.7	—	473.5
Long-term outflows	(215.6)	(125.1)	(11.1)	(37.6)	—	(389.4)
Long-term net flows	21.1	(0.7)	37.6	26.1	—	84.1
Cash management net flows	—	—	—	—	(2.8)	(2.8)
Total net flows	21.1	(0.7)	37.6	26.1	(2.8)	81.3
Acquisition	—	—	6.2	—	—	6.2
Net market change, distributions and other	56.5	(10.4)	(3.1)	3.5	(0.1)	46.4
AUM at September 30, 2026	**$ 763.8**	**$ 427.6**	**$ 304.6**	**$ 223.5**	**$ 75.6**	**$ 1,795.1**

[1] Beginning in fiscal year 2026, non-fee generating uncalled capital commitments, which were previously included in net market change, distributions, and other, are reflected in long-term inflows in the period the capital is committed. Prior periods have not been revised to reflect the current presentation.

AUM increased $133.9 billion or 8% during fiscal year 2026 primarily due to $84.1 billion of long-term net inflows, inclusive of $11.7 billion of long-term net outflows at Western Asset Management ("WAM"), the positive impact of $46.4 billion of net market change, distributions and other and $6.2 billion from acquisitions, partially offset by the $2.8 billion of cash management net outflows. Long-term net inflows include $39.5 billion of long-term reinvested distributions. Net market change, distributions and other primarily consists of $126.1 billion of market appreciation partially offset by $75.3 billion of long-term distributions and a $4.4 billion decrease from foreign exchange revaluation. The market appreciation occurred in all asset classes, most significantly in the equity asset class, and reflected positive returns in the global equity markets. Foreign exchange revaluation from AUM in products that are not U.S. dollar denominated was primarily due to a stronger U.S. dollar compared to the Euro, Japanese Yen and Indian Rupee, partially offset by a weaker U.S. dollar compared to the Australian dollar.

Long-term inflows increased 38% to $473.5 billion, as compared to the prior year, driven by higher inflows across equity, alternative and multi-asset strategies, particularly in open-end funds, separately managed accounts, exchange traded funds and private funds. Long-term outflows decreased 12% to $389.4 billion, primarily due to lower outflows across multiple fixed income vehicles at WAM, including institutional separate accounts, sub-advised mutual funds, open-end funds, and sub-advised CITs, partially offset by higher outflows in equity open-end funds, separately managed accounts and exchange traded funds.

(in billions)

for the fiscal year ended September 30, 2025	Equity	Fixed Income	Alternative	Multi-Asset	Cash Management[1]	Total
AUM at October 1, 2024	$ 632.1	$ 556.4	$ 249.9	$ 176.2	$ 64.0	$ 1,678.6
Long-term inflows	159.7	114.7	23.2	46.3	—	343.9
Long-term outflows	(160.1)	(237.4)	(10.3)	(33.5)	—	(441.3)
Long-term net flows	(0.4)	(122.7)	12.9	12.8	—	(97.4)
Cash management net flows	—	—	—	—	12.6	12.6
Total net flows	(0.4)	(122.7)	12.9	12.8	12.6	(84.8)
Disposition	—	(0.1)	(0.1)	—	—	(0.2)
Net market change, distributions and other	54.5	5.1	1.2	4.9	1.9	67.6
AUM at September 30, 2025	**$ 686.2**	**$ 438.7**	**$ 263.9**	**$ 193.9**	**$ 78.5**	**$ 1,661.2**

[1] Cash management at September 30, 2025 includes $6.3 billion of AUM and $3.7 billion of net inflows related to two money market mutual fund share classes previously closed to third-party investors.

AUM by sales region was as follows:

(in billions)

as of September 30,	2026	2025	2024	2026 vs. 2025	2025 vs. 2024
United States[1]	$ 1,272.3	$ 1,171.5	$ 1,177.1	9%	0%
International					
Europe, Middle East and Africa	226.1	201.4	195.2	12%	3%
Asia-Pacific[2]	191.7	179.5	191.9	7%	(6%)
Americas, excl. U.S.[1]	105.0	108.8	114.4	(3%)	(5%)
Total international	$ 522.8	$ 489.7	$ 501.5	7%	(2%)
Total	**$ 1,795.1**	**$ 1,661.2**	**$ 1,678.6**	**8%**	**(1%)**

[1] Effective in fiscal year 2026, Cayman-domiciled money market fund assets are included in United States reflecting the underlying investor base. This change resulted in an 11% reduction of AUM in the Americas, excluding U.S.

[2] Effective January 1, 2026, Asia-Pacific includes India. Prior periods have been revised to reflect the current presentation.

The region in which investment products are sold may differ from the geographic area in which we provide investment management and related services to the products.

Investment Performance Overview

A key driver of our overall success is the long-term investment performance of our investment products. A measure of the performance of these products is the percentage of AUM exceeding peer group medians and benchmarks. We compare the relative performance of our mutual funds against peers, and of our strategy composites against benchmarks.

The performance of our mutual fund products against peer group medians and of our strategy composites against benchmarks is presented in the table below.

	Peer Group Comparison[1] % of Mutual Fund AUM in Top Two Peer Group Quartiles				Benchmark Comparison[2] % of Strategy Composite AUM Exceeding Benchmark			
as of September 30, 2026	**1-Year**	**3-Year**	**5-Year**	**10-Year**	**1-Year**	**3-Year**	**5-Year**	**10-Year**
Equity	52 %	53 %	53 %	60 %	35 %	44 %	43 %	59 %
Fixed Income	58 %	77 %	79 %	75 %	78 %	75 %	74 %	95 %
Total AUM[3]	50 %	52 %	55 %	58 %	47 %	59 %	55 %	72 %

1 Mutual fund performance is sourced from Morningstar and measures the percent of ranked AUM in the top two quartiles versus peers. Total mutual fund AUM measured for the 1-, 3-, 5- and 10-year periods represents 39%, 39%, 39% and 35% of our total AUM as of September 30, 2026.

2 Strategy composite performance measures the percent of composite AUM beating its benchmark. The benchmark comparisons are based on each account's/composite's (strategy composites may include retail separately managed accounts and mutual fund assets managed as part of the same strategy) return as compared to a market index that has been selected to be generally consistent with the asset class of the account/composite. Total strategy composite AUM measured for the 1-, 3-, 5- and 10-year periods represents 58%, 57%, 57% and 52% of our total AUM as of September 30, 2026.

3 Total mutual fund AUM includes performance of our alternative and multi-asset funds, and total strategy composite AUM includes performance of our alternative composites. Alternative and multi-asset AUM represent 17% and 12% of our total AUM at September 30, 2026.

Mutual fund performance data includes U.S. and cross-border domiciled mutual funds and exchange-traded funds, excludes cash management and fund of funds, and assumes the reinvestment of dividends.

Past performance is not indicative of future results. For strategy composite AUM included in institutional and retail separately managed accounts and investment funds managed in the same strategy as separate accounts, performance comparisons are based on gross-of-fee performance. For investment funds which are not managed in a separate account format, performance comparisons are based on net-of-fee performance. These performance comparisons do not reflect the actual performance of any specific separate account or investment fund; individual separate account and investment fund performance may differ. The information in this presentation is provided solely for use in connection with this document, and is not directed toward existing or potential clients of Franklin.

OPERATING REVENUES

The table below presents the percentage change in each operating revenue category.

(in millions)

for the fiscal years ended September 30,	2026	2025	2024	2026 vs. 2025	2025 vs. 2024
Investment management fees	$ 7,478.9	$ 6,981.8	$ 6,822.2	7%	2%
Sales and distribution fees	1,593.7	1,474.7	1,381.0	8%	7%
Shareholder servicing fees	289.4	264.5	229.3	9%	15%
Other	53.3	49.7	45.5	7%	9%
Total Operating Revenues	**$ 9,415.3**	**$ 8,770.7**	**$ 8,478.0**	**7%**	**3%**

Investment Management Fees

Investment management fees are generally calculated under contractual arrangements with our investment products and the products for which we provide sub-advisory services as a percentage of AUM. Annual fee rates vary by asset class and type of services provided. Fee rates for products sold outside of the U.S. are generally higher than for U.S. products.

Investment management fees increased $497.1 million in fiscal year 2026 primarily due to an increase in average equity, multi-asset and alternative AUM and the acquisition of Apera, partially offset by a decrease in performance fees and the impact of WAM outflows.

Our effective investment management fee rate excluding performance fees (investment management fees excluding performance fees divided by average AUM) was 40.7 and 40.5 basis points for fiscal years 2026 and 2025.

Performance fees were $414.1 million and $474.0 million for fiscal years 2026 and 2025. The decrease was primarily driven by lower performance fees earned by our alternative investment managers, partially offset by higher performance fees earned by our equity investment managers.

Our product offerings and global operations are diverse. As such, the impact of future changes in AUM on investment management fees will be affected by the relative mix of asset class, geographic region, distribution channel and investment vehicle of the assets.

Sales and Distribution Fees

Sales and distribution fees primarily consist of upfront sales commissions and ongoing distribution fees. Sales commissions are earned from the sale of certain classes of sponsored funds at the time of purchase (“commissionable sales”) and may be reduced or eliminated depending on the amount invested and the type of investor. Therefore, sales fees generally will change with the overall level of gross sales, the size of individual transactions, and the relative mix of sales between different share classes and types of investors.

Our sponsored mutual funds generally pay us distribution fees in return for sales, marketing and distribution efforts on their behalf. The majority of our U.S. mutual funds, with the exception of certain money market funds and certain other funds specifically designed for purchase through separately managed account programs, have adopted distribution plans under Rule 12b-1 (the “Rule 12b-1 Plans”) promulgated under the Investment Company Act of 1940. The Rule 12b-1 Plans permit the funds to pay us for marketing, marketing support, advertising, printing and sales promotion services relating to the distribution of their shares, subject to the Rule 12b-1 Plans’ limitations on amounts based on daily average AUM. We earn distribution fees from our non-U.S. funds based on daily average AUM.

Contingent sales charges are earned from investor redemptions within a contracted period of time. Substantially all of these charges are levied on certain shares sold without a front-end sales charge, and vary with the mix of redemptions of these shares.

We pay substantially all of our sales and distribution fees to the financial advisers, broker-dealers and other intermediaries that sell our funds on our behalf. See the description of sales, distribution and marketing expenses below.

Sales and distribution fees by revenue driver are presented below.

(in millions)

for the fiscal years ended September 30,	2026	2025	2024	2026 vs. 2025	2025 vs. 2024
Asset-based fees	$ 1,318.8	$ 1,219.5	$ 1,135.1	8%	7%
Sales-based fees	274.9	255.2	245.9	8%	4%
Sales and Distribution Fees	**$ 1,593.7**	**$ 1,474.7**	**$ 1,381.0**	**8%**	**7%**

Asset-based distribution fees increased $99.3 million in fiscal year 2026 primarily due to an increase of 5% in the related average AUM and a higher mix of equity funds, non-U.S. multi-asset funds and U.S. alternative funds, which generate higher fees.

Sales-based fees increased $19.7 million in fiscal year 2026 primarily due to a $10.3 million increase in contingent sales charges, driven by increased redemptions, and an increase of 13% in commissionable sales, partially offset by a higher mix of non-U.S. sales, which generate lower fees.

Shareholder Servicing Fees

Shareholder servicing fees are earned from our sponsored funds for providing transfer agency services, which include providing shareholder statements, transaction processing, client service and tax reporting. Shareholder servicing fees are determined based on a contractual margin, or a percentage of AUM and either the number of transactions in shareholder accounts or the number of shareholder accounts. Shareholder servicing fees also include fund reimbursements of expenses incurred while providing transfer agency services.

Shareholder servicing fees increased $24.9 million in fiscal year 2026, primarily due to higher levels of related AUM and increased revenue related to fees earned on a contractual basis.

OPERATING EXPENSES

The table below presents the percentage change in each operating expense category.

(in millions)

for the fiscal years ended September 30,	2026	2025	2024	2026 vs. 2025	2025 vs. 2024
Compensation and benefits	$ 3,963.4	$ 3,818.2	$ 3,831.1	4%	0%
Sales, distribution and marketing	2,200.5	2,010.9	1,863.1	9%	8%
Information systems and technology	644.7	643.6	620.1	0%	4%
Occupancy	277.2	286.3	325.4	(3%)	(12%)
Amortization of intangible assets	198.4	406.5	338.2	(51%)	20%
Impairment of intangible assets	33.0	226.6	389.2	(85%)	(42%)
General, administrative and other	922.2	774.5	703.3	19%	10%
Total Operating Expenses	**$ 8,239.4**	**$ 8,166.6**	**$ 8,070.4**	**1%**	**1%**

Compensation and Benefits

The components of compensation and benefits expenses are presented below.

(in millions)

for the fiscal years ended September 30,	2026	2025	2024	2026 vs. 2025	2025 vs. 2024
Salaries, wages and benefits	$ 1,747.5	$ 1,724.0	$ 1,686.6	1%	2%
Incentive compensation	1,762.0	1,676.6	1,613.7	5%	4%
Acquisition-related retention[1]	75.1	162.4	263.6	(54%)	(38%)
Acquisition-related performance fee pass through[1]	76.7	106.7	97.5	(28%)	9%
Other[1, 2]	302.1	148.5	169.7	103%	(12%)
Compensation and Benefits Expenses	**$ 3,963.4**	**$ 3,818.2**	**$ 3,831.1**	**4%**	**0%**

[1] See "Supplemental Non-GAAP Financial Measures" for additional information.
[2] Includes impact of gains and losses on investments related to deferred compensation plans, which is offset in investment and other income (losses), net; minority interests in certain subsidiaries, which is offset in net income (loss) attributable to redeemable noncontrolling interests; and termination benefits.

Salaries, wages and benefits increased $23.5 million in fiscal year 2026 primarily due to annual salary increases, higher post-retirement benefit costs and additional compensation expenses associated with the acquisition of Apera, partially offset by savings from cost reduction initiatives.

Incentive compensation increased $85.4 million in fiscal year 2026, primarily due to higher bonus expense based on our annual performance, higher deferred compensation expense and higher sales-related commissions.

Acquisition-related retention expenses decreased $87.3 million in fiscal year 2026, primarily due to the reversal of $67.3 million of expense upon forfeiture of certain equity awards and lower costs associated with recent acquisitions.

Other compensation and benefits increased $153.6 million in fiscal year 2026, primarily due to higher termination benefits and net market gains on investments related to our deferred compensation plans. Termination benefits increased $131.4 million primarily due to higher costs associated with workforce optimization initiatives.

At September 30, 2026, our global workforce increased to approximately 9,900 employees from approximately 9,800 at September 30, 2025.

We continue to place a high emphasis on our pay for performance philosophy. As such, any changes in the underlying performance of our investment products or changes in the composition of our incentive compensation offerings could have an impact on compensation and benefits expenses going forward. However, in order to attract and retain talented individuals, our level of compensation and benefit expenses may increase more quickly or decrease more slowly than our revenue.

Sales, Distribution and Marketing

Sales, distribution and marketing expenses primarily relate to services provided by financial advisers, broker-dealers and other intermediaries to our sponsored funds, including marketing support services. Substantially all distribution expenses are incurred from assets that generate distribution fees and are determined as a percentage of AUM. Substantially all sales expenses are incurred from the same commissionable sales transactions that generate sales fee revenues and are determined as a percentage of sales. Marketing support expenses are based on AUM, sales or a combination thereof. Also included is the amortization of deferred sales commissions related to upfront commissions on shares sold without a front-end sales charge. The deferred sales commissions are amortized over the periods in which commissions are generally recovered from related revenues.

Sales, distribution and marketing expenses by cost driver are presented below.

(in millions)

for the fiscal years ended September 30,	2026	2025	2024	2026 vs. 2025	2025 vs. 2024
Asset-based expenses	$ 1,849.1	$ 1,685.3	$ 1,569.6	10%	7%
Sales-based expenses	254.4	245.8	231.5	3%	6%
Amortization of deferred sales commissions	97.0	79.8	62.0	22%	29%
Sales, Distribution and Marketing	**$ 2,200.5**	**$ 2,010.9**	**$ 1,863.1**	**9%**	**8%**

Asset-based expenses increased $163.8 million in fiscal year 2026 primarily due to an increase of 6% in the related average AUM, a higher mix of equity funds, non-U.S. multi-asset funds and U.S. alternative funds, which incur higher fees, and higher marketing support fees. Distribution expenses are generally not directly correlated with distribution fee revenues due to certain fee structures that do not provide full recovery of distribution costs.

Sales-based expenses increased $8.6 million in fiscal year 2026 primarily due to an increase of 13% in commissionable sales, partially offset by a higher mix of non-U.S. sales.

Amortization of deferred sales commissions increased $17.2 million in fiscal year 2026 primarily due to higher sales.

Occupancy

Occupancy expenses decreased $9.1 million in fiscal year 2026, primarily due to initiatives to reduce office space, including the consolidation of our office space in New York City.

Amortization of intangible assets

Amortization of intangible assets decreased $208.1 million in fiscal year 2026, primarily due to the effect of intangible assets which became fully amortized during fiscal years 2026 and 2025, partially offset by an increase in amortization due to the reclassification of certain indefinite-lived intangible assets to definite-lived intangible assets and a reduction in the useful lives of certain definite-lived intangible assets related to trade names.

Impairment of intangible assets

Impairment of intangible assets was $33.0 million in fiscal year 2026 and $226.6 million in fiscal year 2025. In fiscal year 2026, we impaired our indefinite-lived intangible assets by $33.0 million, primarily related to certain acquired mutual fund investment management contracts. In fiscal year 2025, we impaired our indefinite-lived intangible asset related to certain contracts managed by WAM by $200.0 million and also recognized impairment charges of $26.6 million related to certain other indefinite-lived intangible assets related to management contracts. See Critical Accounting Policies and Note 8 - Goodwill and Other Intangible Assets in the notes to consolidated financial statements in Item 8 of Part II of this Annual Report for additional information.

General, Administrative and Other

General, administrative and other expenses primarily consist of professional fees, fund-related service fees, advertising and promotion, travel and entertainment, and other miscellaneous expenses. For certain vehicles, we may agree to compensate third parties for services provided by sharing a portion of the performance fees we earn. These payments are classified as sub-advisory expenses.

General, administrative and other operating expenses increased $147.7 million in fiscal year 2026, primarily due to a $100.0 million regulatory settlement, an increase of $33.2 million in the fair value of a contingent consideration liability, and an increase of $21.5 million in fund-related expenses due to higher placement and platform fees. These increases were partially offset by a decrease of $16.7 million in advertising and promotion costs.

OTHER INCOME (EXPENSES)

Other income (expenses) consisted of the following:

(in millions)

for the fiscal years ended September 30,	2026	2025	2024	2026 vs. 2025	2025 vs. 2024
Investment and other income, net:					
Dividend and interest income	$ 157.3	$ 141.4	$ 176.9	11%	(20%)
Gains (losses) on investments, net	13.0	(37.6)	57.6	NM	NM
Income from investments in equity method investees	90.8	78.0	137.5	16%	(43%)
Losses on crypto assets, net	(19.4)	—	—	NM	NM
Rental income	45.6	44.1	43.7	3%	1%
Foreign currency exchange gains (losses), net	5.1	(11.6)	(19.9)	NM	(42%)
Other, net	56.1	(1.5)	(0.3)	NM	400%
Investment and other income, net	348.5	212.8	395.5	64%	(46%)
Interest expense	(95.1)	(94.9)	(97.2)	0%	(2%)
Investment and other income of consolidated investment products, net	512.4	108.4	149.9	373%	(28%)
Expenses of consolidated investment products	(39.3)	(43.6)	(32.6)	(10%)	34%
Other income, net	**$ 726.5**	**$ 182.7**	**$ 415.6**	**298%**	**(56%)**

Substantially all dividend income was generated by investments in nonconsolidated sponsored funds. Gains (losses) on investments, net consists primarily of realized and unrealized gains (losses) on equity securities measured at fair value.

Dividend and interest income increased $15.9 million in fiscal year 2026, primarily due to higher dividend income, partially offset by lower yields and lower average balances.

Investments held by the Company generated net gains of $13.0 million in fiscal year 2026, as compared to net losses of $37.6 million in the prior year. Net gains in the current year were primarily from assets invested for deferred compensation plans, partially offset by losses on investments measured at cost, adjusted for observable price changes and investments in nonconsolidated funds and separate accounts. Net losses in the prior year were primarily from investments measured at cost, adjusted for observable price changes and investments in nonconsolidated funds and separate accounts, partially offset by gains on assets invested for deferred compensation plans.

Equity method investees generated income of $90.8 million in fiscal year 2026 and $78.0 million in the prior year, largely related to various global alternative funds in the current year and global alternative and equity funds in the prior year.

Net foreign currency exchange gains were $5.1 million in fiscal year 2026, as compared to net losses of $11.6 million in the prior year, primarily due to fluctuations in the value of the U.S. dollar against the British Pound and Euro.

Other, net increased $57.6 million in fiscal year 2026, primarily due to gains recognized on the sale of owned office space.

Investment and other income (loss) of consolidated investment products, net consists of investment gains (losses) on investments held by consolidated investment products (“CIPs”) and dividend and interest income. Expenses of consolidated investment products primarily consists of fund-related expenses, including professional fees and other administrative expenses, and interest expense. Significant portions of the investment and other income of consolidated investment products, net and expenses of consolidated investment products are offset in noncontrolling interests in our consolidated statements of income.

Investments held by CIPs generated investment and other income of $512.4 million in fiscal year 2026, as compared to investment and other income of $108.4 million in the prior year. The current year income was largely related to various global alternative, equity and multi-asset funds, while the prior year income was largely related to various global alternative, fixed income and multi-asset funds, partially offset by losses on global equity funds.

Expenses of consolidated investment products decreased $4.3 million in fiscal year 2026, due to activity of the funds.

Our investments in sponsored funds include initial cash investments made in the course of launching mutual fund and other investment product offerings, as well as investments for other business reasons. The market conditions that impact our AUM similarly affect the investment income earned or losses incurred on our investments in sponsored funds.

TAXES ON INCOME

Our effective income tax rate for fiscal year 2026 was 21.0% as compared to 30.2% in fiscal year 2025. The rate decrease in fiscal year 2026 was primarily due to a reduction in foreign earnings, an increase in net income attributable to noncontrolling interests, and the benefit from the release of a valuation allowance on capital loss carryforwards.

On July 4, 2025, the One Big Beautiful Bill Act (the "Act") was signed into law. We have evaluated the impact of the Act on our consolidated financial statements, and we have concluded that there is no material impact.

Our effective income tax rate reflects the relative contributions of earnings in the jurisdictions in which we operate, which have varying tax rates. Changes in our pre-tax income mix, tax rates or tax legislation in such jurisdictions may affect our effective income tax rate and net income.

SUPPLEMENTAL NON-GAAP FINANCIAL MEASURES

As supplemental information, we are providing performance measures for "adjusted operating income," "adjusted operating margin," "adjusted net income" and "adjusted diluted earnings per share," each of which is based on methodologies other than generally accepted accounting principles ("non-GAAP measures"). Management believes these non-GAAP measures are useful indicators of our financial performance and may be helpful to investors in evaluating our relative performance against industry peers.

"Adjusted operating income," "adjusted operating margin," "adjusted net income" and "adjusted diluted earnings per share" are defined below, followed by reconciliations of operating income, operating margin, net income attributable to Franklin Templeton, Inc. and diluted earnings per share on a U.S. GAAP basis to these non-GAAP measures. Non-GAAP measures should not be considered in isolation from, or as substitutes for, any financial information prepared in accordance with U.S. GAAP, and may not be comparable to other similarly titled measures of other companies. Additional reconciling items may be added in the future to these non-GAAP measures if deemed appropriate.

Adjusted Operating Income

We define adjusted operating income as operating income adjusted to exclude the following:

- Elimination of operating revenues upon consolidation of investment products.
- Acquisition-related items:
    - Acquisition-related retention compensation.
    - Other acquisition-related expenses including professional fees, technology costs and fair value adjustments related to contingent consideration assets and liabilities.
    - Amortization of intangible assets.
    - Impairment of intangible assets and goodwill, if any.
- Special termination benefits and other expenses related to workforce optimization initiatives related to past acquisitions and certain initiatives undertaken by the Company.

- Impact on compensation and benefits expense from gains and losses on investments related to deferred compensation plans, which is offset in investment and other income (losses), net.
- Impact on compensation and benefits expense related to minority interests in certain subsidiaries, which is offset in net income (loss) attributable to redeemable noncontrolling interests.
- Charges related to significant regulatory settlements.

Adjusted Operating Margin

We calculate adjusted operating margin as adjusted operating income divided by adjusted operating revenues. We define adjusted operating revenues as operating revenues adjusted to exclude the following:

- Elimination of operating revenues upon consolidation of investment products.
- Acquisition-related performance-based investment management fees which are passed through as compensation and benefits expense.
- Sales and distribution fees and a portion of investment management fees allocated to cover sales, distribution and marketing expenses paid to the financial advisers and other intermediaries who sell our funds on our behalf.

Adjusted Net Income and Adjusted Diluted Earnings Per Share

We define adjusted net income as net income attributable to Franklin Templeton, Inc. adjusted to exclude the following:

- Activities of CIPs.
- Acquisition-related items:
    - Acquisition-related retention compensation.
    - Other acquisition-related expenses including professional fees, technology costs and fair value adjustments related to contingent consideration assets and liabilities.
    - Amortization of intangible assets.
    - Impairment of intangible assets and goodwill, if any.
    - Interest expense for amortization of debt premium from acquisition-date fair value adjustment.
- Special termination benefits and other expenses related to workforce optimization initiatives related to past acquisitions and certain initiatives undertaken by the Company.
- Net gains or losses on investments related to deferred compensation plans which are not offset by compensation and benefits expense.
- Net compensation and benefits expense related to minority interests in certain subsidiaries not offset by net income (loss) attributable to redeemable noncontrolling interests.
- Unrealized investment gains and losses.
- Charges related to significant regulatory settlements.
- Net income tax expense of the above adjustments based on the respective blended rates applicable to the adjustments.

We define adjusted diluted earnings per share as diluted earnings per share adjusted to exclude the per share impacts of the adjustments applied to net income in calculating adjusted net income.

In calculating our non-GAAP measures, we adjust for the impact of CIPs because it is not considered reflective of our underlying results of operations. Charges related to significant regulatory settlements are excluded because they are not considered reflective of our underlying results of operations. Acquisition-related items and special termination benefits are excluded to facilitate comparability to other asset management firms. We adjust for compensation and benefits expense related to funded deferred compensation plans because it is partially offset in other income (expense), net. We adjust for compensation and benefits expense and net income (loss) attributable to redeemable noncontrolling interests to reflect the economics of certain profits interest arrangements. Sales and distribution fees and a portion of investment management fees generally cover sales, distribution and marketing expenses and, therefore, are excluded from adjusted operating revenues. In addition, when calculating adjusted net income and adjusted diluted earnings per share we exclude unrealized investment gains and losses included in investment and other income (losses) because the related investments are generally expected to be held long term.

The calculations of adjusted operating income, adjusted operating margin, adjusted net income and adjusted diluted earnings per share are as follows:

(in millions)

for the fiscal years ended September 30,	**2026**	**2025**	**2024**
Operating income	**$ 1,175.9**	**$ 604.1**	**$ 407.6**
Add (subtract):			
Elimination of operating revenues upon consolidation of investment products[1]	68.2	50.7	47.4
Acquisition-related retention	75.1	162.4	263.6
Compensation and benefits expense from gains on deferred compensation, net	41.3	23.4	50.5
Other acquisition-related expenses	63.3	41.4	97.4
Amortization of intangible assets	198.4	406.5	338.2
Impairment of intangible assets	33.0	226.6	389.2
Special termination benefits	204.5	69.7	75.8
Compensation and benefits expense related to minority interests in certain subsidiaries	59.7	55.4	43.4
Charges related to significant regulatory settlements	100.0	—	—
Adjusted operating income	**$ 2,019.4**	**$ 1,640.2**	**$ 1,713.1**
Total operating revenues	**$ 9,415.3**	**$ 8,770.7**	**$ 8,478.0**
Add (subtract):			
Acquisition-related pass through performance fees	(82.2)	(109.4)	(97.5)
Sales and distribution fees	(1,593.7)	(1,474.7)	(1,381.2)
Allocation of investment management fees for sales, distribution and marketing expenses	(606.8)	(536.2)	(481.9)
Elimination of operating revenues upon consolidation of investment products[1]	68.2	50.7	47.4
Adjusted operating revenues	**$ 7,200.8**	**$ 6,701.1**	**$ 6,564.8**
Operating margin	**12.5 %**	**6.9 %**	**4.8 %**
Adjusted operating margin	**28.0 %**	**24.5 %**	**26.1 %**

(in millions, except per share data)

for the fiscal years ended September 30,	2026	2025	2024
Net income attributable to Franklin Templeton, Inc.	**$ 1,075.3**	**$ 524.9**	**$ 464.8**
Add (subtract):			
Net (income) loss of consolidated investment products[1]	(1.4)	7.6	(3.9)
Acquisition-related retention	75.1	162.4	263.6
Other acquisition-related expenses	68.9	61.6	107.0
Amortization of intangible assets	198.4	406.5	338.2
Impairment of intangible assets	33.0	226.6	389.2
Special termination benefits	204.5	69.7	75.8
Net losses (gains) on deferred compensation plan investments not offset by compensation and benefits expense	4.0	(3.3)	(13.9)
Unrealized investment losses (gains)	10.4	(57.7)	(51.5)
Interest expense for amortization of debt premium	(12.8)	(19.9)	(24.4)
Net compensation and benefits expense related to minority interests in certain subsidiaries not offset by net income attributable to redeemable noncontrolling interests	35.2	26.4	3.5
Charges related to significant regulatory settlements	100.0	—	—
Net income tax expense of adjustments	(148.0)	(209.0)	(271.7)
Adjusted net income	**$ 1,642.6**	**$ 1,195.8**	**$ 1,276.7**
Diluted earnings per share	**$ 1.97**	**$ 0.91**	**$ 0.85**
Adjusted diluted earnings per share	**3.07**	**2.22**	**2.39**

[1] The impact of consolidated investment products is summarized as follows:

(in millions)

for the fiscal years ended September 30,	2026	2025	2024
Elimination of operating revenues upon consolidation	$ (68.2)	$ (50.7)	$ (47.4)
Other income, net	395.0	11.0	104.5
Less: income (loss) attributable to noncontrolling interests	325.4	(32.1)	53.2
Net income (loss)	**$ 1.4**	**$ (7.6)**	**$ 3.9**

LIQUIDITY AND CAPITAL RESOURCES

Cash flows were as follows:

(in millions)

for the fiscal years ended September 30,	2026	2025	2024
Operating cash flows	$ 836.7	$ 1,066.1	$ 971.3
Investing cash flows	(4,323.0)	(2,342.7)	(2,423.7)
Financing cash flows	4,335.9	452.4	1,415.6

Net cash provided by operating activities decreased in fiscal year 2026 primarily due to higher net purchases of investments by consolidated investment products partially offset by an increase in accounts payable, accrued expenses and other liabilities. Net cash used in investing activities increased as compared to the prior year primarily due to higher net purchases of investments by collateralized loan obligations partially offset by net consolidation of CIPs as compared to net deconsolidation in the prior year. Net cash provided by financing activities increased as compared to the prior year primarily due to higher net proceeds from debt of CIPs and higher net proceeds from issuance of debt.

The assets and liabilities of CIPs attributable to third-party investors do not impact our liquidity and capital resources. We have no right to the CIPs' assets, other than our direct equity investment in them and investment management and other fees earned from them. Certain CIPs utilize revolving credit facilities and other short-term lines of credit to support liquidity, including funding investment activity and managing timing differences associated with investor subscriptions and redemptions. Borrowings under these facilities, to the extent drawn, are generally secured by the assets of the respective CIPs and/or capital commitments from CIP equity investors. These facilities are interest-bearing, typically provided by third-party lenders, and are subject to customary borrowing terms and conditions. The debt holders of the CIPs have no recourse to our assets beyond the level of our direct investment and/or capital commitment, therefore we bear no other risks associated with the CIPs' liabilities. Accordingly, the assets and liabilities of CIPs, other than our direct investments in them, are excluded from the amounts and discussion below.

Our liquid assets and debt consisted of the following:

(in millions)

as of September 30,	**2026**	**2025**	**2024**
Assets			
Cash and cash equivalents	$ 3,114.6	$ 3,050.1	$ 3,261.1
Receivables	1,345.2	1,228.6	1,261.6
Investments	1,504.6	1,367.5	1,141.7
Total Liquid Assets	**$ 5,964.4**	**$ 5,646.2**	**$ 5,664.4**
Liability			
Debt	$ 2,637.8	$ 2,362.0	$ 2,780.3

Liquidity

Liquid assets consist of cash and cash equivalents, receivables and certain investments. Cash and cash equivalents at September 30, 2026 primarily consist of money market funds and deposits with financial institutions. Liquid investments consist of investments in sponsored and other funds, direct investments in redeemable CIPs, other equity and debt securities, and time deposits with maturities greater than three months.

We utilize a significant portion of our liquid assets to satisfy operational and regulatory requirements and fund capital contributions to sponsored and other products. Certain of our subsidiaries are required by our internal policy or regulation to maintain minimum levels of cash and/or capital, and may be restricted in their ability to transfer cash to their parent companies. Should we require more capital than is available for use, we could elect to reduce the level of discretionary activities, such as share repurchases or investments in sponsored and other products, we could raise capital through debt or equity issuances, or utilize existing or new credit facilities. These alternatives could result in increased interest expense, decreased dividend or interest income, or other dilution to our earnings.

Capital Resources

We believe that we can meet our present and reasonably foreseeable operating cash needs and future commitments through existing liquid assets, continuing cash flows from operations, amounts available under the credit facility discussed below, the ability to issue debt or equity securities and borrowing capacity under our uncommitted commercial paper private placement program.

On August 10, 2026, we completed the offering of the 5.500% notes due 2036 with an aggregate principal amount of $750.0 million. In prior fiscal years, we issued senior unsecured unsubordinated notes for general corporate purposes and to redeem outstanding notes. At September 30, 2026, Franklin's outstanding senior notes had an aggregate principal amount due of $1,950.0 million. The notes have fixed interest rates from 1.600% to 5.500% with interest paid semi-annually and have an aggregate carrying value, inclusive of unamortized discounts and debt issuance costs, of $1,927.2 million. At September 30, 2026, Legg Mason's outstanding senior note had a principal amount due of $550.0 million. The note has a fixed interest rate of 5.625% with interest paid semi-annually and has an aggregate carrying value, inclusive of unamortized premium, of $710.6 million. The $450.0 million 4.750% senior notes due March 2026 were repaid on March 15, 2026 using cash and borrowings from our revolving credit facility.

The senior notes contain an optional redemption feature that allows us to redeem each series of notes prior to maturity in whole or in part at any time, at a make-whole redemption price. The indentures governing the senior notes contain limitations on our ability and the ability of our subsidiaries to pledge voting stock or profit participating equity interests in our subsidiaries to secure other debt without similarly securing the notes equally and ratably. In addition, the indentures include requirements that must be met if we consolidate or merge with, or sell all of our assets to, another entity.

On December 11, 2025, we entered into a Joinder and Commitment Increase Agreement (the "Joinder Agreement") which amended the Amended and Restated Revolving Credit Agreement dated April 30, 2025. Pursuant to the Joinder Agreement, aggregate commitments increased by $400.0 million to $1.5 billion. On July 30, 2026, we entered into a Second Amended and Restated Credit Agreement (the "Credit Agreement"), which, among other things, extended the maturity of the revolving credit facility to July 30, 2031. The Credit Agreement provides for a five-year revolving credit facility with $1.5 billion of aggregate commitments and an option to increase the commitments by a maximum of $500.0 million. We expect to utilize the Credit Agreement periodically as part of our normal operations.

During fiscal year 2026, we borrowed an aggregate of $850.0 million under the revolving credit facility, of which $150.0 million was repaid on February 9, 2026, and the remaining $700.0 million was repaid on August 15, 2026. No borrowings were outstanding under the facility at September 30, 2026. On October 19, 2026, we borrowed $300.0 million under the Credit Agreement. The borrowing remains outstanding at the time of this filing and the proceeds were used for general corporate purposes. Interest is payable semi-annually on any outstanding amounts and is based on the Term Secured Overnight Financing Rate ("Term SOFR") plus a credit spread of 87.5 basis points. The Credit Agreement contains a financial performance covenant requiring that the Company maintain a consolidated net leverage ratio, measured as of the last day of each fiscal quarter, of no greater than 3.25 to 1.00. We were in compliance with all debt covenants at September 30, 2026.

At September 30, 2026, we had $500.0 million of short-term commercial paper available for issuance under an uncommitted private placement program which has been inactive since 2012 and is unrated.

Our ability to access the capital markets in a timely manner depends on a number of factors, including our credit rating, the condition of the global economy, investors' willingness to purchase our securities, interest rates, credit spreads and the valuation levels of equity markets. If we are unable to access capital markets in a timely manner, our business could be adversely impacted.

Uses of Capital

We expect that our main uses of cash will be to invest in and grow our business including through acquisitions, pay stockholder dividends, invest in our products, pay income taxes and expenses of the business, enhance technology infrastructure and business processes, repurchase shares of our common stock, and repay and service debt. While we expect to continue to repurchase shares to offset dilution from stock-based compensation, and expect to continue to repurchase shares opportunistically from time to time, we will likely spend more of our post-dividend free cash flow investing in our business, including seed capital and acquiring resources to help grow our investment teams and operations.

In the ordinary course of business, we enter into contracts or purchase obligations with third parties whereby the third parties provide goods or services to or on behalf of the Company. Purchase obligations include contractual amounts that will be due to purchase goods and services to be used in our operations and are recorded as liabilities in the consolidated financial statements when services are provided. At September 30, 2026, we had $950.4 million of purchase obligations.

We typically declare cash dividends on a quarterly basis, subject to approval by our Board of Directors. We declared regular dividends of $1.32 per share ($0.33 per share per quarter) in fiscal year 2026, and of $1.28 per share ($0.32 per share per quarter) in fiscal year 2025. We currently expect to continue paying comparable regular dividends on a quarterly basis to holders of our common stock depending upon earnings and other relevant factors.

We maintain a stock repurchase program to manage our equity capital with the objective of maximizing shareholder value. Our stock repurchase program is effected through open-market purchases and private transactions in accordance with applicable laws and regulations, and is not subject to an expiration date. The size and timing of these purchases will depend on business conditions, price, market and other factors, including the terms of any 10b5-1 stock purchase plan that may be in effect at any given time. During fiscal years 2026 and 2025, we repurchased 17.0 million and 10.7 million shares of our common stock at a cost of $533.2 million and $240.3 million. The fiscal 2026 repurchases included 6.2 million

shares repurchased from Great-West Lifeco Inc. ("Great-West") for an aggregate purchase price of $208.0 million. In December 2025, our Board of Directors authorized the repurchase of up to an additional 20.8 million shares of our common stock in either open market or private transactions, for a total of up to 40.0 million shares available for repurchase under the stock repurchase program as of such authorization date. At September 30, 2026, 23.0 million shares remained available for repurchase under this authorization.

On October 1, 2025, we completed the acquisition of Apera Asset Management for cash consideration of €65.2 million net of closing adjustments funded from existing cash. In addition, we will pay up to €125.0 million in cash through the fifth anniversary of the closing date based on achieving revenue targets.

As part of our acquisition of Putnam, which closed on January 1, 2024, we will pay up to $375.0 million between the third and seventh anniversaries of the closing date related to revenue growth targets from the strategic partnership with Great-West which will be recognized in operating income.

While we have no legal or contractual obligation to do so, we routinely make cash investments in the course of launching sponsored funds. The funds that we manage have their own resources available for purposes of providing liquidity to meet shareholder redemptions, including securities that can be sold or provided to investors as in-kind redemptions, and lines of credit. Increased liquidity risks and redemptions have required, and may continue to require, increased cash in the form of loans or other lines of credit to help settle redemptions and for other related purposes. We have in certain instances voluntarily elected to provide the funds with direct or indirect financial support based on our business objectives. We did not provide significant additional financial or other support to our sponsored funds during fiscal year 2026 or 2025.

At September 30, 2026, we had $1.4 billion of committed capital contributions which relate to commitments to invest in sponsored funds and other investment products and entities, including CIPs. These unfunded commitments are not recorded in the consolidated balance sheet.

Our cash, cash equivalents and investments portfolio by asset class and accounting classification at September 30, 2026, excluding third-party assets of CIPs, was as follows:

	Accounting Classification [1]					
(in millions)	Cash and Cash Equivalents	Investments, at Fair Value	Equity Method Investments	Other Investments	Direct Investments in CIPs	Total
Cash and Cash Equivalents	$ 3,227.8	$ —	$ —	$ —	$ —	$ 3,227.8
Investments						
Alternative	—	565.8	762.0	15.3	894.2	2,237.3
Equity	—	432.6	391.1	194.2	131.3	1,149.2
Fixed Income	—	185.8	75.2	35.2	227.5	523.7
Multi-Asset	—	22.0	3.7	125.0	93.0	243.7
Total investments	—	1,206.2	1,232.0	369.7	1,346.0	4,153.9
Total Cash and Cash Equivalents and Investments [2, 3]	**$ 3,227.8**	**$ 1,206.2**	**$ 1,232.0**	**$ 369.7**	**$ 1,346.0**	**$ 7,381.7**

1 See Note 1 – Significant Accounting Policies and Note 5 – Investments in the notes to consolidated financial statements in Item 8 of Part II of this Annual Report for information on investment accounting classifications.

2 Total cash and cash equivalents and investments includes approximately $5.2 billion maintained for operational activities, including investments in sponsored funds and other products and $468.2 million necessary to comply with regulatory requirements.

3 Total cash and cash equivalents and investments includes approximately $430 million attributable to employee-owned and other third-party investments made through partnerships which are offset in noncontrolling interests, approximately $605 million of investments that are subject to long-term repurchase agreements and other net financing arrangements, and approximately $407 million of cash and investments related to deferred compensation plans.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our consolidated financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America, which require the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. These estimates, judgments, and assumptions are affected by our application of accounting policies. Further, concerns about the global economic outlook have adversely affected and may continue to adversely affect our business, financial condition and results of operations including the estimates and assumptions made by management. Actual results could differ from the estimates. Described below are the accounting policies that we believe are most critical to understanding our financial position and results of operations. For additional information about our accounting policies, see Note 1 – Significant Accounting Policies in the notes to consolidated financial statements in Item 8 of Part II of this Annual Report.

Consolidation

We consolidate our subsidiaries and investment products in which we have a controlling financial interest. We have a controlling financial interest when we own a majority of the voting interest in a voting interest entity ("VOE") or are the primary beneficiary of a variable interest entity ("VIE").

A VIE is an entity in which the equity investment holders have not contributed sufficient capital to finance its activities or do not have defined rights and obligations normally associated with an equity investment. The assessment of whether an entity is a VIE or VOE involves judgment and analysis on a structure-by-structure basis. When performing the assessment, we consider factors such as the entity's legal organization, design and capital structure, the rights of the equity investment holders and our contractual involvement with and ownership interest in the entity. Our VIEs are primarily investment products and our variable interests consist of our equity ownership interests in and investment management fees earned from these products.

We are the primary beneficiary of a VIE if we have the power to direct the activities that most significantly impact the VIE's economic performance and the obligation to absorb losses of or right to receive benefits from the VIE that could potentially be significant to the VIE. Investment management fees earned from VIEs are excluded from the primary beneficiary determination if they are deemed to be at market and commensurate with service. The key assumption used in the analysis includes the amount of AUM. These estimates and assumptions are subject to variability. For example, AUM is impacted by market volatility and the level of sales, redemptions, distributions to investors and reinvested distributions. There is judgment involved in assessing whether we have the power to direct the activities that most significantly impact VIEs' economic performance and the obligation to absorb losses of or right to receive benefits from VIEs that could potentially be significant to the VIEs.

Business Combinations

Business combinations are accounted for by recognizing the acquired assets, including separately identifiable intangible assets, and assumed liabilities at their acquisition-date estimated fair values. Any excess of the purchase consideration over the acquisition-date fair values of these identifiable assets and liabilities is recognized as goodwill. Determining the fair value of assets acquired and liabilities assumed involves the use of significant estimates and assumptions. During the measurement period, which is not to exceed one year from the acquisition date, we may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded in earnings.

Intangible assets acquired in business combinations consist primarily of investment management contracts and trade names. The fair values of the acquired management contracts are based on the net present value of estimated future cash flows attributable to the contracts, which include significant assumptions about the AUM growth rate, pre-tax profit margin, discount rate, average effective fee rate and effective tax rate. The fair value of trade names is determined using the relief from royalty method based on net present value of estimated future cash flows, which include significant assumptions about royalty rate, revenue growth rate, discount rate and effective tax rate. Our estimates are based on assumptions believed to be reasonable, but are inherently uncertain and unpredictable and, as a result, may differ from actual results.

Our management contract intangible assets are amortized over their estimated useful lives, which range from three to sixteen years, using the straight-line method, unless the asset is determined to have an indefinite useful life as there is no foreseeable limit on the contract period. Trade names are amortized over their estimated useful lives which range from five to twenty years using the straight-line method.

Goodwill and indefinite-lived intangible assets are tested for impairment annually and when an event occurs or circumstances change that more likely than not reduce the fair value of the related reporting unit or indefinite-lived intangible asset below its carrying value. We have one reporting unit, investment management and related services, consistent with our single operating segment, to which all goodwill has been assigned. We make significant estimates and assumptions when evaluating goodwill and other intangible assets for impairment.

We may first assess goodwill and indefinite-lived intangible assets using qualitative factors to determine whether it is necessary to perform a quantitative impairment test. The qualitative analysis considers entity-specific and macroeconomic factors and their potential impact on key assumptions used in the determination of the fair value of the reporting unit or indefinite-lived intangible asset. A quantitative impairment test is performed if the results of the qualitative assessment indicate that it is more likely than not that the fair value of the reporting unit is less than its carrying value or an indefinite-lived intangible asset is impaired, or if a qualitative assessment is not performed. Quantitative tests compare the fair value of the asset to its carrying value.

The fair values of the reporting unit and indefinite-lived intangible assets are based on the net present value of estimated future cash flows, which include significant assumptions about the AUM growth rate, pre-tax profit margin, discount rate, average effective fee rate and effective tax rate. The most relevant of these assumptions to the determination of estimated fair value are the AUM growth rate, pre-tax profit margin and the discount rate.

During fiscal year 2026, we identified indicators that the fair value of certain indefinite-lived intangible assets were below their carrying value related to acquired management contracts triggered by decreased AUM in related products and recognized impairments totaling $33.0 million.

We performed a qualitative annual impairment test for goodwill and all indefinite-lived intangible assets as of August 1, 2026 and concluded it was more likely than not that the fair values of the reporting unit and the indefinite-lived intangible assets exceed their carrying values.

We subsequently monitored market conditions and their potential impact on the assumptions used in the annual assessment to determine whether circumstances had changed that would more likely than not reduce the fair value of the reporting unit below its carrying value, or indicate that the other indefinite-lived intangible assets were more likely than not impaired. We considered, among other things, changes in our AUM and weighted-average cost of capital by assessing whether these changes would impact the reasonableness of our impairment assessment as of August 1, 2026. We also monitored fluctuations of our common stock per share price to evaluate our market capitalization relative to the reporting unit as a whole.

Subsequent to August 1, 2026, there were no impairments of goodwill or indefinite-lived assets as no events occurred or circumstances changed that would indicate these assets were more likely than not impaired.

We test definite-lived intangible assets for impairment quarterly. Impairment is indicated when the carrying value of an asset is not recoverable and exceeds its fair value. Recoverability is evaluated based on estimated undiscounted future cash flows using assumptions about the AUM growth rate, pre-tax profit margin, average effective fee rate, and expected useful life. We also use a royalty rate for trade name intangible assets. The most relevant of these assumptions to determine future cash flows is the AUM growth rate. If the carrying value of an asset is not recoverable through undiscounted cash flows, impairment is recognized in the amount by which the carrying value exceeds the asset’s fair value, as determined by discounted cash flows or other methods as appropriate for the asset type. Due to accelerated net outflows in certain WAM managed accounts, the Company revised the remaining useful life of the related definite-lived intangible asset, resulting in a cumulative weighted-average remaining useful life of 8.1 years for all definite-lived intangible assets as of September 30, 2026.

While we believe that the assumptions used to estimate fair value in our impairment tests are reasonable and appropriate, future changes in the assumptions or occurrence of future events could result in recognition of additional impairment. Such events may include, but are not limited to, the impact of the global economic environment on the Company's AUM, other material negative changes in AUM and related fees, or a significant and sustained decline in our stock price.

Fair Value Measurements

Our investments are primarily recorded at fair value or amounts that approximate fair value on a recurring basis. We use a three-level fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value based on whether the inputs to those valuation techniques are observable or unobservable. The assessment of the hierarchy level of the assets or liabilities measured at fair value is determined based on the lowest level input that is significant to the fair value measurement in its entirety. See Note 1 – Significant Accounting Policies in the notes to consolidated financial statements in Item 8 of Part II of this Annual Report for more information on the fair value hierarchy.

As of September 30, 2026, Level 3 assets represented 5% of total assets measured at fair value, substantially all of which related to CIPs' investments in equity and debt securities. There were insignificant transfers into and $192.9 million transfers out of Level 3 during fiscal year 2026.

The following are descriptions of the significant assets measured at fair value and their fair value methodologies.

Sponsored funds and separate accounts consist primarily of investments in nonconsolidated sponsored funds and to a lesser extent, separate accounts. Changes in the fair value of the investments are recognized as gains and losses in earnings. The fair values of fund products are determined based on their published NAV or estimated using NAV as a practical expedient. The fair values of the underlying investments in the separate accounts are determined using quoted market prices, or independent third-party broker or dealer price quotes if quoted market prices are not available.

Investments related to long-term incentive plans consist primarily of investments in sponsored funds related to certain compensation plans that have certain vesting provisions. Changes in fair value are recognized as gains and losses in earnings. The fair values of the investments are determined based on the fund products' published NAV or estimated using NAV as a practical expedient.

Other equity and debt investments consist of other equity and debt securities carried at fair value. Changes in the fair value are recognized as gains and losses in earnings. The fair values of equity securities, excluding fund products, and debt securities are determined using independent third-party broker or dealer price quotes or based on either a market-based or income-based approach using significant unobservable inputs. The fair values of fund products are determined based on their published NAV or estimated using NAV as a practical expedient.

Investments of CIPs consist of marketable debt and equity securities and other investments that are not generally traded in active markets. Changes in the fair value of the investments are recognized as gains and losses in earnings. The fair values of marketable securities are determined using quoted market prices, or independent third-party broker or dealer price quotes if quoted market prices are not available. The investments that are not generally traded in active markets consist of loans, other equity and debt securities of entities in emerging markets, fund products and real estate. The fair values are determined using significant unobservable inputs in either a market-based or income-based approach, except for fund products, for which fair values are estimated using NAV as a practical expedient.

Noncontrolling interests consist of third-party equity interests in CIPs and minority interests in certain subsidiaries. Noncontrolling interests that are redeemable or convertible for cash or other assets at the option of the noncontrolling interest holders and are classified as temporary equity at fair value, except when the fair value is less than the issuance date fair value, the reported amount is the issuance date fair value. Changes in fair value of redeemable noncontrolling interest is recognized as an adjustment to retained earnings. Nonredeemable noncontrolling interests do not permit the noncontrolling interest holders to request settlement, are reported at their issuance value and undistributed net income (loss) attributable to noncontrolling interests.

The fair value of third-party equity interests in CIPs are determined based on the published NAV or estimated using NAV as a practical expedient. The fair values of redeemable noncontrolling interests related to minority interest in certain subsidiaries are determined using discounted cash flows and guideline public company methods, which include significant

assumptions about forecasts of the AUM growth rate, pre-tax profit margin, discount rate and public company earnings multiples.

Revenues

We earn revenue primarily from providing investment management and related services to our customers, which are generally investment products or investors in separate accounts. Related services include fund administration, sales and distribution, and shareholder servicing. Revenues are recognized when our obligations related to the services are satisfied and it is probable that a significant reversal of the revenue amount would not occur in future periods. The obligations are satisfied over time as the services are rendered, except for the sales and distribution obligations for the sale of shares of sponsored funds, which are satisfied on trade date. Multiple services included in customer contracts are accounted for separately when the obligations are determined to be distinct.

Fees from providing investment management and fund administration services ("investment management fees"), other than performance-based investment management fees, are determined based on a percentage of AUM, primarily on a monthly basis using daily average AUM, and are recognized as the services are performed over time. Performance-based investment management fees are generated when investment products' performance exceeds targets established in customer contracts. These fees are recognized when significant reversal of the amount is no longer probable and may relate to investment management services that were provided in prior periods.

Sales and distribution fees primarily consist of upfront sales commissions and ongoing distribution fees. Sales commissions are based on contractual rates for sales of certain classes of sponsored funds and are recognized on trade date. Distribution service fees are determined based on a percentage of AUM, primarily on a monthly basis using daily average AUM. As the fee amounts are uncertain on trade date, they are recognized over time as the amounts become known and may relate to sales and distribution services provided in prior periods.

AUM is generally based on the fair value of the underlying securities held by investment products and is calculated using fair value methods derived primarily from unadjusted quoted market prices, unadjusted independent third-party broker or dealer price quotes in active markets, or market prices or price quotes adjusted for observable price movements after the close of the primary market. The fair values of securities for which market prices are not readily available are valued internally using various methodologies which incorporate significant unobservable inputs as appropriate for each security type. Pricing of the securities is governed by our global valuation and pricing policy, which defines valuation and pricing conventions for each security type, including practices for responding to unexpected or unusual market events.

As our AUM is primarily valued based on observable market prices or inputs, market risk is the most significant risk underlying the valuation of our AUM.

Income Taxes

Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and the reported amounts in the consolidated financial statements using the statutory tax rates in effect for the year when the reported amount of the asset or liability is expected to be recovered or settled, respectively. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income tax expense in the period that includes the enactment date. A valuation allowance is recorded to reduce the carrying values of deferred tax assets to the amount that is more likely than not to be realized. In assessing whether a valuation allowance should be established against a deferred tax asset, we consider all positive and negative evidence, which includes timing of expiration, projected sources of taxable income, limitations on utilization under the statute and the effectiveness of prudent and feasible tax planning strategies among other factors. For each tax position taken or expected to be taken in a tax return, we utilize significant judgment related to the range of possible favorable or unfavorable outcomes to determine whether it is more likely than not that the position will be sustained upon examination based on the technical merits of the position, including resolution of any related appeals or litigation. A tax position that meets the more likely than not recognition threshold is measured at the largest amount of benefit that is greater than 50% likely of being realized upon settlement.

We operate in numerous countries, states and other taxing jurisdictions. The income tax laws are complex and subject to different interpretations by the taxpayer and the relevant taxing authorities. Significant judgment is required in the determination of our annual income tax provisions, which includes the assessment of deferred tax assets and uncertain tax positions, as well as the interpretation and application of existing and newly enacted tax laws, regulation changes, and new judicial rulings. We repatriate foreign earnings that are in excess of regulatory, capital or operational requirements of all of our non-U.S. subsidiaries.

It is possible that actual results will vary from those recognized in our consolidated financial statements due to changes in the interpretation of applicable guidance or as a result of examinations by taxing authorities.

Loss Contingencies

We are involved in various lawsuits and claims encountered in the normal course of business. When such a matter arises and periodically thereafter, we consult with our legal counsel and evaluate the merits of the claims based on the facts available at that time. In management's opinion, an adequate accrual has been made as of September 30, 2026 to provide for any probable losses that may arise from such matters for which we could reasonably estimate an amount. See also Note 15 – Commitments and Contingencies in the notes to consolidated financial statements in Item 8 of Part II of this Annual Report.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

In the normal course of business, our financial position is subject to market risk, including, but not limited to, potential loss due to changes in the value of financial instruments including those resulting from adverse changes in interest rates, foreign currency exchange rates and market valuation. Financial instruments include, but are not limited to, investment securities and debt obligations. Management is responsible for managing market risk. Our Enterprise Risk Management Committee is responsible for providing a framework to assist management to identify, assess and manage market and other risks.

Our market risk from assets and liabilities of CIPs is limited to that of our direct equity investments in them and investment management fees earned from them. Accordingly, the assets and liabilities of CIPs are excluded from the discussion below.

AUM Market Price Risk

We are exposed to market risk through our investment management and distribution fees, which are generally calculated as a percentage of AUM. Changes in market prices, interest rates, credit spreads, foreign exchange rates, or a combination of these factors could cause the value of AUM to decline, which would result in lower investment management and distribution fees. Our exposure to these risks is reduced as we sponsor a broad range of investment products in various global jurisdictions, which serves to mitigate the impact of changes in any particular market or region.

Assuming the respective effective fee rates and asset mix remain unchanged, a proportional 10% change in the value of our average AUM would result in corresponding 10% changes in our investment management fees, excluding performance-based investment management fees and asset-based distribution fee revenues. Such a change for the fiscal year ended September 30, 2026 would have resulted in an increase or decrease in operating revenues of $838.4 million.

Interest Rate Risk

We are exposed to changes in interest rates primarily through our investments in funds that invest in debt securities, which were $3,004.7 million at September 30, 2026. Our exposure to interest rate risks from these investments is mitigated by the low average duration exposure and a broad range of products in various global jurisdictions. We had no exposure to changes in interest rates from debt obligations at September 30, 2026 as all of our outstanding debt was issued at fixed rates. Any borrowings under the Second Amended and Restated Credit Agreement would bear interest at variable rates.

As of September 30, 2026, we have considered the potential impact of a 100 basis point movement in market interest rates on our investments in funds that invest in debt securities. Based on our analysis, we do not expect that such a change would have a material impact on our earnings in the next 12 months.

Foreign Currency Exchange Risk

We are subject to foreign currency exchange risk through our international operations. While the majority of our revenues are earned in the U.S., we also provide services and earn revenue in international jurisdictions. Our exposure to foreign currency exchange risk is reduced in relation to our results of operations since a significant portion of these revenues is denominated in U.S. dollars. This situation may change in the future as our business continues to grow outside the U.S. and expenses incurred denominated in foreign currencies increase.

The exposure to foreign currency exchange risk in our consolidated balance sheet mostly relates to cash and cash equivalents and investments that are denominated in foreign currencies, primarily in the Euro, Indian Rupee, Pound Sterling and Australian dollar. These assets accounted for 25% of the total cash and cash equivalents and investments at September 30, 2026.

A 10% weakening of the U.S. dollar against the various foreign currencies to which we had exposure as described above would result in corresponding 10% increases in the U.S. dollar values of the foreign currency assets and 10% decreases in the foreign currency values of the U.S. dollar assets. Such a weakening as of September 30, 2026 would result in a $126.1 million decrease in accumulated other comprehensive loss and a $4.5 million decrease in pre-tax earnings. We generally do not use derivative financial instruments to manage foreign currency exchange risk exposure. As a result, both positive and negative currency fluctuations against the U.S. dollar may affect our results of operations and accumulated other comprehensive income (loss).

Market Valuation Risk

We are exposed to market valuation risks related to securities we hold that are carried at fair value. To mitigate the risks we maintain a diversified investment portfolio and, from time to time, we may enter into derivative agreements.

The following is a summary of the effect of a 10% increase or decrease in the carrying values of our financial instruments subject to market valuation risks at September 30, 2026. If such a 10% increase or decrease in carrying values were to occur, the changes from investments measured at fair value and direct investments in CIPs would result in a $255.2 million increase or decrease in our pre-tax earnings.

(in millions)	Carrying Value	Carrying Value Assuming a 10% Increase	Carrying Value Assuming a 10% Decrease
Investments, at fair value	$ 1,206.2	$ 1,326.8	$ 1,085.6
Direct investments in CIPs	1,346.0	1,480.6	1,211.4
Total	**$ 2,552.2**	**$ 2,807.4**	**$ 2,297.0**

Item 8. Financial Statements and Supplementary Data.

Index of Consolidated Financial Statements for the fiscal years ended September 30, 2026, 2025 and 2024.

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All schedules have been omitted as the information is provided in the financial statements or in related notes thereto or is not required to be filed, as the information is not applicable.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of Franklin Templeton, Inc. and its consolidated subsidiaries (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. The Company's internal control over financial reporting is a process designed under the supervision of the Company's principal executive and principal financial officers to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

The Company's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of September 30, 2026, based on the framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control – Integrated Framework (2013). Based on that assessment, management concluded that, as of September 30, 2026, the Company's internal control over financial reporting was effective.

The effectiveness of the Company's internal control over financial reporting as of September 30, 2026 has been audited by PricewaterhouseCoopers LLP, the independent registered public accounting firm that audits the Company's consolidated financial statements, as stated in their report immediately following this report, which expresses an unqualified opinion on the effectiveness of the Company's internal control over financial reporting as of September 30, 2026.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
and Stockholders of Franklin Templeton, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Franklin Templeton, Inc. and its subsidiaries (the "Company") as of September 30, 2026 and 2025, and the related consolidated statements of income, of comprehensive income, of stockholders' equity and of cash flows for each of the three years in the period ended September 30, 2026, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of September 30, 2026, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of September 30, 2026 and 2025, and the results of its operations and its cash flows for each of the three years in the period ended September 30, 2026 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 30, 2026, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection

of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Realizability of Deferred Tax Assets

As described in Notes 1 and 13 to the consolidated financial statements, the Company had gross deferred tax assets of $890.3 million as of September 30, 2026, reduced by a $164.3 million valuation allowance. Management recorded a valuation allowance to reduce the carrying values of deferred tax assets to the amount that is more likely than not to be realized. In assessing whether a valuation allowance should be established against a deferred income tax asset, management considers all positive and negative evidence, which includes timing of expiration, projected sources of taxable income, limitations on utilization under the statute, and effectiveness of prudent and feasible tax planning strategies.

The principal considerations for our determination that performing procedures relating to the realizability of deferred tax assets is a critical audit matter are (i) the significant judgment by management when assessing the realizability of deferred tax assets and (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating audit evidence related to management's assessment of the realizability of deferred tax assets and management's assessment of the timing of expiration, projected sources of taxable income, limitations on utilization under the statute, and effectiveness of prudent and feasible tax planning strategies.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the realizability of deferred tax assets, including controls over the completeness and accuracy of data relevant to the analysis, determination of projected sources of taxable income and expected utilization of deferred tax assets. These procedures also included, among others, (i) evaluating management's assessment of the realizability of deferred tax assets and the need for a valuation allowance, (ii) evaluating the positive and negative evidence to support the prudence and feasibility of the implementation of available tax planning strategies related to timing of expiration, projected sources of taxable income, limitations on utilization under the statute and effectiveness of prudent and feasible tax planning strategies, and (iii) testing the completeness and accuracy of the underlying data used in management's assessment of the realizability of deferred tax assets.

/s/ PricewaterhouseCoopers LLP

San Francisco, California
November 9, 2026

We have served as the Company's auditor since 1974.

FRANKLIN TEMPLETON, INC.
CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share data)

for the fiscal years ended September 30,	2026	2025	2024
Operating Revenues			
Investment management fees	$ 7,478.9	$ 6,981.8	$ 6,822.2
Sales and distribution fees	1,593.7	1,474.7	1,381.0
Shareholder servicing fees	289.4	264.5	229.3
Other	53.3	49.7	45.5
Total operating revenues	9,415.3	8,770.7	8,478.0
Operating Expenses			
Compensation and benefits	3,963.4	3,818.2	3,831.1
Sales, distribution and marketing	2,200.5	2,010.9	1,863.1
Information systems and technology	644.7	643.6	620.1
Occupancy	277.2	286.3	325.4
Amortization of intangible assets	198.4	406.5	338.2
Impairment of intangible assets	33.0	226.6	389.2
General, administrative and other	922.2	774.5	703.3
Total operating expenses	8,239.4	8,166.6	8,070.4
Operating Income	1,175.9	604.1	407.6
Other Income (Expenses)			
Investment and other income, net	348.5	212.8	395.5
Interest expense	(95.1)	(94.9)	(97.2)
Investment and other income of consolidated investment products, net	512.4	108.4	149.9
Expenses of consolidated investment products	(39.3)	(43.6)	(32.6)
Other income, net	726.5	182.7	415.6
Income before taxes	1,902.4	786.8	823.2
Taxes on income	399.6	237.9	215.3
Net income	1,502.8	548.9	607.9
Less: net income (loss) attributable to			
Redeemable noncontrolling interests	126.3	(52.7)	127.9
Nonredeemable noncontrolling interests	301.2	76.7	15.2
Net Income Attributable to Franklin Templeton, Inc.	**$ 1,075.3**	**$ 524.9**	**$ 464.8**
Earnings per Share			
Basic	$ 1.97	$ 0.91	$ 0.85
Diluted	1.97	0.91	0.85

See Notes to Consolidated Financial Statements.

FRANKLIN TEMPLETON, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions)

for the fiscal years ended September 30,	2026	2025	2024
Net Income	$ 1,502.8	$ 548.9	$ 607.9
Other Comprehensive Income (Loss)			
Currency translation adjustments, net of tax	(45.9)	(18.4)	89.8
Net unrealized gains (losses) on defined benefit plans, net of tax	1.0	(9.3)	0.1
Net unrealized gains (losses) on investments, net of tax	(1.4)	0.1	(0.1)
Total other comprehensive income (loss)	(46.3)	(27.6)	89.8
Total comprehensive income	1,456.5	521.3	697.7
Less: comprehensive income (loss) attributable to			
Redeemable noncontrolling interests	126.3	(52.7)	127.9
Nonredeemable noncontrolling interests	301.2	76.7	15.2
Comprehensive Income Attributable to Franklin Templeton, Inc.	**$ 1,029.0**	**$ 497.3**	**$ 554.6**

See Notes to Consolidated Financial Statements.

FRANKLIN TEMPLETON, INC.
CONSOLIDATED BALANCE SHEETS

(in millions, except share and per share data)

as of September 30,	2026	2025
Assets		
Cash and cash equivalents	$ 3,227.8	$ 3,088.1
Receivables	1,639.7	1,541.7
Investments (including $1,206.2 and $1,179.5 at fair value at September 30, 2026 and 2025)	2,807.9	2,374.0
Assets of consolidated investment products		
Cash and cash equivalents	1,162.1	485.8
Investments, at fair value	17,167.9	12,278.8
Property and equipment, net	870.8	949.1
Goodwill	6,294.6	6,206.0
Intangible assets, net	3,976.5	4,166.0
Operating lease right-of-use assets	760.1	764.3
Other	719.1	514.5
Total Assets	**$ 38,626.5**	**$ 32,368.3**
Liabilities		
Compensation and benefits	$ 1,863.0	$ 1,760.3
Accounts payable and accrued expenses	552.1	615.4
Debt	2,637.8	2,362.0
Liabilities of consolidated investment products		
Accounts payable and accrued expenses	1,392.6	1,063.0
Debt	14,689.7	9,937.3
Deferred tax liabilities	290.2	261.6
Operating lease liabilities	977.9	1,000.6
Other	1,558.6	1,179.3
Total liabilities	23,961.9	18,179.5
Commitments and Contingencies (Note 15)		
Redeemable Noncontrolling Interests	1,415.9	1,182.0
Stockholders' Equity		
Preferred stock, $1.00 par value, 1,000,000 shares authorized; none issued	—	—
Common stock, $0.10 par value, 1,000,000,000 shares authorized; 512,470,961 and 520,951,796 shares issued and outstanding at September 30, 2026 and 2025	51.2	52.1
Capital in excess of par	633.4	956.8
Retained earnings	11,701.8	11,516.0
Accumulated other comprehensive loss	(493.4)	(447.1)
Total Franklin Templeton, Inc. stockholders' equity	11,893.0	12,077.8
Nonredeemable noncontrolling interests	1,355.7	929.0
Total stockholders' equity	13,248.7	13,006.8
Total Liabilities, Redeemable Noncontrolling Interests and Stockholders' Equity	**$ 38,626.5**	**$ 32,368.3**

See Notes to Consolidated Financial Statements.

FRANKLIN TEMPLETON, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(in millions)	Franklin Templeton, Inc.							
	Common Stock							
as of and for the fiscal years ended September 30, 2026, 2025 and 2024	**Shares**	**Amount**	**Capital in Excess of Par Value**	**Retained Earnings**	**Accum-ulated Other Compre-hensive Loss**	**Stockholders' Equity**	**Non-redeemable Non-controlling Interests**	**Total Stockholders' Equity**
Balance at October 1, 2023	**495.9**	**$ 49.6**	**$ —**	**$ 12,376.6**	**$ (509.3)**	**$ 11,916.9**	**$ 630.9**	**$ 12,547.8**
Net income				464.8		464.8	15.2	480.0
Other comprehensive income					89.8	89.8		89.8
Dividends declared on common stock ($1.24 per share)				(670.1)		(670.1)		(670.1)
Repurchase of common stock	(12.0)	(1.2)	(281.2)	8.0		(274.4)		(274.4)
Issuance of common stock	8.1	0.8	230.8			231.6		231.6
Stock-based compensation			61.1			61.1		61.1
Acquisition	31.6	3.2	936.9			940.1	25.8	965.9
Net subscriptions and other				—		—	108.7	108.7
Net deconsolidation of investment products							(45.7)	(45.7)
Adjustment to fair value of redeemable noncontrolling interests				(251.7)		(251.7)		(251.7)
Balance at September 30, 2024	**523.6**	**$ 52.4**	**$ 947.6**	**$ 11,927.6**	**$ (419.5)**	**$ 12,508.1**	**$ 734.9**	**$ 13,243.0**
Net income				524.9		524.9	76.7	601.6
Other comprehensive loss					(27.6)	(27.6)		(27.6)
Dividends declared on common stock ($1.28 per share)				(688.4)		(688.4)		(688.4)
Repurchase of common stock	(10.7)	(1.1)	(239.2)	—		(240.3)		(240.3)
Issuance of common stock	8.1	0.8	242.0			242.8		242.8
Stock-based compensation			6.4			6.4		6.4
Net subscriptions and other				—		—	99.4	99.4
Net consolidation of investment products							18.0	18.0
Adjustment to fair value of redeemable noncontrolling interests				(248.1)		(248.1)		(248.1)
Balance at September 30, 2025	**521.0**	**$ 52.1**	**$ 956.8**	**$ 11,516.0**	**$ (447.1)**	**$ 12,077.8**	**$ 929.0**	**$ 13,006.8**
Adoption of new accounting guidance				25.3		25.3		25.3
Net income				1,075.3		1,075.3	301.2	1,376.5
Other comprehensive loss					(46.3)	(46.3)		(46.3)
Dividends declared on common stock ($1.32 per share)				(702.0)		(702.0)		(702.0)
Repurchase of common stock	(17.0)	(1.7)	(531.5)	—		(533.2)		(533.2)
Issuance of common stock	8.5	0.8	258.8			259.6		259.6
Stock-based compensation			(50.9)	13.5		(37.4)		(37.4)
Net subscriptions and other			0.2	—		0.2	348.1	348.3
Net deconsolidation of investment products							(222.6)	(222.6)
Adjustment to fair value of redeemable noncontrolling interests				(226.3)		(226.3)		(226.3)
Balance at September 30, 2026	**512.5**	**$ 51.2**	**$ 633.4**	**$ 11,701.8**	**$ (493.4)**	**$ 11,893.0**	**$ 1,355.7**	**$ 13,248.7**

See Notes to Consolidated Financial Statements.

FRANKLIN TEMPLETON, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)

for the fiscal years ended September 30,	2026	2025	2024
Net Income	**$ 1,502.8**	**$ 548.9**	**$ 607.9**
Adjustments to reconcile net income to net cash provided by operating activities:			
Stock-based compensation	197.2	214.8	246.1
Amortization of deferred sales commissions	97.0	79.8	62.0
Depreciation and other amortization	109.6	125.3	116.5
Amortization of intangible assets	198.4	406.5	338.2
Impairment of intangible asset	33.0	226.6	389.2
Net (gains) losses on investments	(13.0)	37.6	(57.6)
Income from investments in equity method investees	(90.8)	(78.0)	(137.5)
Net (gains) losses on investments of consolidated investment products	(305.9)	(4.1)	24.9
Net purchase of investments by consolidated investment products	(879.7)	(369.4)	(520.2)
Deferred income taxes	35.4	(47.2)	(124.6)
Other	86.2	174.4	172.2
Changes in operating assets and liabilities:			
Increase in receivables and other assets	(258.2)	(128.7)	(111.8)
Decrease (increase) in investments, net	(25.8)	19.0	9.4
Increase (decrease) in accrued compensation and benefits	99.1	(32.9)	86.5
Decrease in income taxes payable	(156.7)	(181.5)	(93.4)
Increase in accounts payable, accrued expenses and other liabilities	315.3	90.0	3.9
Decrease in accounts payable and accrued expenses of consolidated investment products	(107.2)	(15.0)	(40.4)
Net cash provided by operating activities	**836.7**	**1,066.1**	**971.3**
Purchase of investments	(1,349.0)	(1,037.2)	(1,127.7)
Liquidation of investments	918.0	776.2	1,406.8
Purchase of investments by consolidated collateralized loan obligations	(9,028.7)	(6,538.9)	(6,310.0)
Liquidation of investments by consolidated collateralized loan obligations	4,985.3	4,918.6	4,250.7
Additions of property and equipment, net	(20.5)	(154.5)	(177.1)
Acquisitions, net of cash acquired (including $281.4 in cash and cash equivalents of consolidated investment products in fiscal year 2024)	(81.2)	—	175.1
Payments of deferred consideration liability	—	(90.5)	(534.9)
Net consolidation (deconsolidation) of investment products	253.1	(216.4)	(106.6)
Net cash used in investing activities	**(4,323.0)**	**(2,342.7)**	**(2,423.7)**

[Table continued on next page]

See Notes to Consolidated Financial Statements.

FRANKLIN TEMPLETON, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

[Table continued from previous page]

(in millions)

for the fiscal years ended September 30,	2026	2025	2024
Issuance of common stock	$ 23.8	$ 24.1	$ 20.8
Dividends paid on common stock	(697.6)	(683.7)	(656.4)
Repurchase of common stock	(533.2)	(240.3)	(274.4)
Proceeds from repurchase agreement	59.6	144.7	5.3
Payments on repurchase agreement	(41.9)	(61.8)	(81.1)
Proceeds from debt	1,600.0	300.0	—
Payments on debt	(1,300.0)	(700.0)	(250.0)
Proceeds from debt of consolidated investment products	10,436.9	6,029.7	4,346.7
Payments on debt by consolidated investment products	(6,228.9)	(4,800.6)	(1,912.9)
Payments on contingent consideration liabilities	(0.4)	(6.8)	(22.8)
Noncontrolling interests	1,017.6	447.1	240.4
Net cash provided by financing activities	**4,335.9**	**452.4**	**1,415.6**
Effect of exchange rate changes on cash and cash equivalents	(33.6)	(10.8)	43.3
Increase (decrease) in cash and cash equivalents	816.0	(835.0)	6.5
Cash and cash equivalents, beginning of year	3,573.9	4,408.9	4,402.4
Cash and Cash Equivalents, End of Year	**$ 4,389.9**	**$ 3,573.9**	**$ 4,408.9**
Supplemental Disclosure of Cash Flow Information			
Cash paid for income taxes	$ 521.4	$ 465.4	$ 435.7
Cash paid for interest	100.0	106.6	113.4
Cash paid for interest by consolidated investment products	741.9	753.2	694.2
Non-cash purchase of investments	87.4	68.4	—

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Significant Accounting Policies

Business. Franklin is a holding company with subsidiaries operating under its Franklin Templeton and/or subsidiary brand names. The Company provides investment management and related services to investors in jurisdictions worldwide through investment products which include sponsored funds, as well as institutional and high-net-worth separate accounts, retail separately managed account programs, sub-advised products, and other investment vehicles. The Company's related services include fund administration, sales and distribution, and shareholder servicing.

Basis of Presentation. The consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, which require the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. Management believes that the accounting estimates are appropriate, and the resulting balances are reasonable; however, due to the inherent uncertainties in making estimates, actual amounts may differ from these estimates.

Consolidation. The consolidated financial statements include the accounts of Franklin and its subsidiaries and consolidated investment products ("CIPs") in which it has a controlling financial interest. The Company has a controlling financial interest when it owns a majority of the voting interest in a voting interest entity ("VOE") or is the primary beneficiary of a variable interest entity ("VIE"). Intercompany accounts and transactions have been eliminated.

A VIE is an entity in which the equity investment holders have not contributed sufficient capital to finance its activities or do not have defined rights and obligations normally associated with an equity investment. The Company's VIEs are primarily investment products, and its variable interests consist of its equity ownership interests in and investment management fees earned from these products.

The Company is the primary beneficiary of a VIE if it has the power to direct the activities that most significantly impact the VIE's economic performance and the obligation to absorb losses of or right to receive benefits from the VIE that could potentially be significant to the VIE. Investment management fees earned from VIEs are excluded from the primary beneficiary determination if they are deemed to be at market and commensurate with service.

Related Parties include sponsored funds and equity method investees. A substantial amount of the Company's operating revenues and receivables are from related parties.

Earnings per Share. Basic and diluted earnings per share are computed using the two-class method, which considers participating securities as a separate class of shares. The Company's participating securities consist of its nonvested stock and stock unit awards that contain nonforfeitable rights to dividends or dividend equivalents. Basic earnings per share is computed by dividing net income available to the Company's common stockholders, adjusted to exclude earnings allocated to participating securities, by the weighted-average number of shares of common stock outstanding during the period. Diluted earnings per share is computed on the basis of the weighted-average number of shares of common stock plus the effect of dilutive potential common shares outstanding during the period.

Business combinations are accounted for by recognizing the acquired assets, including separately identifiable intangible assets, and assumed liabilities at their acquisition-date estimated fair values. Any excess of the purchase consideration over the acquisition-date fair values of these identifiable assets and liabilities is recognized as goodwill. During the measurement period, which is not to exceed one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed due to new information about facts that existed as of the acquisition date, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded in earnings.

Intangible assets acquired in business combinations consist primarily of investment management contracts and trade names. The fair values of the acquired management contracts are based on the net present value of estimated future cash flows attributable to the contracts, which include significant assumptions about forecasts of the AUM growth rate, pre-tax profit margin, discount rate, average effective fee rate and effective tax rate. The fair value of trade names is determined using the relief from royalty method based on net present value of estimated future cash flows, which include significant assumptions about royalty rate, revenue growth rate, discount rate and effective tax rate. The management contract intangible assets are amortized over their estimated useful lives, which range from three to 16 years, using the straight-line method, unless the asset is determined to have an indefinite useful life. Indefinite-lived intangible assets represent contracts

to manage investment assets for which there is no foreseeable limit on the contract period. Trade names intangible assets are amortized over their estimated useful lives which range from five to twenty years using the straight-line method.

Goodwill and indefinite-lived intangible assets are tested for impairment annually as of August 1 and when an event occurs or circumstances change that more likely than not reduce the fair value of the related reporting unit or indefinite-lived intangible asset below its carrying value. The Company has one reporting unit, investment management and related services, consistent with its single operating segment, to which all goodwill has been assigned.

Goodwill and indefinite-lived intangible assets may first be assessed for qualitative factors to determine whether it is necessary to perform a quantitative impairment test. The qualitative analysis considers entity-specific and macroeconomic factors and their potential impact on the key assumptions used in the determination of the fair value of the reporting unit or indefinite-lived intangible asset. A quantitative impairment test is performed if the results of the qualitative assessment indicate that it is more likely than not that the fair value of the reporting unit is less than its carrying value or an indefinite-lived intangible asset is impaired, or if a qualitative assessment is not performed.

The fair values of the reporting unit and indefinite-lived intangible assets are based on the net present value of estimated future cash flows, which include assumptions about the AUM growth rate, pre-tax profit margin, discount rate, average effective fee rate and effective tax rate.

If a quantitative goodwill impairment test indicates that the carrying value of the reporting unit exceeds its fair value, impairment is recognized in the amount of the difference in values not to exceed the total amount of goodwill allocated to the reporting unit.

If a quantitative indefinite-lived intangible assets impairment test indicates that the carrying value of the asset exceeds the fair value, impairment is recognized in the amount of the difference in values.

Definite-lived intangible assets are tested for impairment quarterly. Impairment is indicated when the carrying value of an asset is not recoverable and exceeds its fair value. Recoverability is evaluated based on estimated undiscounted future cash flows using assumptions about the AUM growth rate, pre-tax profit margin, average effective fee rate and expected useful lives as well as royalty rate for trade names intangible assets. If the carrying value of an asset is not recoverable through undiscounted cash flows, impairment is recognized in the amount by which the carrying value exceeds the asset's fair value, as determined by discounted cash flows or other methods as appropriate for the asset type.

Fair Value Measurements. The Company uses a three-level fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value based on whether the inputs to those valuation techniques are observable or unobservable. The three levels of fair value hierarchy are set forth below. The assessment of the hierarchy level of the assets or liabilities measured at fair value is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities, which may include published net asset values ("NAV") for fund products.
Level 2	Observable inputs other than Level 1 quoted prices, such as non-binding quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, or model-based valuation methodologies that utilize significant assumptions that are observable or corroborated by observable market data.
Level 3	Unobservable inputs that are supported by little or no market activity. These inputs require significant management judgment and reflect the Company's estimation of assumptions that market participants would use in pricing the asset or liability.

Quoted market prices may be adjusted if events occur, such as global market fluctuations, issuer specific news, economic and geopolitical events, natural disasters, and governmental actions. A pricing vendor is engaged to provide a valuation factor, which represents an estimate as to how much a specific investment value would have changed between the time that the investment stopped trading in its local market and the time that the fund's NAV was determined. The price adjustments are primarily determined based on third-party factors derived from model-based valuation techniques for which the significant assumptions are observable in the market.

The Company's investments are primarily recorded at fair value or amounts that approximate fair value on a recurring basis. Investments in fund products for which fair value is estimated using NAV as a practical expedient (when

the NAV is available to the Company as an investor but is not publicly available) are not classified in the fair value hierarchy. Fair values are estimated for disclosure purposes for financial instruments that are not measured at fair value.

Cash and Cash Equivalents primarily consist of nonconsolidated sponsored money market funds and deposits with financial institutions and are carried at cost. Due to the short-term nature and liquidity of these financial instruments, their carrying values approximate fair value. Cash equivalents also include investments in money market funds held in connection with the Company's deferred compensation plans. These amounts are restricted in use and are not available for general operating purposes.

The Company maintains cash and cash equivalents with financial institutions in various countries, limits the amount of credit exposure with any given financial institution and conducts ongoing evaluations of the creditworthiness of the financial institutions with which it does business.

Receivables consist primarily of fees receivable from investment products and are carried at invoiced amounts. Due to the short-term nature and liquidity of the receivables, their carrying values approximate fair value.

Investments consist of investments in sponsored funds and separate accounts, investments related to long-term incentive plans, other equity and debt securities, investments in equity method investees and other investments.

Investments in sponsored funds and separate accounts consist primarily of nonconsolidated sponsored funds and to a lesser extent, separate accounts. Sponsored funds and separate accounts are carried at fair value with changes in the fair value recognized as gains and losses in earnings. The fair values of fund products are determined based on their published NAV or estimated using NAV as a practical expedient. The fair values of the underlying investments of the separate accounts are determined using quoted market prices, or independent third-party broker or dealer price quotes if quoted market prices are not available.

Investments related to long-term incentive plans consist primarily of investments in sponsored funds related to certain compensation plans that have vesting provision and are carried at fair value. Changes in fair value are recognized as gains and losses in earnings. The fair values of the investments are determined based on the sponsored funds' published NAV or estimated using NAV as a practical expedient.

Other equity and debt investments consist of equity and debt securities carried at fair value. Changes in the fair value of equity securities other than fund products are recognized as gains and losses in earnings. The fair values of equity and debt securities are determined using independent third-party broker or dealer price quotes or based on either a market-based or income-based approach using significant unobservable inputs. The fair values of fund products are determined based on their published NAV or estimated using NAV as a practical expedient.

Investments in Equity Method Investees consist of equity investments in entities, including sponsored funds, over which the Company is able to exercise significant influence, but not control. Significant influence is generally considered to exist when the Company's ownership interest in the investee is between 20% and 50%, although other factors, such as representation on the investee's board of directors and the impact of commercial arrangements, are also considered in determining whether the equity method of accounting is appropriate. Investments in limited partnerships and limited liability companies are accounted for using the equity method when the Company's investment is more than minor or when the Company is the general partner. Under the equity method of accounting, the investments are initially carried at cost and subsequently adjusted by the Company's proportionate share of the entities' net income, which is recognized in earnings.

Other Investments consist of equity investments in entities over which the Company is unable to exercise significant influence and do not have a readily determinable fair value, and time deposits with maturities greater than three months from the date of purchase. The equity investments are measured at cost adjusted for observable price changes and impairment, if any, which are recognized in earnings. The fair value of the entities is generally estimated using significant unobservable inputs in either a market-based or income-based approach. The time deposits are carried at cost which approximates fair value due to their short-term nature and liquidity.

Impairment of Investments. Investments in equity method investees and equity investments that do not have a readily determinable fair value are evaluated for impairment on a quarterly basis. The evaluation of equity investments considers qualitative factors, including the financial condition and specific events related to an investee that may indicate the fair value of the investment is less than its carrying value. Impairment of equity securities is recognized in earnings.

Cash and Cash Equivalents of CIPs consist of highly liquid investments, including money market funds, which are readily convertible into cash, and deposits with financial institutions, and are carried at cost. Due to the short-term nature and liquidity of these financial instruments, their carrying values approximate fair value.

Receivables of CIPs consist of investment and share transaction related receivables and are carried at transacted amounts. Due to the short-term nature and liquidity of the receivables, their carrying values approximate fair value.

Investments of CIPs consist of marketable debt and equity securities and other investments that are not generally traded in active markets, and are carried at fair value. Changes in the fair value of the investments are recognized as gains and losses in earnings. The fair values of marketable securities are determined using quoted market prices, or independent third-party broker or dealer price quotes if quoted market prices are not available.

The investments that are not generally traded in active markets consist of equity and debt securities of entities in emerging markets, fund products, other equity and debt instruments, and loans. The fair values are determined using significant unobservable inputs in either a market-based or income-based approach, except for fund products, for which fair values are estimated using NAV as a practical expedient.

Property and Equipment, net are recorded at cost and depreciated using the straight-line method over their estimated useful lives which range from three to 35 years. Expenditures for repairs and maintenance are charged to expense when incurred. Leasehold improvements are amortized using the straight-line method over their estimated useful lives or the lease term, whichever is shorter.

Internal and external costs incurred in connection with developing or obtaining software for internal use are capitalized and amortized over the shorter of the estimated useful lives of the software or the license terms, beginning when the software project is complete and the application is put into production.

Property and equipment are tested for impairment when there is an indication that the carrying value of an asset may not be recoverable. Carrying values are not recoverable when the undiscounted cash flows estimated to be generated by the assets are less than their carrying values. When an asset is determined to not be recoverable, the impairment is measured based on the excess, if any, of the carrying value of the asset over its respective fair value. Fair value is determined by discounted future cash flows models, appraisals or other applicable methods.

Leases consist primarily of operating leases relating to real estate. At the inception of a contract, the Company determines whether it is or contains a lease, which includes consideration of whether there are identified assets in the contract and if the Company has control over such assets. Right-of-use ("ROU") assets and lease liabilities are recognized for all arrangements that qualify as a lease, except for those with original lease terms of twelve months or less.

ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments using an incremental borrowing rate estimated on a collateralized basis with similar terms for the specific interest rate environment. Leases with fixed payments are expensed on a straight-line basis over the lease term. Variable lease payments based on usage, changes in an index or market rate are expensed as incurred. The lease terms include options to extend or terminate the lease when it is reasonably certain they will be exercised.

Lease and nonlease payment components are accounted for separately. ROU assets are tested for impairment when there is an indication that the carrying value of an asset may not be recoverable.

Debt consists of senior notes which are carried at amortized cost. The fair value is estimated using quoted market prices, independent third-party broker or dealer price quotes, or prices of publicly traded debt with similar maturities, credit risk and interest rates. Amortization of debt premium and discount are recognized over the terms of the notes in interest expense.

Debt of CIPs is carried at amortized cost. The fair value is estimated using a discounted cash flow model that considers current interest rate levels, the quality of the underlying collateral and current economic conditions. Debt of CIPs also included debt of consolidated collateralized loan obligations ("CLOs") which is measured primarily based on the fair value of the assets of the CLOs less the fair value of the Company's own economic interests in the CLOs.

Noncontrolling Interests consist of third-party equity interests in CIPs and minority interests in certain subsidiaries. Noncontrolling interests that are redeemable or convertible for cash or other assets at the option of the holder are classified as temporary equity at the higher of fair value on reporting date or issuance-date fair value. Changes in fair value of redeemable noncontrolling interest is recognized as an adjustment to retained earnings. Nonredeemable noncontrolling interests are classified as a component of equity. Net income (loss) attributable to third-party investors is reflected as net income (loss) attributable to nonredeemable and redeemable noncontrolling interests in the consolidated statements of income. Subscriptions and redemptions of shares of CIPs by third-party investors are a component of the change in noncontrolling interests included in financing activities in the consolidated statements of cash flows.

The fair values of third-party equity interests in CIPs are determined based on the published NAV or estimated using NAV as a practical expedient. The fair values of redeemable noncontrolling interests related to minority interest in certain subsidiaries are determined using discounted cash flows and guideline public company methods, which include significant assumptions about forecasts of the AUM growth rate, pre-tax profit margin, discount rate and public company earnings multiples.

Revenues. The Company earns revenue primarily from providing investment management and related services to its customers, which are generally investment products or investors in separate accounts. Related services include fund administration, sales and distribution, and shareholder servicing. Revenues are recognized when the Company's obligations related to the services are satisfied and it is probable that a significant reversal of the revenue amount would not occur in future periods. The obligations are satisfied over time as the services are rendered, except for the sales and distribution obligations for the sale of shares of sponsored funds which are satisfied on trade date. Multiple services included in customer contracts are accounted for separately when the obligations are determined to be distinct.

Fees from providing investment management and fund administration services ("investment management fees"), other than performance-based investment management fees, are determined based on a percentage of AUM, primarily on a monthly basis using daily average AUM, and are recognized as the services are performed over time. Performance-based investment management fees are generally generated when investment products' performance exceeds targets established in customer contracts. These fees are recognized when the amount is no longer probable of significant reversal and may relate to investment management services that were provided in prior periods.

Sales and distribution fees primarily consist of upfront sales commissions and ongoing distribution fees. Sales commissions are based on contractual rates for sales of certain classes of sponsored funds and are recognized on trade date. Distribution service fees are determined based on a percentage of AUM, primarily on a monthly basis using daily average AUM. As the fee amounts are uncertain on trade date, they are recognized over time as the amounts become known and may relate to sales and distribution services provided in prior periods.

Shareholder servicing fees are primarily determined based on a contractual margin, or a percentage of AUM on a monthly basis using daily average AUM and either the number of transactions in shareholder accounts or the number of shareholder accounts, while fees from certain investment products are based only on AUM. The fees are recognized as the services are performed over time.

AUM is generally based on the fair value of the underlying securities held by investment products and is calculated using fair value methods derived primarily from unadjusted quoted market prices, unadjusted independent third-party broker or dealer price quotes in active markets, or market prices or price quotes adjusted for observable price movements after the close of the primary market in accordance with the Company's global valuation and pricing policy. The fair values of securities for which market prices are not readily available are valued internally using various methodologies which incorporate significant unobservable inputs as appropriate for each security type and represent an insignificant percentage of total AUM.

Revenue is recorded gross of payments made to third-party providers in the Company's role as principal as it controls the delegated services provided to customers.

Stock-Based Compensation. The fair value of stock-based payment awards is estimated on the date of grant based on the market price of the underlying shares of the Company's common stock and is amortized to compensation expense on a straight-line basis over the related vesting period, which is generally three years. Expense relating to awards subject to performance conditions is recognized if it is probable that the conditions will be achieved. The probability of achievement is assessed on a quarterly basis. Forfeitures are accounted for as they occur. The fair value of cash-settled phantom stock

awards is amortized to compensation expense on a straight-line basis over the related vesting period, which is generally four years, and the related liability is carried at fair value.

Postretirement Benefits. Defined contribution plan costs are expensed as incurred.

Income Taxes. Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and the reported amounts in the consolidated financial statements using the statutory tax rates in effect for the year when the reported amount of the asset or liability is expected to be recovered or settled, respectively. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income tax expense in the period that includes the enactment date. A valuation allowance is recorded to reduce the carrying values of deferred tax assets to the amount that is more likely than not to be realized. In assessing whether a valuation allowance should be established against a deferred tax asset, the Company considers all positive and negative evidence, which includes timing of expiration, projected sources of taxable income, limitations on utilization under the statute and the effectiveness of prudent and feasible tax planning strategies among other factors. For each tax position taken or expected to be taken in a tax return, the Company utilizes significant judgment related to the range of possible favorable or unfavorable outcomes to determine whether it is more likely than not that the position will be sustained upon examination based on the technical merits of the position, including resolution of any related appeals or litigation. A tax position that meets the more likely than not recognition threshold is measured at the largest amount of benefit that is greater than 50% likely of being realized upon settlement. Interest on tax matters is recognized in interest expense. Penalties are recognized in other operating expenses.

The Company operates in numerous countries, states and other taxing jurisdictions. The income tax laws are complex and subject to different interpretations by the taxpayer and the relevant taxing authorities. Significant judgment is required in the determination of the Company's annual income tax provisions, which includes the assessment of deferred tax assets and uncertain tax positions, as well as the interpretation and application of existing and newly enacted tax laws, regulation changes, and new judicial rulings. The Company repatriates foreign earnings that are in excess of regulatory, capital or operational requirements of all of its non-U.S. subsidiaries.

Foreign Currency Translation and Transactions. Assets and liabilities of non-U.S. subsidiaries for which the local currency is the functional currency are translated at current exchange rates as of the end of the reporting period. The related revenues and expenses are translated at average exchange rates in effect during the period. Net exchange gains and losses resulting from translation are excluded from income and are recorded as part of accumulated other comprehensive income (loss). Transactions denominated in a foreign currency are revalued at the current exchange rate at the transaction date and any related gains and losses are recognized in earnings.

Note 2 – New Accounting Guidance

Recently Adopted Accounting Guidance

On October 1, 2025, the Company adopted an amendment to the existing intangible assets guidance issued by the Financial Accounting Standards Board. The amendment requires eligible crypto assets to be measured at fair value, with changes recognized in net income, along with expanded disclosures. The Company adopted the amendment using the modified-retrospective transition approach and recognized a cumulative effective adjustment resulting in an increase of $25.3 million in retained earnings as of October 1, 2025. The crypto assets are presented within intangible assets, net on the consolidated balance sheets.

On October 1, 2025, the Company adopted an amendment to the existing income taxes guidance issued by the Financial Accounting Standards Board. The amendment requires additional disclosures related to the reconciliation of the effective tax rate to the statutory rate for federal, state, and foreign income taxes and requires greater detail about significant reconciling items in the reconciliation. Additionally, the amendment requires disaggregated information pertaining to taxes paid, net of refunds received, for federal, state, and foreign income taxes. The Company adopted the amendment using the prospective approach and has provided the required disclosures. See Note 13 – Taxes on Income.

Accounting Guidance Not Yet Adopted

In November 2024, the FASB issued new guidance requiring disclosures of additional information and disaggregation of certain expenses included in the income statement. The guidance is effective for the Company on October 1, 2027, and allows for either a prospective or retrospective approach on adoption. The Company is currently evaluating the impact that the adoption will have on its financial statements and has not yet determined its transition

approach.

In September 2025, the FASB issued an amendment to the existing internal-use software guidance. The amendment eliminates the project stage model and clarifies that capitalization of internal-use software costs commences when management has authorized and committed funding for the project and it is probable that software will be completed and used for its intended function. The amendment allows for varying transition approaches and is effective for the Company on October 1, 2028, with early adoption permitted. The Company is currently evaluating the impact of adopting the guidance and has not yet determined its transition approach.

Note 3 – **Earnings per Share**

The components of basic and diluted earnings per share were as follows:

(in millions, except per share data) **for the fiscal years ended September 30,**	**2026**	**2025**	**2024**
Net income attributable to Franklin Templeton, Inc.	$ 1,075.3	$ 524.9	$ 464.8
Less: allocation of earnings to participating nonvested stock and stock unit awards	59.3	53.2	32.6
Net Income Available to Common Stockholders	**$ 1,016.0**	**$ 471.7**	**$ 432.2**
Weighted-average shares outstanding – basic	514.6	516.7	509.5
Dilutive effect of nonparticipating nonvested stock unit awards	0.8	0.7	0.8
Weighted-Average Shares Outstanding – Diluted	**515.4**	**517.4**	**510.3**
Earnings per Share			
Basic	$ 1.97	$ 0.91	$ 0.85
Diluted	1.97	0.91	0.85

Nonparticipating nonvested stock unit awards excluded from the calculation of diluted earnings per share because their effect would have been antidilutive were not significant for the fiscal year ended September 30, 2026 (“fiscal year 2026”), the fiscal year ended September 30, 2025 (“fiscal year 2025”) and fiscal year 2024.

Note 4 – **Revenues**

Operating revenues by geographic area were as follows:

(in millions) **for the fiscal year ended September 30, 2026**	**United States**	**Luxembourg**	**Asia-Pacific**	**Americas Excluding United States**	**Europe, Middle East and Africa, Excluding Luxembourg**	**Total**
Investment management fees	$ 5,506.4	$ 1,067.4	$ 350.1	$ 255.3	$ 299.7	$ 7,478.9
Sales and distribution fees	1,065.0	455.9	29.0	40.7	3.1	1,593.7
Shareholder servicing fees	252.3	35.0	1.9	0.2	—	289.4
Other	51.2	0.7	1.3	—	0.1	53.3
Total	**$ 6,874.9**	**$ 1,559.0**	**$ 382.3**	**$ 296.2**	**$ 302.9**	**$ 9,415.3**

(in millions) **for the fiscal year ended September 30, 2025**	**United States**	**Luxembourg**	**Asia-Pacific**	**Americas Excluding United States**	**Europe, Middle East and Africa, Excluding Luxembourg**	**Total**
Investment management fees	$ 5,292.3	$ 894.4	$ 302.3	$ 214.8	$ 278.0	$ 6,981.8
Sales and distribution fees	1,042.2	370.0	22.7	38.9	0.9	1,474.7
Shareholder servicing fees	231.3	31.2	1.7	0.3	—	264.5
Other	48.4	0.1	1.1	—	0.1	49.7
Total	**$ 6,614.2**	**$ 1,295.7**	**$ 327.8**	**$ 254.0**	**$ 279.0**	**$ 8,770.7**

(in millions) **for the fiscal year ended September 30, 2024**	**United States**	**Luxembourg**	**Asia-Pacific**	**Americas Excluding United States**	**Europe, Middle East and Africa, Excluding Luxembourg**	**Total**
Investment management fees	$ 5,142.8	$ 862.3	$ 283.8	$ 228.1	$ 305.2	$ 6,822.2
Sales and distribution fees	979.2	342.8	19.2	39.8	—	1,381.0
Shareholder servicing fees	195.3	31.7	2.2	0.1	—	229.3
Other	40.5	0.7	3.7	—	0.6	45.5
Total	**$ 6,357.8**	**$ 1,237.5**	**$ 308.9**	**$ 268.0**	**$ 305.8**	**$ 8,478.0**

Operating revenues are attributed to geographic areas based on the jurisdiction of the subsidiaries that provide the services, which may differ from the regions in which the related investment products are sold and domicile of the fund vehicle or client.

Revenues earned from sponsored funds were 84%, 84% and 82% of the Company's total operating revenues for the fiscal years 2026, 2025 and 2024.

Note 5 – Investments

The disclosures below include details of the Company's investments, excluding those of CIPs. See Note 10 – Consolidated Investment Products for information related to the investments held by these entities.

Investments consisted of the following:

(in millions) **as of September 30,**	**2026**	**2025**
Investments, at fair value		
Sponsored funds and separate accounts	$ 825.1	$ 809.6
Investments related to long-term incentive plans	303.8	288.1
Other equity and debt investments	77.3	81.8
Total investments, at fair value	1,206.2	1,179.5
Investments in equity method investees	1,232.0	893.9
Other investments	369.7	300.6
Total	**$ 2,807.9**	**$ 2,374.0**

The Company has entered into repurchase agreements with third-party financing companies for certain investments held by the Company. As of September 30, 2026 and 2025, other liabilities includes repurchase agreements of $215.1 million and $200.5 million with investments of $215.2 million and $206.4 million in carrying value pledged as collateral. The repurchase agreements have contractual maturity dates ranging between 2030 to 2039.

Note 6 – Fair Value Measurements

The disclosures below include details of the Company's fair value measurements, excluding those of CIPs. See Note 10 – Consolidated Investment Products for information related to fair value measurements of the assets and liabilities of these entities.

The assets and liabilities measured at fair value on a recurring basis were as follows:

(in millions) **as of September 30, 2026**	**Level 1**	**Level 2**	**Level 3**	**NAV as a Practical Expedient**	**Total**
Assets					
Investments, at fair value					
Sponsored funds and separate accounts	$ 291.5	$ 310.6	$ 185.9	$ 37.1	$ 825.1
Investments related to long-term incentive plans	280.0	0.4	—	23.4	303.8
Other equity and debt investments	24.3	19.9	1.6	31.5	77.3
Crypto assets	12.9	3.5	—	—	16.4
Total Assets Measured at Fair Value	**$ 608.7**	**$ 334.4**	**$ 187.5**	**$ 92.0**	**$ 1,222.6**
Liabilities					
Securities sold short	$ 389.8	$ —	$ —	$ —	$ 389.8
Contingent consideration liabilities	—	—	62.7	—	62.7
Total Liabilities Measured at Fair Value	**$ 389.8**	**$ —**	**$ 62.7**	**$ —**	**$ 452.5**

(in millions) **as of September 30, 2025**	**Level 1**	**Level 2**	**Level 3**	**NAV as a Practical Expedient**	**Total**
Assets					
Investments, at fair value					
Sponsored funds and separate accounts	$ 463.9	$ 305.2	$ 2.2	$ 38.3	$ 809.6
Investments related to long-term incentive plans	253.4	3.3	—	31.4	288.1
Other equity and debt investments	12.4	9.4	1.8	29.2	52.8
Total Assets Measured at Fair Value	**$ 729.7**	**$ 317.9**	**$ 4.0**	**$ 98.9**	**$ 1,150.5**
Liabilities					
Securities sold short	$ 193.7	$ —	$ —	$ —	$ 193.7
Contingent consideration liabilities	—	—	20.4	—	20.4
Total Liabilities Measured at Fair Value	**$ 193.7**	**$ —**	**$ 20.4**	**$ —**	**$ 214.1**

As of September 30, 2025, there were $29.0 million of other investments which were adjusted to fair value on a nonrecurring basis and excluded from the table above.

Investments for which fair value was estimated using reported NAV as a practical expedient primarily consist of nonredeemable private equity, debt and infrastructure funds, and redeemable alternative credit, global equity and private real estate funds. These investments were as follows:

(in millions) as of September 30,	2026	2025
Nonredeemable investments[1]		
Investments with known liquidation periods	$ 19.7	$ 19.7
Investments with unknown liquidation periods	14.5	15.2
Redeemable investments[2]	57.8	64.0
Unfunded commitments	12.9	13.3

1 The investments are expected to be returned through distributions over the life of the funds as a result of liquidations of the funds' underlying assets. Investments with known liquidation periods have an expected weighted-average life of 1.5 years and 2.2 years at September 30, 2026 and 2025.

2 Investments are redeemable on a semi-monthly, monthly and quarterly basis.

Changes in the Level 3 contingent consideration liabilities were as follows:

(in millions) for the fiscal years ended September 30,	2026
Balance at beginning of year	$ (20.4)
Acquisition	(9.4)
Total realized and unrealized losses included in general, administrative and other expense	(33.2)
Settlements	0.3
Balance at End of Year	**$ (62.7)**
Change in unrealized losses included in net income relating to assets and liabilities held at end of year	$ (33.2)

Financial instruments that were not measured at fair value were as follows:

(in millions) as of September 30,	Fair Value Level	2026 Carrying Value	2026 Estimated Fair Value	2025 Carrying Value	2025 Estimated Fair Value
Financial Assets					
Cash and cash equivalents[1]	1	$ 3,227.8	$ 3,227.8	$ 3,088.1	$ 3,088.1
Other investments					
Time deposits	2	8.6	8.6	9.2	9.2
Equity securities	3	361.1	361.1	291.4	291.4
Financial Liability					
Debt	2	$ 2,637.8	$ 2,127.9	$ 2,362.0	$ 1,970.9

1 Cash and cash equivalents include money market funds held in connection with the Company's deferred compensation plans. As of September 30, 2026, the balance held was $80.8 million.

Note 7 – Property and Equipment

Property and equipment, net consisted of the following:

(in millions) as of September 30,	2026	2025	Useful Lives In Years
Buildings and leasehold improvements	$ 1,100.4	$ 1,096.4	5-35
Software	408.2	419.9	3-10
Equipment and furniture	269.6	297.6	3-10
Land	79.4	80.0	N/A
Total cost	1,857.6	1,893.9	
Less: accumulated depreciation and amortization	(986.8)	(944.8)	
Property and Equipment, Net	**$ 870.8**	**$ 949.1**	

Depreciation and amortization expense related to property and equipment was $134.0 million, $141.4 million and $129.9 million in fiscal years 2026, 2025 and 2024. The Company recognized no impairment of property and equipment in fiscal years 2026, 2025 and 2024.

Note 8 – Goodwill and Other Intangible Assets

Goodwill and other intangible assets, net consisted of the following:

(in millions) as of September 30,	2026	2025
Goodwill	$ 6,294.6	$ 6,206.0
Indefinite-lived intangible assets	3,386.8	3,400.3
Definite-lived intangible assets, net	589.7	765.7
Goodwill and Other Intangible Assets, Net	**$ 10,271.1**	**$ 10,372.0**

Changes in the carrying value of goodwill were as follows:

(in millions) for the fiscal years ended September 30,	2026	2025
Balance at beginning of year	$ 6,206.0	$ 6,211.4
Acquisition	97.2	—
Foreign exchange revaluation	(8.6)	(5.4)
Balance at End of Year	**$ 6,294.6**	**$ 6,206.0**

During fiscal years 2026 and 2025, no impairment of goodwill was recognized.

The Company recognized impairment charges totalling $33.0 million during fiscal year 2026 primarily related to certain indefinite-lived intangible assets for acquired mutual fund investment management contracts due to decreased AUM in related products. The Company recognized impairment charges of $224.4 million related to Western Asset Management (“WAM”) and certain other indefinite-lived intangible assets related to management contracts during fiscal year 2025.

Definite-lived intangible assets were as follows:

	2026			2025		
(in millions) as of September 30,	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Management contracts	$ 887.7	$ (494.8)	$ 392.9	$ 1,255.3	$ (709.3)	$ 546.0
Trade names	286.2	(89.4)	196.8	286.2	(66.5)	219.7
Total	$ 1,173.9	$ (584.2)	$ 589.7	$ 1,541.5	$ (775.8)	$ 765.7

No impairment of definite-lived intangible assets was recognized during fiscal year 2026. The Company recognized an insignificant impairment of a definite-lived intangible asset during fiscal year 2025.

Definite-lived intangible assets had a weighted-average remaining useful life of 8.1 years at September 30, 2026, with estimated remaining amortization expense as follows:

(in millions) for the fiscal years ending September 30,	Amount
2027	$ 145.0
2028	94.0
2029	48.4
2030	46.2
2031	44.9
Thereafter	211.2
Total	**$ 589.7**

Note 9 – Debt

The disclosures below include details of the Company's debt, excluding that of CIPs. See Note 10 – Consolidated Investment Products for information related to the debt of these entities.

Debt consisted of the following:

(in millions) **as of September 30,**	**2026**	**Effective Interest Rate**	**2025**	**Effective Interest Rate**
Debt of Franklin Templeton, Inc.				
$850 million 1.600% senior notes due October 2030	$ 848.3	1.74 %	$ 847.9	1.74 %
$350 million 2.950% senior notes due August 2051	348.2	3.00 %	348.1	3.00 %
$750 million 5.500% senior notes due August 2036	743.6	5.70 %	—	N/A
Total debt of Franklin Templeton, Inc.	1,940.1		1,196.0	
Debt of Legg Mason (a subsidiary of Franklin)				
$450 million 4.750% senior notes due March 2026	—	N/A	456.1	1.80 %
$550 million 5.625% senior notes due January 2044	710.6	3.38 %	717.4	3.38 %
Total debt of Legg Mason	710.6		1,173.5	
Debt issuance costs	(12.9)		(7.5)	
Total	**$ 2,637.8**		**$ 2,362.0**	

On March 15, 2026, the Company repaid all of the outstanding $450.0 million 4.750% senior notes due March 2026 issued by Legg Mason, Inc. at the principal amount plus accrued interest of $10.7 million.

On August 10, 2026, the Company completed its offering of $750.0 million in aggregate principal amount of 5.500% notes due August 2036. The Company incurred $6.4 million of debt issuance cost and the notes were issued at a discount of $6.5 million.

On December 11, 2025, the Company entered into a Joinder and Commitment Increase Agreement (the "Joinder Agreement"), which amended the Amended and Restated Revolving Credit Agreement dated April 30, 2025, increasing the aggregate commitments by $400.0 million to $1.5 billion. On July 30, 2026, the Company entered into a Second Amended and Restated Revolving Credit Agreement (the "Credit Agreement"), which extended the maturity of the revolving credit facility to July 30, 2031. The Credit Agreement provides for a five-year revolving credit facility with $1.5 billion of aggregate commitments and an option to increase the aggregate commitments by a maximum of $500.0 million.

During fiscal year 2026, the Company borrowed an aggregate of $850.0 million under the revolving credit facility, of which $150.0 million was repaid on February 9, 2026, and the remaining $700.0 million was repaid on August 15, 2026. No borrowings were outstanding under the facility at September 30, 2026. Interest is payable semi-annually on any outstanding amounts and is based on the Term Secured Overnight Financing Rate ("Term SOFR") plus a credit spread of 87.5 basis points.

At September 30, 2026, the Company had $500.0 million of short-term commercial paper available for issuance under an uncommitted private placement program which has been inactive since 2012.

At September 30, 2026, Franklin's outstanding senior unsecured unsubordinated notes had an aggregate principal amount due of $1,950.0 million. The notes have fixed interest rates with interest payable semi-annually.

At September 30, 2026, Legg Mason's outstanding senior unsecured unsubordinated notes had an aggregate principal amount due of $550.0 million. The notes have fixed interest rates with interest payable semi-annually. Franklin unconditionally and irrevocably guarantees all of the outstanding notes issued by Legg Mason.

The Franklin and Legg Mason senior notes contain an optional redemption feature that allows the Company to redeem each series of notes prior to maturity in whole or in part at any time, at a make-whole redemption price. The indentures governing the senior notes contain limitations on the Company's ability and the ability of its subsidiaries to pledge voting stock or profit participating equity interests in its subsidiaries to secure other debt without similarly securing the notes equally and ratably. In addition, the indentures include requirements that must be met if the Company consolidates or merges with, or sells all or substantially all of its assets to another entity. The Credit Agreement contains a financial performance covenant requiring that the Company maintain a consolidated net leverage ratio, measured as of the last day of each fiscal quarter, of no greater than 3.25 to 1.00. The Company was in compliance with all covenants at September 30, 2026.

Note 10 – Consolidated Investment Products

CIPs consist of mutual and other investment funds, limited partnerships and similar structures, and CLOs, all of which are sponsored by the Company, and include both VOEs and VIEs.

The balances related to CIPs included in the Company's consolidated balance sheets were as follows:

(in millions)

as of September 30,	**2026**	**2025**
Assets		
Cash and cash equivalents	$ 1,162.1	$ 485.8
Receivables	294.5	313.1
Investments, at fair value	17,167.9	12,278.8
Total Assets	**$ 18,624.5**	**$ 13,077.7**
Liabilities		
Accounts payable and accrued expenses	$ 1,392.6	$ 1,063.0
Debt	14,689.7	9,937.3
Other liabilities	13.5	17.5
Total liabilities	16,095.8	11,017.8
Redeemable Noncontrolling Interests	301.1	289.6
Stockholders' Equity		
Franklin Templeton, Inc.'s interests	1,346.0	1,220.6
Nonredeemable noncontrolling interests	881.6	549.7
Total stockholders' equity	2,227.6	1,770.3
Total Liabilities, Redeemable Noncontrolling Interests and Stockholders' Equity	**$ 18,624.5**	**$ 13,077.7**

The consolidation of CIPs did not have a significant impact on net income attributable to the Company in fiscal years 2026, 2025 and 2024.

The Company has no right to the CIPs' assets, other than its direct equity investments in them and investment management and other fees earned from them. The debt holders of the CIPs have no recourse to the Company's assets beyond the level of its direct investment, therefore the Company bears no other risks associated with the CIPs' liabilities.

Fair Value Measurements

Assets of CIPs measured at fair value on a recurring basis were as follows:

(in millions) as of September 30, 2026	Level 1	Level 2	Level 3	NAV as a Practical Expedient	Total
Assets					
Cash and cash equivalents of CLOs	$ 1,080.5	$ —	$ —	$ —	$ 1,080.5
Receivables of CLOs	—	132.1	—	—	132.1
Investments					
Equity and debt securities	482.9	978.8	821.4	112.1	2,395.2
Loans	—	14,764.6	8.1	—	14,772.7
Total Assets Measured at Fair Value	**$ 1,563.4**	**$ 15,875.5**	**$ 829.5**	**$ 112.1**	**$ 18,380.5**

(in millions) as of September 30, 2025	Level 1	Level 2	Level 3	NAV as a Practical Expedient	Total
Assets					
Cash and cash equivalents of CLOs	$ 472.1	$ —	$ —	$ —	$ 472.1
Receivables of CLOs	—	113.0	—	—	113.0
Investments					
Equity and debt securities	393.2	731.5	601.0	189.1	1,914.8
Loans	—	10,354.1	9.9	—	10,364.0
Total Assets Measured at Fair Value	**$ 865.3**	**$ 11,198.6**	**$ 610.9**	**$ 189.1**	**$ 12,863.9**

Investments for which fair value was estimated using reported NAV as a practical expedient consist of a redeemable global hedge fund and nonredeemable private debt and equity funds. These investments were as follows:

(in millions) as of September 30,	2026	2025
Redeemable investments[1]	$ 57.6	$ 74.4
Nonredeemable investments[2]		
Investments with unknown liquidation periods	54.5	114.7
Unfunded commitments[3]	21.9	14.0

1 Investments are redeemable on a monthly basis and liquidation periods are unknown.
2 The investments are expected to be returned through distributions over the life of the funds as a result of liquidations of the funds' underlying assets.
3 Of the total unfunded commitments, the Company was contractually obligated to fund $12.9 million and $5.3 million based on its ownership percentage in the CIPs, at September 30, 2026 and 2025.

Changes in Level 3 assets of equity and debt securities were as follows:

(in millions)

as of September 30,	2026	2025
Balance at beginning of year	$ 601.0	$ 550.1
Gains included in investment and other income of consolidated investment products, net	273.5	50.5
Purchases	225.3	60.9
Sales	(21.5)	(33.6)
Net consolidations (deconsolidations)	(64.5)	12.2
Transfers into Level 3	0.5	0.2
Transfers out of Level 3	(192.9)	(39.3)
Balance at End of Year	**$ 821.4**	**$ 601.0**
Change in unrealized gains included in net income relating to assets held at end of year	$ 192.3	$ 23.0

Valuation techniques and significant unobservable inputs used in Level 3 fair value measurements were as follows:

(in millions)

as of September 30, 2026	Fair Value	Valuation Technique	Significant Unobservable Inputs	Range (Weighted Average[1])
Equity and debt securities	$ 571.5	Market pricing	Private sale pricing	$0.01–$1,982.61 ($233.06) per share
			Discount for lack of marketability	18.9%–90.0% (29.9%)
	196.2	Market comparable companies	Enterprise value/ Revenue multiple	3.2–35.3 (12.2)
			Discount for lack of marketability	11.6%–17.1% (13.9%)
	39.0	Discounted cash flow	Discount rate	7.0%–14.5% (7.5%)
	14.7	Option pricing model	Volatility	27.5%–63.0% (38.2%)
			Discount for lack of marketability	6.3%–12.5% (8.3%)

(in millions)

as of September 30, 2025	Fair Value	Valuation Technique	Significant Unobservable Inputs	Range (Weighted Average[1])
Equity and debt securities	$ 302.0	Market pricing	Private sale pricing	$0.27–$2,120.00 ($176.53) per share
			Discount for lack of marketability	5.0%–75.0% (23.9%)
	225.9	Market comparable companies	Enterprise value/ Revenue multiple	1.4–21.0 (9.5)
			Discount for lack of marketability	6.0%–11.0% (8.5%)
	54.4	Discounted cash flow	Discount rate	6.5%–13.0% (6.8%)
	18.7	Option pricing model	Volatility	34.0%–60.9% (38.2%)
			Discount for lack of marketability	9.1%–13.5% (9.4%)

[1] Based on the relative fair value of the instruments.

If the relevant significant inputs used in the market-based valuations, other than discount for lack of marketability, were independently higher (lower), the resulting fair value of the assets would be higher (lower). If the relevant significant inputs used in the discounted cash flow, as well as the discount for lack of marketability used in the market-based valuations, were independently higher (lower), the resulting fair value of the assets would be lower (higher).

Financial instruments of CIPs that were not measured at fair value were as follows:

(in millions) as of September 30,	Fair Value Level	2026 Carrying Value	2026 Estimated Fair Value	2025 Carrying Value	2025 Estimated Fair Value
Financial Asset					
Cash and cash equivalents	1	$ 81.6	$ 81.6	$ 13.7	$ 13.7
Financial Liabilities					
Debt of CLOs[1]	2 or 3	14,689.7	14,676.9	9,937.3	9,786.0

[1] Substantially all was Level 2.

Debt

Debt of CLOs totaled $14,689.7 million and $9,937.3 million at September 30, 2026 and September 30, 2025. The debt had fixed and floating interest rates ranging from 3.12% to 11.67% with a weighted-average effective interest rate of 5.27% at September 30, 2026, and from 2.39% to 12.26% with a weighted-average effective interest rate of 6.00% at September 30, 2025. The floating rates were based on the Secured Overnight Financing Rate and Euro Interbank Offered Rate.

The contractual maturities for debt of CLOs at September 30, 2026 were as follows:

(in millions) for the fiscal years ending September 30,	Amount
2027	$ 128.9
2028	9.2
2029	38.8
2030	—
2031	—
Thereafter	14,512.8
Total	**$ 14,689.7**

Collateralized Loan Obligations

The unpaid principal balance and fair value of the investments of CLOs were as follows:

(in millions) as of September 30,	2026	2025
Unpaid principal balance	$ 15,464.6	$ 10,641.0
Difference between unpaid principal balance and fair value	(269.5)	(43.3)
Fair Value	**$ 15,195.1**	**$ 10,597.7**

Investments 90 days or more past due were immaterial at September 30, 2026 and September 30, 2025.

During fiscal years 2026 and 2025, the Company recognized $30.5 million and $48.6 million of net gains related to its own economic interests in the CLOs. The aggregate principal related to the debt of CLOs was $15,020.7 million and $9,958.6 million at September 30, 2026 and 2025.

Note 11 – Redeemable Noncontrolling Interests

Changes in redeemable noncontrolling interests were as follows:

(in millions)

for the fiscal years ended September 30, 2026, 2025 and 2024	CIPs	Minority Interests	Total
Balance at October 1, 2023	$ 580.1	$ 446.0	$ 1,026.1
Net income	80.2	47.7	127.9
Net subscriptions (distributions) and other	213.4	(111.4)	102.0
Net deconsolidations	(206.1)	—	(206.1)
Acquisition	20.2	—	20.2
Adjustment to fair value	—	251.7	251.7
Balance at September 30, 2024	**$ 687.8**	**$ 634.0**	**$ 1,321.8**
Net income (loss)	(94.9)	42.2	(52.7)
Net subscriptions (distributions) and other	317.5	(31.9)	285.6
Net deconsolidations	(620.8)	—	(620.8)
Adjustment to fair value	—	248.1	248.1
Balance at September 30, 2025	**$ 289.6**	**$ 892.4**	**$ 1,182.0**
Net income	72.6	53.7	126.3
Net subscriptions (distributions) and other	778.9	(90.4)	688.5
Net deconsolidations	(840.0)	—	(840.0)
Acquisition	—	32.8	32.8
Adjustment to fair value	—	226.3	226.3
Balance at September 30, 2026	**$ 301.1**	**$ 1,114.8**	**$ 1,415.9**

Note 12 – Nonconsolidated Variable Interest Entities

VIEs for which the Company is not the primary beneficiary consist of sponsored funds and other investment products in which the Company has an equity ownership interest. The Company's carrying value and maximum exposure to loss from these VIEs consists of equity investments, investment management and other fee receivables as follows:

(in millions)

as of September 30,	2026	2025
Investments	$ 1,497.6	$ 1,274.5
Receivables	275.4	225.1
Total	**$ 1,773.0**	**$ 1,499.6**

While the Company has no legal or contractual obligation to do so, it routinely makes cash investments in the course of launching sponsored funds. As it has done in the past, the Company also may voluntarily elect to provide its sponsored funds with additional direct or indirect financial support based on its business objectives. The Company did not provide additional financial or other support to its sponsored funds assessed as VIEs during fiscal years 2026 and 2025.

Note 13 – Taxes on Income

Taxes on income were as follows:

(in millions)

for the fiscal years ended September 30,	2026	2025	2024
Current expense			
Federal	$ 194.6	$ 140.6	$ 212.0
State	50.3	51.5	54.0
Non-U.S.	119.3	93.0	73.9
Deferred expense (benefit)	35.4	(47.2)	(124.6)
Total	**$ 399.6**	**$ 237.9**	**$ 215.3**

Income before taxes consisted of the following:

(in millions)

for the fiscal years ended September 30,	2026	2025	2024
U.S.	$ 1,034.8	$ 538.2	$ 286.3
Non-U.S. and other[1]	867.6	248.6	536.9
Total	**$ 1,902.4**	**$ 786.8**	**$ 823.2**

[1] Other includes income (loss) from consolidated investment products and amounts not subject to tax.

The significant components of deferred tax assets and deferred tax liabilities were as follows:

(in millions)

as of September 30,	2026	2025
Deferred Tax Assets		
Capitalized mixed service costs	$ 99.4	$ 127.5
Net operating loss and state credit carry-forwards	265.1	328.3
Deferred compensation and benefits	186.7	209.3
Foreign tax credit carry-forwards	9.9	70.4
Operating lease liability	164.0	199.1
Debt premium	40.0	43.7
Other	125.2	118.9
Total deferred tax assets	890.3	1,097.2
Valuation allowance	(164.3)	(297.1)
Deferred tax assets, net of valuation allowance	726.0	800.1
Deferred Tax Liabilities		
Goodwill and other purchased intangibles	695.9	697.7
Right of use asset	124.3	151.0
Other	120.9	129.7
Total deferred tax liabilities	941.1	978.4
Net Deferred Tax Liability	**$ 215.1**	**$ 178.3**

Deferred income tax assets and liabilities that relate to the same tax jurisdiction are presented net on the consolidated balance sheets. The components of the net deferred tax liability were classified in the consolidated balance sheets as follows:

(in millions)

as of September 30,	**2026**	**2025**
Other assets	$ 75.1	$ 83.3
Deferred tax liabilities	290.2	261.6
Net Deferred Tax Liability	**$ 215.1**	**$ 178.3**

Included in the Company's net deferred tax liability were the deferred tax effects associated with the fair value of assets acquired and liabilities assumed from the acquisition of Legg Mason and acquired attributes that carry over to post-acquisition tax periods, including U.S. state and foreign net operating losses and foreign tax credits. Utilization of the U.S. state net operating losses and federal credit carry-forwards may be subject to annual limitations due to ownership change provisions under Section 382 of the Internal Revenue Code. Foreign tax credits can only be used to offset tax attributable to foreign source income.

At September 30, 2026, there were $114.2 million of non-U.S. tax effected net operating loss and capital loss carry-forwards which expire between fiscal years 2027 and 2045. In addition, there were $62.1 million in tax effected state net operating loss carry-forwards that expire between fiscal years 2027 and 2044, with some having an indefinite carry-forward period. The Company also has federal net operating losses of $7.5 million, the majority of which will carry-forward indefinitely and $9.9 million of foreign tax credit carry-forwards that expire between fiscal years 2027 and 2028.

The valuation allowance decreased $132.8 million in fiscal year 2026, primarily due to the release of valuation allowances on capital loss and foreign tax credit carryforwards, as well as the write-off of valuation allowances associated with net operating losses, foreign tax credits, and foreign capital losses that expired unused. At September 30, 2026, the valuation allowance of $164.3 million was primarily related to $129.0 million for federal, state, and foreign net operating loss carry-forwards, and $35.2 million for other state deferred taxes.

A reconciliation of the amount of tax expense at the federal statutory rate and taxes on income as reflected in the consolidated statements of income, after the adoption of ASU 2023-09, is as follows:

(in millions)

for the fiscal years ended September 30,	**2026**	
Statutory income tax expense	$ 399.6	21.0%
State and local income taxes, net of federal income tax effect[1]	57.3	3.0%
Foreign tax effects:	(11.8)	(0.6%)
Bahamas	(10.1)	(0.5%)
Statutory tax rate difference between Bahamas and United States	(34.2)	(1.8%)
Global Minimum Tax	24.1	1.3%
Other foreign jurisdictions	(1.7)	(0.1%)
Effect of cross-border tax laws:	13.5	0.7%
Global intangible low-taxed income (net of FTC)	1.6	0.1%
Subpart F income (net of FTC)	0.9	0.1%
Passive foreign investment company income	11.0	0.5%
Changes in valuation allowances	(31.5)	(1.7%)
Changes in unrecognized tax benefits	4.5	0.3%
Nontaxable & nondeductible items:	(32.0)	(1.7%)
Noncontrolling interest	(89.8)	(4.7) %
Disallowed penalties	20.7	1.1 %
Other	37.1	1.9 %
Tax provision	**$ 399.6**	**21.0%**

[1] State taxes in New York State, New York City and California make up the majority (greater than 50 percent) of the tax effect in this category.

A reconciliation of the amount of tax expense at the federal statutory rate and taxes on income as reflected in the consolidated statements of income, prior to the adoption of ASU 2023-09, is as follows:

(in millions)

for the fiscal years ended September 30,	2025		2024	
Federal taxes at statutory rate	$ 165.2	21.0%	$ 172.9	21.0%
State taxes, net of federal tax effect	25.5	3.2%	42.8	5.2%
Tax reserve (release) for audit settlements, net of valuation allowance	(4.8)	(0.6%)	0.5	0.1%
Effect of net income attributable to noncontrolling interests	(5.0)	(0.6%)	(29.7)	(3.6%)
Effect of non-U.S. operations	44.5	5.7%	4.0	0.5%
Capital loss on investments, net of valuation allowance	7.5	1.0%	7.4	0.9%
Foreign tax credit valuation allowance release	(12.6)	(1.6%)	5.1	0.6%
Other	17.6	2.2%	12.3	1.5%
Tax Provision	**$ 237.9**	**30.2%**	**$ 215.3**	**26.2%**

A reconciliation of the beginning and ending balances of gross unrecognized tax benefits is as follows:

(in millions)

for the fiscal years ended September 30,	2026	2025	2024
Balance at beginning of year	$ 111.9	$ 133.5	$ 138.8
Additions for tax positions of prior years	1.5	2.5	1.2
Reductions for tax positions of prior years	(3.7)	(1.2)	(4.9)
Tax positions related to the current year	13.7	11.1	12.1
Settlements with taxing authorities	(15.3)	(17.5)	(6.6)
Expirations of statute of limitations	(6.7)	(16.5)	(7.1)
Balance at End of Year	**$ 101.4**	**$ 111.9**	**$ 133.5**

If recognized, $100.7 million for 2026, $111.2 million for 2025 and $132.8 million for 2024 would favorably affect the Company's effective income tax rate in future periods.

The Company accrues interest and penalties related to unrecognized tax benefits in interest expense and general, administrative and other expenses. Accrued interest on uncertain tax positions at September 30, 2026 and 2025 was $21.0 million and $25.8 million, and is not presented in the unrecognized tax benefits table above. Accrued penalties at September 30, 2026 and 2025 were $0.1 million and $1.7 million.

The Company files a consolidated U.S. federal income tax return, multiple U.S. state and local income tax returns, and income tax returns in multiple non-U.S. jurisdictions. The Company is subject to examination by the taxing authorities in these jurisdictions. The Company's major tax jurisdictions and the tax years for which the statutes of limitations have not expired are as follows: India 2003 onwards; Brazil 2020 onwards; Luxembourg 2020 onwards; U.K. 2022 onwards; U.S. federal 2020, 2022 onwards; the City of New York 2019 onwards; and States of California, Florida, Illinois and New York 2020 onwards.

The Company has ongoing litigation and examinations in various stages, including in the States of California and City of New York, and in Brazil and India. Examination outcomes and the timing of settlements are subject to significant uncertainty. Such settlements may involve some or all of the following: the payment of additional taxes, the adjustment of deferred taxes and/or the recognition of unrecognized tax benefits. The Company has recognized a tax benefit only for those positions that meet the more-likely-than-not recognition threshold. It is reasonably possible that the total unrecognized tax benefit as of September 30, 2026 could decrease by an estimated $6.7 million within the next twelve months as a result of the expiration of statutes of limitations in the U.S. federal and certain U.S. state and local and non-

U.S. tax jurisdictions, and potential settlements with U.S. states and non-U.S. taxing authorities.

The Tax Cuts and Jobs Act which was enacted into law in the U.S. in December 2017, includes various changes to the tax law, including a permanent reduction in the corporate income tax rate and assessment of a one-time transition tax on the deemed repatriation of post-1986 undistributed foreign subsidiaries' earnings. The remaining payment for the Company's federal portion of the transition tax liability of $231.6 million was made in fiscal year 2026.

On July 4, 2025, the One Big Beautiful Bill Act (the "Act") was signed into law. We have evaluated the impact of the Act on our consolidated financial statements, and we have concluded that there is no material impact.

The components of the Company's income taxes paid (net of refunds received) by jurisdiction, as reflected in the Consolidated Statements of Cash Flows for the year ended September 30, 2026, were as follows:

(in millions)

for the fiscal years ended September 30,	**2026**
Federal	$ 389.4
State and local	38.9
Foreign:	
Luxembourg	40.8
Other	52.3
Total income taxes paid (net of refunds)	**$ 521.4**

Note 14 – Leases

Lessee Arrangements

Lease expense was as follows:

(in millions)

for the fiscal years ended September 30,	**2026**	**2025**	**2024**
Operating lease cost	$ 132.5	$ 137.3	$ 188.3
Variable lease cost	10.7	11.2	10.3
Finance lease cost	0.9	1.0	0.8
Less: sublease income	(11.1)	(4.3)	(13.1)
Total lease expense	**$ 133.0**	**$ 145.2**	**$ 186.3**

Supplemental cash flow information related to leases was as follows:

(in millions)

for the fiscal years ended September 30,	**2026**	**2025**	**2024**
Operating cash flows from operating leases included in the measurement of operating lease liabilities	$ 145.5	$ 45.1	$ 109.6
ROU assets obtained in exchange for new/modified operating lease liabilities	80.0	31.2	448.9

The weighted-average remaining lease term and weighted-average discount rate for operating lease liabilities were as follows:

as of September 30,	**2026**	**2025**
Weighted-average remaining lease term	10.4 years	11.1 years
Weighted-average discount rate	5.2 %	5.2 %

The maturities of the liabilities were as follows:

(in millions)

for the fiscal years ending September 30,	Amount
2027	$ 133.6
2028	132.1
2029	126.9
2030	124.2
2031	122.7
Thereafter	656.6
Total lease payments	1,296.1
Less: interest	(318.2)
Operating lease liabilities	**$ 977.9**

Lessor Arrangements

The Company leases excess owned space in its San Mateo, California corporate headquarters and other office buildings, primarily in the U.S., to third parties, and generally include one or more options to renew. The Company subleases excess leased office spaces to various firms, primarily in the U.S., and generally include options to renew or terminate within a specified period.

The maturities of lease payments due to the Company as of September 30, 2026 were as follows:

(in millions)

for the fiscal years ending September 30,	Subleases	Leases
2027	$ 13.7	$ 45.0
2028	14.2	38.2
2029	13.8	40.2
2030	13.6	39.1
2031	13.2	32.5
Thereafter	14.0	39.4
Total	**$ 82.5**	**$ 234.4**

Note 15 – Commitments and Contingencies

Legal Proceedings

India Credit Fund Closure Matters. Effective April 24, 2020, Franklin Templeton Trustee Services Private Limited ("FTTS"), a subsidiary of Franklin, announced its decision to wind up six fixed income mutual fund schemes of the Franklin Templeton Mutual Fund in India (referred to herein as the "Funds"), closing the Funds to redemptions. At the time, the Funds had collective AUM of INR 25,648.3 crore (approximately $3.4 billion). In connection with the wind-up decision, FTTS sought to convene unitholder meetings for the Funds to approve the appointment of a liquidator, and the asset management company to the Funds, Franklin Templeton Asset Management (India) Private Limited ("FTAMI"), ceased earning investment management fees on the Funds.

In May and June 2020, certain Fund unitholders and others challenged the wind-up decision by filing legal petitions in India against a number of respondents, including Franklin, its subsidiaries FTTS, FTAMI, and Templeton International, Inc., as sponsor of the Franklin Templeton Mutual Fund, and related individuals (collectively, the "Company Respondents"), the Securities and Exchange Board of India ("SEBI"), and other governmental entities. The petitioners alleged that the Company Respondents violated various SEBI regulations, mismanaged the Funds, misrepresented or omitted certain information relating to the Funds, and/or engaged in other alleged misconduct. The petitioners requested a wide range of relief, including, among other items, an order quashing the winding up notices and blocking the unitholder votes, initiating investigations into the Company Respondents, and allowing the unitholder petitioners to redeem their

investments with interest. An interim injunction order staying the operation and implementation of the unitholder voting process was issued and the petitions were transferred to the High Court of Karnataka for further consolidated proceedings. The court upheld the decision taken by FTTS to wind up the Funds while finding that unitholder approval was required to implement the decision. Cross appeals from the judgment were then filed in the Supreme Court of India. In the interim, FTTS proceeded to obtain approval from the majority of the voting unitholders for winding up the six Funds and in February 2021, the Supreme Court confirmed the results and appointed a third-party asset manager to serve as the liquidator and begin cash distributions to unitholders. The additional issues on appeal remain pending.

By September 2023, all performing securities across the Funds were liquidated and an aggregate of INR 27,508.1 crore (approximately $3.3 billion) was distributed to Fund unitholders, exceeding the aggregate value of the Funds' AUM at the date of the wind-up announcement, reported above.

Separately, following the completion of a forensic audit/inspection, in late November and early December 2020, SEBI initiated regulatory proceedings by issuing show cause notices against FTAMI, FTTS and certain FTAMI employees (including in their officer or director capacities), alleging certain deficiencies and areas of non-compliance in the management of the Funds. In June 2021, SEBI issued orders against FTAMI, FTTS, and the FTAMI employee respondents, finding violations of certain regulatory provisions, including with respect to similarity in investment strategies among the Funds, calculation of duration and valuation of portfolio securities, deficiencies in documentation relating to investment diligence and investment terms, and portfolio risk management. SEBI's orders include, as applicable, aggregate monetary penalties of INR 20.0 crore (approximately $2.4 million); disgorgement of investment management and advisory fees, together with interest through the date of SEBI's order, totaling INR 512.5 crore (approximately $61.7 million), with continuing accrual of 12% interest until paid; and a prohibition on FTAMI from launching new fixed income funds in India for a two-year period. The respondents filed appeals, as well as applications to stay enforcement of SEBI's orders pending resolution of the appeals, with the Securities Appellate Tribunal (the "SAT") in India, which stay applications were granted in June and July 2021, subject to respondents' deposit in escrow of a portion of the ordered penalties for an aggregate deposit made of INR 257.5 crore (approximately $34.7 million). The SAT appeals remain pending and in the interim, SEBI has approved FTAMI's launch of certain new fixed income funds.

The Company has also responded to related inquiries and investigations commenced by certain governmental agencies in India, including a "first information report" (the preliminary step in an investigation) registered by the Economic Offences Wing of the Chennai police department in or around September 2020 against certain of the Company Respondents in connection with a complaint by certain Fund unitholders, as well as a related investigation by India's Enforcement Directorate commenced in or around April 2021. The Economic Offences Wing's "first information report" was closed by the relevant court on July 17, 2026, with no action taken against the Company Respondents.

Western Asset Management Investigations and Litigation. As previously disclosed, the Company launched an internal investigation into certain trade allocations of treasury derivatives in select Western Asset Management ("WAM") managed accounts by its then-co-Chief Investment Officer, Ken Leech. WAM received notification of parallel investigations by the SEC and the U.S. Department of Justice ("DOJ"). WAM also received notice of an investigation into these trading activities by the CFTC. The Company and WAM fully cooperated with these investigations. As previously disclosed, the CFTC informed WAM that it closed its investigation. On June 3, 2026, the DOJ notified WAM that it is no longer a subject of the DOJ investigation and that it will take no further action. On June 5, 2026, the SEC issued an order resolving its investigation of WAM in its entirety (the "Settlement"). Under the Settlement, WAM, without admitting any wrongdoing, agreed to pay a civil penalty of $100.0 million to be paid into a Fair Fund for the benefit of investors. These outcomes end the investigations of WAM by the DOJ and the SEC.

Mr. Leech received a "Wells Notice" from the staff of the SEC in August 2024, and was placed on administrative leave at that time. Mr. Leech retired and is no longer with the Company, as previously disclosed. On November 25, 2024, the SEC filed a complaint in the United States District Court for the Southern District of New York against Mr. Leech alleging violations of certain laws related to trade allocations. Concurrently, the DOJ filed an indictment with the United States District Court for the Southern District of New York against Mr. Leech for similar allegations and for false statements made to the SEC. On June 12, 2026, all criminal charges against Mr. Leech alleging unlawful trade allocations were dismissed and Mr. Leech and the DOJ reached a plea agreement on one charge of obstruction of a pending proceeding. On October 7, 2026, the U.S. District Court for the Southern District of New York entered a final judgment by consent in the SEC's case against Mr. Leech. Without admitting the SEC's allegations, Mr. Leech agreed to pay a civil penalty of $3.0 million and to an officer-and-director bar. These outcomes end the investigations of Mr. Leech by the DOJ and the SEC.

Franklin, WAM, Mr. Leech and certain Franklin and WAM executives are named as defendants in a related lawsuit that was filed on July 3, 2025, and is pending in the U.S. District Court for the Central District of California, seeking class certification on behalf of shareholders of two funds managed by WAM for the period January 1, 2021 through November 25, 2024. The plaintiffs are pursuing claims under the Securities Exchange Act of 1934 against all defendants in connection with trade allocations made by Mr. Leech in that period that were also the subject of the investigations reported above. The plaintiffs are seeking, among other things, damages, interest, and costs and expenses, including attorneys' fees.

Franklin Templeton 401(k) Retirement Plan Litigation. On July 22, 2025, Franklin and the Franklin Templeton 401(k) Retirement Plan Committee were named as defendants in a lawsuit filed by certain former employees in the U.S. District Court for the Northern District of California. On November 10, 2025, the plaintiffs filed an amended complaint adding as defendants the Franklin Templeton 401(k) Retirement Plan Investment Committee and Gallagher Fiduciary Advisors, LLC. The plaintiffs seek to represent a class of participants and beneficiaries of the Franklin Templeton 401(k) Retirement Plan (the "Plan") who were invested in funds managed by the Company at any time on or after July 22, 2019. The plaintiffs are pursuing claims under the Employee Retirement Income Security Act of 1974 for alleged breaches of fiduciary duties and failure to monitor the Plan fiduciaries in connection with the Plan's inclusion of certain proprietary funds as investment options. The plaintiffs are seeking, among other things, damages, disgorgement, removal of certain investments from the Plan, removal and replacement of the Plan's fiduciaries, attorneys' fees and costs, and pre-judgment interest.

Putnam Mutual Fund Litigation. On June 22, 2026, two Putnam U.S. trusts and certain current and former trustees, as well as Franklin and certain Franklin investment adviser and distributor subsidiaries were named as defendants in a lawsuit filed in the Massachusetts Superior Court, Suffolk County. The plaintiffs allege they are fund shareholders and seek to represent a class of investors who purchased shares of certain Putnam U.S. mutual funds on or after June 22, 2023. The plaintiffs are pursuing claims under Sections 11, 12(a)(2), and 15 of the Securities Act of 1933, for allegedly false and misleading statements, or material omissions, in fund disclosures that relate to the treatment of accrued income as assets of the funds in the calculation of fund net asset values. The plaintiffs are seeking, among other things, damages, rescission, injunctive relief, attorneys' fees and costs, and pre- and post-judgment interest.

Management believes the claims made in the lawsuits reported above are without merit and the Company intends to defend against them vigorously. The Company cannot predict the outcome of these lawsuits or estimate any reasonably possible loss or range of loss that may arise from any negative outcome. Legal proceedings involve uncertainties that can prevent management from determining whether a loss is probable or reasonably possible or from reasonably estimating the amount or range of any loss. For example, these uncertainties may include: the early stage of the proceedings, incomplete discovery or the existence of significant disputed facts, consideration of novel or unresolved legal issues, the determination of any request to proceed as a class or collective action, the calculation of damages or impact of other relief sought, and the potential allocation of liability among multiple parties. Even when management can assess that a loss is probable or reasonably possible, the amount or range of loss may not be reasonably estimable, or the actual loss may ultimately be materially different from any estimated loss.

Other Litigation and Regulatory Matters. The Company is from time to time involved in other litigation relating to claims arising in the normal course of business. Management is of the opinion that the ultimate resolution of such claims will not materially affect the Company's business, financial position, results of operations or liquidity. In management's opinion, an adequate accrual has been made as of September 30, 2026 to provide for any probable losses that may arise from such matters for which the Company could reasonably estimate an amount.

Indemnifications and Guarantees

In the ordinary course of business or in connection with certain acquisition agreements, the Company enters into contracts that provide for indemnifications by the Company in certain circumstances. In addition, certain Company entities guarantee certain financial and performance-related obligations of various Franklin subsidiaries. The Company is also subject to certain legal requirements and agreements providing for indemnifications of directors, officers and personnel against liabilities and expenses they may incur under certain circumstances in connection with their service. The terms of these indemnities and guarantees vary pursuant to applicable facts and circumstances, and from agreement to agreement. Future payments for claims against the Company under these indemnities or guarantees could negatively impact the Company's financial condition. In management's opinion, an adequate accrual has been made as of September 30, 2026 to provide for any probable losses pursuant to such indemnification agreements and/or guarantees.

Other Commitments and Contingencies

While the Company has no legal or contractual obligation to do so, it routinely makes cash investments in the course of launching sponsored funds. At September 30, 2026, the Company had $1,411.1 million of committed capital contributions which relate to discretionary commitments to invest in sponsored funds and other investment products and entities, including CIPs. These unfunded commitments are not recorded in the Company's consolidated balance sheet.

Note 16 – Stock-Based Compensation

The Company's stock-based compensation plans consist of the Amended and Restated Annual Incentive Compensation Plan (the "AIP"), the 2002 Universal Stock Incentive Plan, as amended and restated (the "USIP"), the amended and restated Franklin Resources, Inc. 1998 Employee Stock Investment Plan (the "ESIP"), and the Amended and Restated Franklin Resources, Inc. 2017 Equity Incentive Plan (the "EIP").

Stock-based compensation expenses were as follows:

(in millions) **for the fiscal years ended September 30,**	**2026**	**2025**	**2024**
Stock and stock unit awards	$ 177.1	$ 207.9	$ 240.3
Phantom unit awards	(4.7)	11.8	13.8
Employee stock investment plan	6.6	6.9	5.8
Total	**$ 179.0**	**$ 226.6**	**$ 259.9**

Stock and Stock Unit Awards

Under the terms of the AIP, eligible employees may receive cash, equity awards and/or mutual fund unit awards generally based on the performance of the Company and/or its funds, and the individual employee. The USIP and EIP provide for the issuance of the Company's common stock for various stock-related awards to officers, directors and employees. In February 2026, the Company's stockholders approved an amendment and restatement of the USIP increasing the number of shares authorized by 25.0 million shares to a total of 190.0 million shares. There are 23.0 million shares authorized under the EIP. At September 30, 2026, 31.7 million shares and 18.3 million shares were available for grant under the USIP and EIP.

Stock awards entitle holders to the right to sell the underlying shares of the Company's common stock once the awards vest. Stock unit awards entitle holders to receive shares of the Company's common stock upon vesting. Awards vest based on the passage of time or the achievement of predetermined Company financial performance goals and are subject to forfeiture if the applicable vesting conditions are not satisfied.

Stock and stock unit award activity was as follows:

(shares in thousands) **for the fiscal year ended September 30, 2026**	**Time-Based Shares**	**Performance-Based Shares**	**Total Shares**	**Weighted-Average Grant-Date Fair Value**
Nonvested balance at beginning of year	14,959	353	15,312	$ 22.81
Granted	11,511	409	11,920	25.54
Vested	(9,282)	(181)	(9,463)	23.47
Forfeited/canceled	(2,443)	—	(2,443)	20.84
Nonvested Balance at End of Year	**14,745**	**581**	**15,326**	**$ 24.84**

Total unrecognized compensation expense related to nonvested stock unit awards was $219.3 million at September 30, 2026. This expense is expected to be recognized over a remaining weighted-average vesting period of 2.3 years. The weighted-average grant-date fair values of stock and stock unit awards granted during fiscal years 2026, 2025 and 2024 were $25.54, $20.97 and $25.60 per share. The total fair value of stock and stock unit awards vested during the same periods was $299.5 million, $234.3 million and $180.4 million.

The Company may repurchase shares in connection with vesting of stock and stock unit awards. Also, in order to pay taxes due in connection with the vesting of employee and executive officer stock and stock unit awards, shares are repurchased using a net stock issuance method.

Employee Stock Investment Plan

The ESIP allows eligible participants to buy shares of the Company's common stock at a discount of its market value on defined dates. In February 2026, the Company's stockholders approved an amendment and restatement of the ESIP increasing the number of shares authorized by 5.0 million shares to a total of 34.0 million shares. A total of 1.1 million shares were issued under the ESIP during fiscal year 2026, and 4.2 million shares were reserved for future issuance at September 30, 2026.

Note 17 – Defined Contribution Plans

The Company sponsors a 401(k) plan which covers substantially all U.S. employees meeting certain employment requirements. Participants may contribute up to 50% of their eligible salary and up to 100% of the cash portion of their year-end bonus, as defined by the plan and subject to Internal Revenue Code limitations, each year to the plan. The Company makes a matching contribution equal to 85% of eligible compensation contributed by participants. Certain of the Company's non-U.S. subsidiaries also sponsor defined contribution plans primarily for the purpose of providing deferred compensation incentives for employees and to comply with local regulatory requirements. The total expenses recognized for defined contribution plans were $110.4 million, $104.7 million and $102.3 million for fiscal years 2026, 2025 and 2024.

Note 18 – Segment and Geographic Information

The Company has one operating segment, which provides investment management and related services.

The chief operating decision maker ("CODM"), identified as the Company's Chief Executive Officer, assesses the performance of the business and allocates resources primarily based on consolidated net income attributable to Franklin Templeton, Inc. This measure is used to support decision making activities and assess the performance of the operating segment.

The CODM regularly reviews the significant segment expenses categories that are presented on the Company's consolidated statements of income. Total assets on the consolidated balance sheets is the measure of segment assets.

See Note 4 – Revenues for total operating revenues disaggregated by geographic location.

See below for the long-lived assets disaggregated by geographic location.

(in millions)

as of September 30,	2026	2025
Property and Equipment, Net		
United States	$ 684.1	$ 764.1
Europe, Middle East and Africa	153.5	150.6
Asia-Pacific	30.8	29.4
Americas excluding United States	2.4	5.0
Total	**$ 870.8**	**$ 949.1**

Note 19 – Investment and Other Income, Net

Investment and other income, net consisted of the following:

(in millions) **for the fiscal years ended September 30,**	**2026**	**2025**	**2024**
Dividend and interest income	$ 157.3	$ 141.4	$ 176.9
Gains (losses) on investments, net	13.0	(37.6)	57.6
Income from investments in equity method investees	90.8	78.0	137.5
Losses on crypto assets, net	(19.4)	—	—
Rental income	45.6	44.1	43.7
Foreign currency exchange gains (losses), net	5.1	(11.6)	(19.9)
Other, net	56.1	(1.5)	(0.3)
Investment and Other Income, Net	**$ 348.5**	**$ 212.8**	**$ 395.5**

Substantially all dividend income was generated by investments in nonconsolidated sponsored funds. Gains (losses) on investments, net consists primarily of realized and unrealized gains (losses) on equity securities measured at fair value.

Net gains recognized on equity securities measured at fair value and trading debt securities that were held by the Company at September 30, 2026, 2025 and 2024 were $8.8 million, $5.4 million, and $108.1 million.

Note 20 – Accumulated Other Comprehensive Income (Loss)

Changes in accumulated other comprehensive income (loss) by component were as follows:

(in millions) as of and for the fiscal years ended September 30, 2026, 2025 and 2024	Currency Translation Adjustments	Unrealized Losses on Defined Benefit Plans	Unrealized Gains on Investments	Total
Balance at October 1, 2023	**$ (502.3)**	**$ (7.6)**	**$ 0.6**	**$ (509.3)**
Other comprehensive income (loss)				
Other comprehensive income (loss) before reclassifications, net of tax	89.8	(0.3)	(0.1)	89.4
Reclassifications to compensation and benefits expense, net of tax	—	0.4	—	0.4
Total other comprehensive income (loss)	89.8	0.1	(0.1)	89.8
Balance at September 30, 2024	**$ (412.5)**	**$ (7.5)**	**$ 0.5**	**$ (419.5)**
Other comprehensive income (loss)				
Other comprehensive income (loss) before reclassifications, net of tax	(21.3)	(11.3)	0.1	(32.5)
Reclassifications to compensation and benefits expense, net of tax	—	2.0	—	2.0
Reclassifications to net investment and other income, net of tax	2.9	—	—	2.9
Total other comprehensive income (loss)	(18.4)	(9.3)	0.1	(27.6)
Balance at September 30, 2025	**$ (430.9)**	**$ (16.8)**	**$ 0.6**	**$ (447.1)**
Other comprehensive income (loss)				
Other comprehensive income (loss) before reclassifications, net of tax	(44.7)	0.6	(1.4)	(45.5)
Reclassifications to compensation and benefits expense, net of tax	—	0.4	—	0.4
Reclassifications to net investment and other income, net of tax	(1.2)	—	—	(1.2)
Total other comprehensive income (loss)	(45.9)	1.0	(1.4)	(46.3)
Balance at September 30, 2026	**$ (476.8)**	**$ (15.8)**	**$ (0.8)**	**$ (493.4)**

Note 21 – Subsequent Event

On October 19, 2026, the Company borrowed $300.0 million under the Credit Agreement, with aggregate commitments of up to $1.5 billion. The borrowing remains outstanding at the time of this filing and the proceeds were used for general corporate purposes.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

Not applicable.

Item 9A. Controls and Procedures.

The Company's management evaluated, with the participation of the Company's principal executive and principal financial officers, the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of September 30, 2026. Based on their evaluation, the Company's principal executive and principal financial officers concluded that the Company's disclosure controls and procedures as of September 30, 2026 were designed and are functioning effectively to provide reasonable assurance that the information required to be disclosed by the Company in reports filed under the Exchange Act is (i) recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's ("SEC") rules and forms, and (ii) accumulated and communicated to management, including the principal executive and principal financial officers, as appropriate, to allow timely decisions regarding disclosure.

There has been no change in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the Company's fiscal quarter ended September 30, 2026, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Management's Report on Internal Control over Financial Reporting and the Report of Independent Registered Public Accounting Firm are set forth in Item 8 of Part II of this Annual Report on Form 10-K, which is incorporated herein by reference.

The effectiveness of the Company's internal control over financial reporting as of September 30, 2026 has been audited by PricewaterhouseCoopers LLP, the independent registered public accounting firm that audits the Company's consolidated financial statements, as stated in their report which expresses an unqualified opinion on the effectiveness of the Company's internal control over financial reporting as of September 30, 2026.

Item 9B. Other Information.

Rule 10b5-1 Trading Plans

During the fiscal quarter ended September 30, 2026, no director or officer (as defined in Rule 16a-1(f) under the Exchange Act) of Franklin adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" as each term is defined in Item 408 of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by this Item 10 with respect to executive officers of Franklin is contained at the end of Part I of this Annual Report under the heading "Information About Our Executive Officers."

Code of Ethics. Franklin has adopted a Code of Ethics and Business Conduct (the "Code of Ethics") that applies to Franklin's principal executive officer, principal financial officer, principal accounting officer, controller, and any persons performing similar functions, as well as all directors, officers and employees of Franklin and its subsidiaries and affiliates. A copy of the Code of Ethics is filed as an exhibit to this Annual Report and is posted on our website at www.franklintempleton.com/corporate under "Corporate Governance." A copy of the Code of Ethics is available in print free of charge to any stockholder who requests a copy. Interested parties may address a written request for a printed copy of the Code of Ethics to: Secretary, Franklin Templeton, Inc., One Franklin Parkway, San Mateo, California 94403-1906. We intend to satisfy the disclosure requirement regarding any amendment to, or a waiver from, a provision of the Code of Ethics for Franklin's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, by posting such information on our website.

Insider Trading Policy. Franklin has adopted an insider Trading Blackout Policy (the "Trading Blackout Policy") that applies to all designated executive officers, directors, employees and temporary employees of Franklin and our subsidiaries and affiliates. The Trading Blackout Policy is designed to promote compliance with insider trading laws, rules and regulations with respect to the purchase, sale and/or other dispositions of Franklin's securities, as well as the applicable rules and regulations of the New York Stock Exchange. The Trading Blackout Policy addresses the implementation of certain trading blackout periods in Franklin's securities (including common stock, debt, options and other related derivative securities) for covered persons. A copy of the Trading Blackout Policy is filed as an exhibit to this Annual Report.

The other information required by this Item 10 is incorporated by reference from the information to be provided under the sections titled "Proposal No. 1: Election of Directors" and "Information about the Board and its Committees – The Audit Committee" from Franklin's definitive proxy statement for its annual meeting of stockholders to be filed with the SEC within 120 days after September 30, 2026 ("2027 Proxy Statement").

Item 11. Executive Compensation.

The information required by this Item 11 is incorporated by reference from the information to be provided under the sections of our 2027 Proxy Statement titled "Director Fees," "Compensation Discussion and Analysis" and "Executive Compensation."

During the quarter ended March 31, 2026, Franklin identified that the amount reported in the supplemental disclosure of cash flow information in its consolidated statement of cash flows for cash paid for income taxes was understated for the nine month period ended June 30, 2025. Franklin determined this had no impact on net income attributable to Franklin, earnings per share, total assets, total liabilities, retained earnings, total shareholders' equity, operating cash flow activities, or on the financial results attributable to Franklin's shareholders. Franklin determined this did not result in a material misstatement to its previously issued consolidated financial statements, though, for comparability, Franklin revised the comparative prior interim period amounts included in the consolidated statements of cash flows. Franklin concluded that there was no erroneously awarded executive compensation requiring recovery under Franklin's Executive Compensation Clawback Policy because the revised prior interim period amounts did not impact any metric used in determining executive compensation.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this Item 12 is incorporated by reference from the information to be provided under the sections of our 2027 Proxy Statement titled "Stock Ownership of Certain Beneficial Owners," "Stock Ownership and Stock-Based Holdings of Directors and Executive Officers" and "Executive Compensation – Equity Compensation Plan Information."

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this Item 13 is incorporated by reference from the information to be provided under the sections of our 2027 Proxy Statement titled "Proposal No. 1: Election of Directors – General," "Corporate Governance – Director Independence Standards" and "Certain Relationships and Related Transactions."

Item 14. Principal Accountant Fees and Services.

The information required by this Item 14 is incorporated by reference from the information to be provided under the section of our 2027 Proxy Statement titled "Fees Paid to Independent Registered Public Accounting Firm."

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a)(1) The financial statements filed as part of this report are listed in Item 8 of this Annual Report.

(a)(2) No financial statement schedules are required to be filed as part of this report because all such schedules have been omitted. Such omission has been made on the basis that information is provided in the financial statements, or in the related notes thereto, in Item 8 of this Annual Report or is not required to be filed as the information is not applicable.

(a)(3) The exhibits listed on the Exhibit Index to this Annual Report are incorporated herein by reference.

Item 16. Form 10-K Summary.

None.

EXHIBIT INDEX

Exhibit No.	Description
3.1	Certificate of Incorporation of Registrant, as filed November 28, 1969, incorporated by reference to Exhibit (3)(i) to our Annual Report on Form 10-K for the fiscal year ended September 30, 1994 (File No. 001-09318) (the "1994 Annual Report")
3.2	Certificate of Amendment of Certificate of Incorporation of Registrant, as filed March 1, 1985, incorporated by reference to Exhibit 3(ii) to the 1994 Annual Report
3.3	Certificate of Amendment of Certificate of Incorporation of Registrant, as filed April 1, 1987, incorporated by reference to Exhibit 3(iii) to the 1994 Annual Report
3.4	Certificate of Amendment of Certificate of Incorporation of Registrant, as filed February 2, 1994, incorporated by reference to Exhibit 3(iv) to the 1994 Annual Report
3.5	Certificate of Amendment of Certificate of Incorporation of Registrant, as filed February 4, 2005, incorporated by reference to Exhibit (3)(i)(e) to our Quarterly Report on Form 10-Q for the period ended December 31, 2004 (File No. 001-09318)
3.6	Certificate of Amendment of Certificate of Incorporation of Registrant (effective August 17, 2026), as filed July 28, 2026, incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed on July 31, 2026 (File No. 001-09318)
3.7	Amended and Restated Bylaws of Registrant (effective August 17, 2026), incorporated by reference to Exhibit 3.2 to our Current Report on Form 8-K filed on July 31, 2026 (File No. 001-09318)
4.1	Description of Registrant's Securities (filed herewith)
4.2	Indenture, dated as of May 19, 1994, between Registrant and The Bank of New York Mellon Trust Company, N.A. (as successor to Chemical Bank), as trustee, incorporated by reference to Exhibit 4 to our Registration Statement on Form S-3 filed on April 14, 1994 (File No. 033-53147)
4.3	First Supplemental Indenture, dated October 9, 1996, between Registrant and The Bank of New York Mellon Trust Company, N.A. (as successor to The Chase Manhattan Bank), as trustee, incorporated by reference to Exhibit 4.2 to our Registration Statement on Form S-3 filed on October 4, 1996 (File No. 333-12101)
4.4	Second Supplemental Indenture, dated May 20, 2010, between Registrant and The Bank of New York Mellon Trust Company, N.A., as trustee, incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed on May 20, 2010 (File No. 001-09318)
4.5	Indenture, dated as of October 6, 2020, between Registrant and The Bank of New York Mellon Trust Company, N.A., as trustee, incorporated by reference to Exhibit 4.3 to our Registration Statement on Form S-3ASR filed on February 5, 2025 (File No. 333-284711)
4.6	Officer's Certificate, dated October 19, 2020 (inclusive of the form of note of Registrant's 1.600% Notes due 2030), incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K filed on October 19, 2020 (File No. 001-09318)
4.7	Officer's Certificate, dated August 10, 2026 (inclusive of the form of note of Registrant's 5.500% Notes due 2036), incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K filed on August 10, 2026 (File No. 001-09318)

Exhibit No.	Description
4.8	Base Indenture, dated as of January 22, 2014, for Senior Notes between Legg Mason, Inc. and The Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.1 to Legg Mason's Registration Statement on Form S-3ASR filed on February 19, 2016 (File No. 333-209616)
4.9	First Supplemental Indenture, dated as of January 22, 2014 (inclusive of the form of note of Legg Mason's 5.625% Senior Notes due 2044), between Legg Mason, Inc. and The Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.2 to Legg Mason's Current Report on Form 8-K filed on January 22, 2014 (File No. 001-08529)
4.10	Second Supplemental Indenture, dated as of June 26, 2014, between Legg Mason, Inc. and The Bank of New York Mellon, as trustee, incorporated by reference to Exhibit 4.1 to Legg Mason's Current Report on Form 8-K filed on June 26, 2014 (File No. 001-08529)
4.11	Registrant Parent Guarantee dated August 2, 2021, incorporated by reference to Exhibit 4.1 to our Quarterly Report on Form 10-Q for the period ended June 30, 2021 (File No. 001-09318)
4.12	Officer's Certificate, dated August 12, 2021 (inclusive of the form of additional note of Registrant's 1.600% Notes due 2030 and form of note of Registrant's 2.950% Notes due 2051), incorporated by reference to Exhibit 4.3 to our Current Report on Form 8-K filed on August 12, 2021 (File No. 001-09318)
10.1	Second Amended and Restated Credit Agreement, dated as of July 30, 2026, between Registrant, as borrower, the financial institutions from time to time party thereto, as lenders, and Bank of America, N.A., as administrative agent, incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on July 30, 2026 (File No. 001-09318)
10.2	Non-Employee Director Compensation as of December 17, 2025 (filed herewith)*
10.3	Representative Form of Indemnification Agreement with directors of Registrant (filed herewith)*
10.4	2006 Directors Deferred Compensation Plan (filed herewith)*
10.5	1998 Employee Stock Investment Plan (filed herewith)*
10.6	2002 Universal Stock Incentive Plan (filed herewith)*
10.7	Amended and Restated Annual Incentive Compensation Plan (filed herewith)*
10.8	Amended and Restated 2017 Equity Incentive Plan (filed herewith)*
10.9	2023 Restricted Fund Unit Plan (filed herewith)*
10.10	Amended and Restated Deferred Compensation Fund Plan (filed herewith)*
10.11	Legg Mason, Inc. Amended and Restated Deferred Compensation Fund Plan, incorporated by reference to Exhibit 10.11 to our Annual Report on Form 10-K for the fiscal year ended September 30, 2023 (File No. 001-09318)*
10.12	ClearBridge Investments, LLC Deferred Incentive Plan, incorporated by reference to Exhibit 10.12 to our Annual Report on Form 10-K for the fiscal year ended September 30, 2023 (File No. 001-09318)*
10.13	Form of Restrictive Covenants to Award Agreement for certain equity awards to executive officers of Registrant (filed herewith)*
10.14	Forms of Notice and Restricted Stock Unit Award Agreement (RSU) under our 2002 Universal Stock Incentive Plan for certain 2025 special sign-on time-based awards to Daniel Gamba, Co-President of Registrant (filed herewith)*
10.15	Forms of Notice and Restricted Stock Unit Award Agreement (RSU) under our 2002 Universal Stock Incentive Plan for certain 2026 special retention time-based awards to Chief Executive Officer and Co-Presidents of Registrant (filed herewith)*
10.16	Forms of Notice and Restricted Stock Unit Award Agreement (RSU) under our 2002 Universal Stock Incentive Plan for certain 2026 special retention performance-based awards to Chief Executive Officer and Co-Presidents of Registrant (filed herewith)*
10.17	Forms of Notice and Restricted Stock Unit Award Agreement (RSU) under our 2002 Universal Stock Incentive Plan for certain 2026 annual time-based awards to executive officers of Registrant (filed herewith)*
10.18	Forms of Notice and Restricted Stock Unit Award Agreement (RSU) under our 2002 Universal Stock Incentive Plan for certain 2026 annual performance-based awards to executive officers of Registrant (filed herewith)*

Exhibit No.	Description
10.19	Forms of Notice and Restricted Stock Unit Award Agreement (RSU) under our 2002 Universal Stock Incentive Plan for certain 2025 annual time-based awards to executive officers of Registrant, incorporated by reference to Exhibit 10.14 to our Annual Report on Form 10-K for the fiscal year ended September 30, 2025 (File Number 001-09318)*
10.20	Forms of Notice and Restricted Stock Unit Award Agreement (RSU) under our 2002 Universal Stock Incentive Plan for certain 2025 annual performance-based awards to executive officers of Registrant, incorporated by reference to Exhibit 10.15 to our Annual Report on Form 10-K for the fiscal year ended September 30, 2025 (File Number 001-09318)*
10.21	Forms of Notice and Restricted Stock Unit Award Agreement (RSU) under our 2002 Universal Stock Incentive Plan for certain 2024 annual time-based awards to executive officers of Registrant, incorporated by reference to Exhibit 10.13 to our Annual Report on Form 10-K for the fiscal year ended September 30, 2023 (File No. 001-09318)*
10.22	Forms of Notice and Restricted Stock Unit Award Agreement (RSU) under our 2002 Universal Stock Incentive Plan for certain 2024 annual performance-based awards to executive officers of Registrant, incorporated by reference to Exhibit 10.14 to our Annual Report on Form 10-K for the fiscal year ended September 30, 2023 (File No. 001-09318)*
10.23	Form of FTEP Amended and Restated Limited Partnership Agreement Regarding Carry Incentives for Chief Executive Officer and Executive Chairman of Registrant (filed herewith)*
10.24	Form of Limited Partner Admission Letter under FTEP Partnership Agreement (filed herewith)*
10.25	Code of Ethics and Business Conduct (filed herewith)
10.26	Trading Blackout Policy (filed herewith)
21	List of Subsidiaries (filed herewith)
23	Consent of Independent Registered Public Accounting Firm (filed herewith)
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
97.1	Executive Compensation Clawback Policy of Registrant (filed herewith)*
101	The following materials from Registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 2026, formatted in Inline Extensible Business Reporting Language (iXBRL), include: (i) the Consolidated Statements of Income, (ii) the Consolidated Statements of Comprehensive Income, (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Stockholders' Equity, (v) the Consolidated Statements of Cash Flows, and (vi) related notes (filed herewith)
104	Cover Page Interactive Data File (formatted in iXBRL and contained in Exhibit 101)

* Management contract or compensatory plan or arrangement

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FRANKLIN TEMPLETON, INC.

Date:	November 9, 2026	By:	/s/ Matthew Nicholls
			Matthew Nicholls, Co-President, Chief Financial Officer and Chief Operating Officer (Principal Financial Officer)
Date:	November 9, 2026	By:	/s/ Lindsey H. Oshita
			Lindsey H. Oshita, Chief Accounting Officer (Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Date:	November 9, 2026	By:	/s/ Jennifer M. Johnson
			Jennifer M. Johnson, Chief Executive Officer and Director (Principal Executive Officer)
Date:	November 9, 2026	By:	/s/ Matthew Nicholls
			Matthew Nicholls, Co-President, Chief Financial Officer and Chief Operating Officer (Principal Financial Officer)
Date:	November 9, 2026	By:	/s/ Lindsey H. Oshita
			Lindsey H. Oshita, Chief Accounting Officer (Principal Accounting Officer)
Date:	November 9, 2026	By:	/s/ Mariann Byerwalter
			Mariann Byerwalter, Director
Date:	November 9, 2026	By:	/s/ Alexander S. Friedman
			Alexander S. Friedman, Director
Date:	November 9, 2026	By:	/s/ Gregory E. Johnson
			Gregory E. Johnson, Executive Chairman, Chairman of the Board and Director
Date:	November 9, 2026	By:	/s/ Rupert H. Johnson, Jr.
			Rupert H. Johnson, Jr., Vice Chairman and Director
Date:	November 9, 2026	By:	/s/ John Y. Kim
			John Y. Kim, Director
Date:	November 9, 2026	By:	/s/ Karen M. King
			Karen M. King, Director
Date:	November 9, 2026	By:	/s/ Anthony J. Noto
			Anthony J. Noto, Director
Date:	November 9, 2026	By:	/s/ John W. Thiel
			John W. Thiel, Director
Date:	November 9, 2026	By:	/s/ Seth H. Waugh
			Seth H. Waugh, Director
Date:	November 9, 2026	By:	/s/ Geoffrey Y. Yang
			Geoffrey Y. Yang, Director

EXHIBIT 4.1

DESCRIPTION OF REGISTRANT'S SECURITIES

As of the date of the Annual Report on Form 10-K of which this Exhibits is part, Franklin Templeton, Inc. (formerly Franklin Resources, Inc.), a Delaware corporation (hereinafter, the "Company"), had one class of securities registered pursuant to Section 12 of the U.S. Securities Exchange Act of 1934, as amended: Common Stock, par value $0.10 per share (the "Common Stock"). The following summary includes a brief description of the Common Stock, as well as certain related additional information.

General. The Company has authority to issue 1,000,000,000 shares of Common Stock, and 1,000,000 shares of preferred stock, par value $1.00 per share (the "Preferred Stock"), issuable in one or more series from time to time by resolution of the Company's Board of Directors (the "Board").

Voting Rights. Holders of Common Stock are entitled to one vote for each share held of record and are vested with all of the voting power, except as the Board may provide in the future with respect to any class or series of Preferred Stock that it may authorize in the future. Any action to be taken at a meeting of the stockholders may be taken without a meeting by written consent.

Dividend Rights. Holders of Common Stock are entitled to receive dividends when, as, and if declared by the Board out of any funds legally available for dividends, subject to the preferences applicable to any shares of Preferred Stock outstanding at the time.

No Preemption, Conversion or Redemption Rights; No Sinking Fund Provisions. Shares of Common Stock are not redeemable and have no subscription, conversion or preemption rights. There are no sinking fund provisions.

Right to Receive Liquidation Distributions. Holders of Common Stock are entitled, upon liquidation, to share ratably in all assets remaining after payment of liabilities.

Anti-Takeover Effects of the Certificate of Incorporation and Bylaws. The provisions of the Company's Certificate of Incorporation, as amended (the "Certificate of Incorporation") and Amended and Restated Bylaws (the "Bylaws") described below may have the effect of delaying, deferring or preventing a change in control of the Company:

- Board may adopt, amend or repeal bylaws without stockholder approval;
- the Bylaws specify advanced notice procedures that stockholders must follow in order to bring business at an annual or special meeting of stockholders, and proxy access procedures for director nominations at annual meetings;
- the Bylaws provide that the Chairman of the Board or the Chief Executive Officer of the Company shall call a special meeting of stockholders upon the written request of a stockholder, or group of stockholders, owning not less than 25% of the outstanding capital stock of the Company continuously for at least one year, provided that the stockholder or stockholders satisfy the procedural requirements specified in the Bylaws;
- the Bylaws otherwise limit the ability to call special meetings of stockholders to the Board or the Chairman of the Board;

- vacancies on the Board can be filled by a majority vote of the remaining members of the Board, even where less than a quorum, or by decision of a sole remaining director, or by a vote of the stockholders required for the election of directors generally;
- the Board is authorized to issue Preferred Stock without stockholder approval; and
- the Company is incorporated in Delaware and is thus subject to the provisions of the General Corporation Law of the State of Delaware (the "DGCL"), including Section 203 of the DGCL regarding business combinations with an interested stockholder.

The foregoing summary does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Certificate of Incorporation and Bylaws. For additional information we encourage you to read the Certificate of Incorporation and Bylaws, including amendments, all of which are exhibits to the Company's Annual Report on Form 10-K, and applicable provisions of the DGCL.

EXHIBIT 10.2

FRANKLIN TEMPLETON, INC.
NON-EMPLOYEE DIRECTOR COMPENSATION
As of December 17, 2025

The following sets forth the fees and other payments that non-employee directors ("Non-Employee Directors") of Franklin Templeton, Inc. (formerly Franklin Resources, Inc.) (the "Corporation") are entitled to receive as members of the Board of Directors of the Corporation (the "Board"). The Board last approved certain changes in this compensation structure on December 17, 2025.

Board Members - Annual Equity Awards. Non-Employee Directors are entitled to receive an annual equity award for approval on the date of each annual organizational meeting of the Board, valued at $205,000 (rounded up to the nearest whole share).

Board Members - Annual Cash Retainers. Non-Employee Directors are entitled to receive a Board annual cash retainer fee of $110,000 (one-fourth of which is paid quarterly).

Lead Director - Annual Cash Retainer. The Non-Employee Director designated by the independent directors of the Board as the lead independent director of the Board is entitled to receive a lead director annual cash retainer fee of $50,000 (one-fourth of which is paid quarterly).

Committee Chairs - Total Annual Committee Cash Retainers. The Chair of the Audit Committee of the Board is entitled to receive a total annual committee cash retainer fee of $45,000 (one-fourth of which is paid quarterly), and the Chairs of the Compensation Committee and the Corporate Governance Committee of the Board each is entitled to receive a total annual committee cash retainer fee of $37,000 (one-fourth of which is paid quarterly).

Other Committee Members - Annual Committee Cash Retainers. Each other member of the Audit Committee of the Board is entitled to receive an annual committee cash retainer fee of $15,000 (one-fourth of which is paid quarterly), and each other member of the Compensation Committee and the Corporate Governance Committee of the Board is entitled to receive an annual committee cash retainer fee of $12,000 (one-fourth of which is paid quarterly).

Special Committee Meeting - Meeting Cash Fees. A $2,500 special committee meeting cash fee is payable to each member of the special Litigation and Regulatory Matters Committee for each such committee meeting attended by such member up to an aggregate of $50,000 per member per fiscal year.

In addition, the Corporation reimburses directors for certain expenses incurred in connection with attending Board and committee meetings as well as other related events, including travel, hotel accommodations, meals and other incidental expenses for the director and his or her spouse accompanying the director in connection with such events.

The Corporation also allows directors to defer payment of their directors' fees, and to treat the deferred amounts as hypothetical investments in the Corporation's common stock or Franklin Templeton mutual funds, as applicable. The terms of any such deferred payment arrangements are set forth in separate documentation between the Corporation and the particular directors in accordance with the Corporation's 2006 Directors Deferred Compensation Plan, as amended and restated.

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (the "Agreement") is made effective as of this ____ day of _____, 20__, by and between Franklin Templeton, Inc., a Delaware corporation (the "Company" or "Indemnitor"), and the individual whose name is set forth under "Indemnitee" on the signature page to this Agreement (the "Indemnitee").

WITNESSETH:

WHEREAS, it is essential to the Company to retain and attract as directors and officers the most capable persons available;

WHEREAS, Indemnitee is a director of the Company;

WHEREAS, both the Company and Indemnitee recognize the increased risk of litigation and other claims being asserted against directors and officers of public companies in today's environment;

WHEREAS, while basic protection against undue risk of personal liability of directors and officers has been provided through insurance coverage, such insurance may not provide adequate protection against such litigation and claims;

WHEREAS, the Certificate of Incorporation and bylaws of the Company, as amended, require the Company to indemnify its directors and officers as provided therein and Indemnitee is serving as a director of the Company in part in reliance on such Certificate of Incorporation and bylaws; and

WHEREAS, in recognition of Indemnitee's need for substantial protection against personal liability in order to enhance Indemnitee's continued service to the Company in an effective manner, and Indemnitee's reliance on the aforesaid Certificate of Incorporation and bylaws, and in part to provide Indemnitee with specific contractual assurance that the protection specified in the Certificate of Incorporation and bylaws, as amended, will be available to Indemnitee (regardless of, among other things, any amendment to or revocation of such Certificate of Incorporation or bylaws, any change in the composition of the Company's Board of Directors or any acquisition transaction relating to the Company), the Company wishes to provide in this Agreement for the indemnification of and the advancing of expenses to Indemnitee to the full extent (whether partial or complete) permitted by law and as set forth in this Agreement, and, to the extent insurance is maintained, for the continued coverage of Indemnitee under the Company's directors' and officers' liability insurance policies.

NOW, THEREFORE, in consideration of the premises and of Indemnitee continuing to serve the Company directly or, at its request, with another enterprise, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Certain Definitions.

(a) Change in Control shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Act")), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Company representing 20% or more of the total voting power represented by the Company's then outstanding Voting Securities, except (A) a person who as of December 31, 2005 owned 15% or more of the total voting power represented by the Company's outstanding Voting Securities (the "Existing Holder") shall not be deemed to have caused a change in control until such person becomes the beneficial owner, directly or indirectly, of more than 50% of the then outstanding Voting Securities, or (B) a person who becomes a beneficial owner, directly or indirectly, of securities of the Company representing 20% or more of the total voting power represented by the Company's then outstanding Voting Securities shall not be deemed to have caused a change in control unless such person also owns more of the total voting power represented by the Company's outstanding Voting Securities than is owned by the Existing Holder at the time such person becomes owner of such securities, or (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board of Directors of the Company and any new director whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, or (iii) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least 80% of the total voting power represented by the Voting Securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, or the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets.

(b) Claim shall mean any threatened, pending or completed action, suit or proceeding, or any inquiry or investigation, whether instituted by the Company or any other party, that Indemnitee in good faith believes might lead to the institution of any such action, suit or proceeding, whether civil, criminal, administrative, investigative or other, including any appeal therefrom, provided that Claim shall not include any action, suit or proceeding brought by Indemnitee contemplated by Section 5.

(c) Expenses shall mean attorneys' fees and all other costs, expenses and obligations paid or incurred in connection with investigating, defending, being a witness in or participating in (including on appeal), or preparing to defend, be a witness in or participate in, any Claim relating to any Indemnifiable Event.

(d) Indemnifiable Event shall mean any event or occurrence related to the fact that Indemnitee is or was a director, officer, employee, agent or fiduciary of the Company, or is or was serving at the request of the Company as a director, officer, employee, trustee, agent or fiduciary of another corporation, partnership, joint venture, employee benefit plan, trust or other enterprise, or by reason of anything done or not done by Indemnitee in any such capacity.

(e) Potential Change in Control shall be deemed to have occurred if (i) the Company enters into an agreement, the consummation of which would result in the occurrence of a Change in Control, or (ii) any person (including the Company) publicly announces an intention to take or to consider taking actions which if consummated would constitute a Change in Control, or (iii) any person, other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, who is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 9.5% or more of the combined voting power of the Company's then outstanding Voting Securities, increases his beneficial ownership of such securities by 5% or more over the percentage so owned by such person as of December 31, 2005, except (A) an Existing Holder which increases its beneficial ownership of such securities by 5% or more over the percentage so owned as of December 31, 2005 shall not be deemed to have caused a potential change in control, unless such increase results in such person becoming the beneficial owner, directly or indirectly, of more than 50% of the then outstanding Voting Securities, or (B) a person who is or becomes the beneficial owner, directly or indirectly, of the voting power representing 9.5% or more of the Company's Voting Securities and increases his beneficial ownership of such securities by 5% or more over the percentage so owned by such person as of December 31, 2005 shall not be deemed to have caused a potential change in control to have occurred unless, including such increase in ownership, such person owns more of the voting power represented by the Company's Voting Securities than is owned by the Existing Holder at the time such person increases his ownership, or (iv) the Company's Board of Directors adopts a resolution to the effect that, for purposes of this Agreement, a Potential Change in Control has occurred.

(f) Reviewing Party shall mean any appropriate person or body consisting of a member or members of the Company's Board of Directors or any other person or body appointed by the Company's Board of Directors (including the special, independent counsel referred to in Section 3 hereof) who is not a party to the particular Claim for which Indemnitee is seeking indemnification.

(g) Voting Securities shall mean any securities of the Company which have rights to vote generally in the election of directors.

2. Basic Indemnification Agreement.

(a) In the event Indemnitee was, is or becomes a party to or witness or other participant in, or is threatened to be made a party to or witness or other participant in, a Claim by reason of (or arising in part out of) an Indemnifiable Event, the Company shall indemnify Indemnitee to the fullest extent permitted by law, as soon as practicable but in

any event no later than thirty days after written demand is presented to the Company, against any and all Expenses, judgments, fines, penalties and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines, penalties or amounts paid in settlement) of such Claim. Notwithstanding anything in this Agreement to the contrary, Indemnitee shall not be entitled to indemnification pursuant to this Agreement in connection with any Claim initiated by Indemnitee against the Company or any director or officer of the Company unless the Company has joined in or consented to the initiation of such Claim. If so requested by Indemnitee, the Company shall advance (within two business days of such request) any and all Expenses to Indemnitee (an "Expense Advance"). Any and all Expense Advances shall be made without regard to Indemnitee's ability to repay such amounts and without regard to Indemnitee's ultimate entitlement to indemnification under this Agreement or otherwise. Any and all Expense Advances shall be made on an unsecured basis and be interest free.

(b) Notwithstanding the foregoing, (i) the obligations of the Company to indemnify Indemnitee under Section 2(a) shall be subject to the condition that the Reviewing Party shall not have determined (in a written opinion, in any case in which the special, independent counsel referred to in Section 3 hereof is involved) that Indemnitee would not be permitted to be indemnified under applicable law, and (ii) the obligation of the Company to make an Expense Advance pursuant to Section 2(a) shall be subject to the condition that, if, when and to the extent that the Reviewing Party determines that Indemnitee would not be permitted to be so indemnified under applicable law, the Company shall be entitled to be reimbursed by Indemnitee (who hereby agrees to reimburse the Company) for all such amounts theretofore paid; provided, however, that if Indemnitee has commenced legal proceedings in a court of competent jurisdiction to secure a determination that Indemnitee should be indemnified under applicable law, (x) any determination made by the Reviewing Party that Indemnitee would not be permitted to be indemnified under applicable law shall not be binding, and (y) the Company shall continue to make Expense Advances, and Indemnitee shall not be required to reimburse the Company for any Expense Advance, in each case until the final judicial determination is made with respect thereto (as to which all rights of appeal therefrom have been exhausted or lapsed). If there has not been a Change in Control, the Reviewing Party shall be selected by the Board of Directors, and if there has been such a Change in Control, the Reviewing Party shall be the special, independent counsel referred to in Section 3 hereof. If there has been no determination by the Reviewing Party or if the Reviewing Party determines that Indemnitee substantively would not be permitted to be indemnified in whole or in part under applicable law, Indemnitee shall have the right to commence litigation in any court in Indemnitee's state of domicile or Delaware having subject matter jurisdiction thereof and in which venue is proper seeking an initial determination by the court or challenging any such determination by the Reviewing Party or any aspect thereof, and the Company hereby consents to service of process and to appear in any such proceeding. Any such adjudication shall be conducted in all aspects as a *de novo* trial on the merits, and any prior adverse determination shall not be referred to or introduced into evidence, create a presumption that Indemnitee is not entitled to indemnification or advancement of expenses, be a defense or otherwise adversely affect Indemnitee. Any determination by the Reviewing Party otherwise shall be conclusive and binding on the Company and Indemnitee. In connection with any determination by the Reviewing Party or otherwise as to whether Indemnitee is entitled to be indemnified under this Agreement, Indemnitee shall be entitled to a rebuttable presumption that he is entitled to

such indemnification and the burden of proof shall be on the Company to come forward with evidence to establish and overcome the presumption that Indemnitee is not so entitled.

3. Change in Control. The Company agrees that, if there is a Change in Control of the Company (other than a Change in Control which has been approved by a majority of the Company's Board of Directors who were directors immediately prior to such Change in Control), then with respect to all matters thereafter arising concerning the rights of Indemnitee to indemnity payments and Expense Advances under this Agreement or any other agreement or the Company's Certificate of Incorporation or bylaws now or hereafter in effect relating to Claims for Indemnifiable Events, any determination regarding such matters shall be made by special, independent counsel selected by Indemnitee and approved by the Company (which approval shall not be unreasonably withheld), and who has not otherwise performed services for the Company within the last five years (other than in connection with such matters) or Indemnitee. Such counsel, among other things, shall render its written opinion to the Company and Indemnitee as to whether and to what extent Indemnitee would be permitted to be indemnified under applicable law. The Company agrees to pay the reasonable fees and expenses of the special, independent counsel referred to above and to fully indemnify such counsel against any and all expenses (including attorneys' fees), claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

4. Establishment of Trust. In the event of a Potential Change in Control, the Company shall, upon written request by Indemnitee, create a trust for the benefit of Indemnitee (the "Trust") and from time to time upon written request of Indemnitee shall fund the Trust in an amount sufficient to satisfy any and all Expenses reasonably anticipated at the time of each such request to be incurred in connection with investigating, preparing for, defending or otherwise participating in (including as a witness) any Claim relating to an Indemnifiable Event, and any and all judgments, fines, penalties and settlement amounts of any and all Claims relating to an Indemnifiable Event from time to time actually paid or claimed, reasonably anticipated or proposed to be paid. The amount or amounts to be deposited in the Trust pursuant to the foregoing funding obligation shall be determined by the Reviewing Party, in any case in which the special, independent counsel referred to above is involved. The terms of the Trust shall provide that upon a Change in Control (i) the trustee to the Trust (the "Trustee") shall advance, within two business days of a request by Indemnitee, any and all Expenses to Indemnitee (and Indemnitee hereby agrees to reimburse the Trust under the circumstances under which Indemnitee would be required to reimburse the Company under Section 2(b) of this Agreement), (ii) the Trust shall continue to be funded by the Company in accordance with the funding obligation set forth above, (iii) the Trustee shall promptly pay to Indemnitee all amounts for which Indemnitee shall be entitled to indemnification pursuant to this Agreement or otherwise, and (iv) all unexpended funds in such Trust shall revert to the Company upon a final determination by the Reviewing Party or a court of competent jurisdiction, as the case may be, that Indemnitee has been fully indemnified under the terms of the Agreement, or that it is no longer anticipated that expenses will be incurred or amounts will be paid in connection with the Indemnifiable Event. The Trustee shall be chosen by Indemnitee. Nothing in this Section 4 shall relieve the Company of any of its obligations under this Agreement.

5. Indemnification for Additional Expenses. The Company shall indemnify Indemnitee against any and all expenses (including attorneys' fees) and, if requested by Indemnitee, shall (within two business days of such request) advance such expenses to Indemnitee, which are incurred by Indemnitee in connection with any claim or action brought by Indemnitee for (i)

indemnification or advance payment of Expenses by the Company under this Agreement or any other agreement or the Company's Certificate of Incorporation or bylaws now or hereafter in effect relating to Claims for Indemnifiable Events and/or (ii) recovery under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, expense payment or insurance recovery, as the case may be.

6. Partial Indemnity, Etc. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Expenses, judgments, fines, penalties and amounts paid in settlement of a Claim but not, however, for all of the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled. Moreover, notwithstanding any other provision of this Agreement, to the extent that Indemnitee has been successful on the merits or otherwise in defense of any or all Claims relating in whole or in part to an Indemnifiable Event or in defense of any issue or matter therein, including dismissal without prejudice, Indemnitee shall be indemnified against all Expenses incurred in connection therewith.

7. No Presumption. For purposes of this Agreement, the termination of any claim, action, suit or proceeding, by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere, or its equivalent, shall not create a presumption that Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law.

8. Non-Exclusivity, Etc. The rights of Indemnitee hereunder shall be in addition to any other rights Indemnitee may have under the Company's Certificate of Incorporation, bylaws or the Delaware General Corporation Law or otherwise. To the extent that a change in the Delaware General Corporation Law (whether by statute or judicial decision) permits greater indemnification by agreement than would be afforded currently under the Company's Certificate of Incorporation, bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change.

9. Liability Insurance. To the extent the Company maintains an insurance policy or policies providing directors' and officers' liability insurance, Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage provided under such policy or policies in effect for any other Company director or officer.

10. Amendments, Etc. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

11. Subrogation. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

12. No Duplication of Payments. The Company shall not be liable under this Agreement to make any payment in connection with any claim made against Indemnitee to the extent Indemnitee has otherwise actually received payment (under any insurance policy, Certificate of Incorporation, bylaw or otherwise) of the amounts otherwise indemnifiable hereunder.

13. Binding Effect, Etc. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns, including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company, spouses, heirs, and personal and legal representatives. This Agreement shall continue in effect regardless of whether Indemnitee continues to serve as an officer or director of the Company or in any capacity of any other enterprise at the Company's request.

14. Severability. The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law.

15. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware applicable to contracts made and to be performed in such state without giving effect to the principles of conflicts of law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

Indemnitor

FRANKLIN TEMPLETON, INC.

By: _____
Name:
Title:

Indemnitee

_____
Name:

FRANKLIN TEMPLETON, INC.

2006 DIRECTORS DEFERRED COMPENSATION PLAN

Name Change Effective as of August 17, 2026

Amended and Restated Exhibit D Effective as of November 5, 2020

Amended and Restated Effective as of March 13, 2013

Amended and Restated Effective as of December 12, 2008

Originally Effective as of December 15, 2005

FRANKLIN TEMPLETON, INC.
2006 DIRECTORS DEFERRED COMPENSATION PLAN

Franklin Templeton, Inc., a Delaware corporation, in order to retain the services of and provide incentives to its non-employee Directors, hereby adopts this amended and restated deferred compensation plan, effective as of August 17, 2026; this plan was previously amended and restated effective as of November 5, 2020, and originally adopted effective as of December 15, 2005.

RECITALS

WHEREAS, the Company (as defined below) has adopted a deferred compensation plan to permit its non-employee Directors (as defined below) to postpone receipt and taxation of certain specific amounts of compensation in accordance with the terms hereof;

NOW THEREFORE, the Company hereby amends and restates this deferred compensation plan.

ARTICLE 1

DEFINITIONS

1.1 "Beneficiary" shall mean the beneficiary or beneficiaries designated by a Director to receive his or her deferred compensation benefits in the event of the Director's death.

1.2 "Board of Directors" shall mean the board of directors of the Company.

1.3 "Change in Control" shall mean the occurrence of any change in ownership of the Company, change in effective control of the Company, or change in the ownership of a substantial portion of the assets of the Company, as defined in Code Section 409A(a)(2)(A)(v), the Treasury regulations thereunder, and any other published interpretive authority, as issued or amended from time to time.

1.4 "Code" shall mean the U.S. Internal Revenue Code of 1986, as amended from time to time.

1.5 "Committee" shall mean the Compensation Committee of the Board of Directors unless an alternate committee is designated by the Board of Directors to administer the Plan in accordance with Article 8 below.

1.6 "Common Stock" shall mean the common stock of the Company.

1.7 "Company" shall mean Franklin Templeton, Inc., a Delaware corporation, and any successor organization thereto.

1.8 "Compensation" shall mean any fees (including meeting fees, committee fees, chairperson fees as well as all other fees) payable or an annual or other stock or Company equity

or mutual fund grant issuable by the Company to a Director with respect to his or her service as a Director.

1.9 "Deferral" shall mean a contribution of Compensation credited under the Plan made by the Company (or a subsidiary of the Company, as applicable) on behalf of a specified Participant and shall include any notional distributions credited pursuant to Section 3.4 below.

1.10 "Deferred Compensation Account" shall mean the separate account established under the Plan and the Trust, if any, for each Participant. From time to time, the Company shall furnish each Participant with a statement of his or her Deferred Compensation Account balance.

1.11 "Director" shall mean:

(a) With respect to the period prior to January 1, 2009, (i) a member of the Board of Directors who is not an employee of the Company, or (ii) a member of the board of directors of any subsidiary of the Company who is not an employee of the Company or such subsidiary of the Company; and

(b) Effective as of January 1, 2009, (i) a member of the Board of Directors who is not an employee of the Company or any subsidiary or other affiliate of the Company, or (ii) a member of the board of directors of any subsidiary of the Company who is not an employee of the Company or any subsidiary or other affiliate of the Company.

1.12 "Disability" shall mean the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, as defined in Code Section 409A(a)(2)(C), the Treasury regulations thereunder, and any other published interpretive authority, as issued or amended from time to time.

1.13 "Participant" shall mean a Director who has elected to participate in the Plan; references to a Participant herein shall refer also to his or her designated Beneficiary where the context so requires. Notwithstanding any provision herein to the contrary, any individual whose participation in the Plan commenced prior to January 1, 2009 and who is a Director (within the meaning of Section 1.11(a)) shall remain eligible to participate thereafter.

1.14 "Plan" shall mean this Franklin Templeton, Inc. 2006 Directors Deferred Compensation Plan.

1.15 "Separation from Service" shall mean a Participant's "separation from service" within the meaning of Section Code 409A(a)(2)(A)(i) and its related regulatory and administrative guidance, as determined by the Committee in its sole discretion.

1.16 "Trust" or "Trust Agreement" shall mean the Franklin Templeton, Inc. Deferred Compensation Trust Agreement (if and when adopted by the Company) which is intended to conform to terms of the model trust described in Revenue Procedure 92-64, 1992-2 C.B. 422, including any amendments thereto, entered into between the Company and the Trustee to carry out the provisions of the Plan.

1.17 "Trust Fund" shall mean the cash and other property held and administered by the Trustee pursuant to the Trust (if any) to carry out the provisions of the Plan.

1.18 "Trustee" shall mean the designated trustee acting at any time under the Trust.

1.19 "Unforeseeable Emergency" shall mean an unforeseeable emergency as defined in Code Section 409A(a)(2)(B)(ii)(I) (as limited by Code Section 409A(a)(2)(B)(ii)(II)), the Treasury regulations thereunder, and any other published interpretive authority, as issued or amended from time to time.

ARTICLE 2

PARTICIPATION

2.1 Eligible Participants. The Committee shall, from time to time, designate by name those Directors who are eligible to participate in the Plan and the date upon which each such Director's participation may commence. All designated Directors shall be notified by the Committee of their eligibility to participate.

2.2 Withdrawal from Participation. A Director who has joined the Plan as a Participant in a prior year may elect to withdraw from active participation by completing the withdrawal form attached hereto as Exhibit E and delivering it to the Committee or its designee during the period prescribed by Section 3.1 for the submission of deferral elections. Any such withdrawal shall only be effective with respect to a Director's participation in the calendar year immediately following the calendar year during which the notice of withdrawal is submitted. Amounts previously credited to a withdrawing Director's Deferred Compensation Account shall remain subject to the terms of the Plan in all respects during the Director's period of inactive participation, and any earnings and losses and any notional dividends shall continue to be credited to such Director's Deferred Contribution Account in the manner provided by Sections 3.3 and 3.4, respectively, during such period. A Director who has withdrawn from the Plan may recommence active participation in a subsequent calendar year by timely submitting a deferral election as provided by Section 3.1.

ARTICLE 3

CONTRIBUTIONS AND DETERMINATION OF BENEFITS

3.1 Contributions to the Plan. Participants may make Deferrals by electing to defer the payment or issuance, as applicable, of all or any part of his or her Compensation in accordance with the terms hereof. Elections shall be made in the form attached hereto as Exhibit B and filed with the Committee or its designee. Elections must be made no later than the last day of the deferral election period and shall apply only to Compensation for services to be performed after such election. The last day of the deferral election period shall be (i) December 31st of the calendar year prior to the calendar year in which the Participant will render the services for which he or she will receive any part of the Compensation payable to the Participant during that year or (ii) in the first year in which a Participant first becomes eligible to participate in the Plan (within the meaning of Section 1.409A-2(a)(7)(ii)), thirty (30) days after the Participant becomes eligible

to participate in the Plan. No direct contributions by Participants are required or permitted. An election to defer Compensation shall be effective on the date an eligible Participant delivers a completed deferral election form to the Committee or its designee; provided, however, that, if the Participant delivers another properly completed election to defer Compensation prior to the close of the deferral election period described in this Section 3.1, the deferral election on the form bearing the latest date shall control. On the last day of the deferral election period, the controlling election made prior to the close of the period shall be irrevocable, except in accordance with Section 4.8(a). A Participant's deferral election shall remain in effect indefinitely for all years of service until terminated or modified by a subsequent deferral election form which shall become effective and irrevocable in accordance with the preceding provisions of this Section 3.1.

3.2 Investment Elections. In accordance with rules, procedures and options established by the Committee, and subject to Section 3.5 hereof, each Participant shall be permitted to provide written instructions regarding the investment of his or her Deferred Compensation Account. Each Participant may direct that his or her Deferred Compensation Account be invested in shares of Common Stock and/or one or more Franklin Templeton mutual funds as selected by the Participant; provided, however, that the Committee shall have the authority, in its sole discretion, with or without notice, to change or eliminate one or more of the foregoing investment alternatives available to the Participant at any time. Each Participant shall direct the investment of his or her Deferred Compensation Account by submitting to the Committee or its designee an Investment Direction in the form set forth at Exhibit D. In accordance with procedures established by the Committee or its designee, each Participant may change his or her investment directions effective as of the first day of any calendar quarter. Such changes may be made on a validly submitted Investment Direction in the form set forth at Exhibit D no later than the last day of any calendar quarter preceding the effective date of the change. If a Participant fails to provide any investment directions at a time when the Participant has a positive balance in the Deferred Compensation Account, the Company or the Committee shall deem the entire Deferred Compensation Account invested in shares of Company Common Stock. The Company may invest assets allocable to a Participant's Deferred Compensation Account in any manner, in any amount and for any period of time which the Company in its sole discretion may select; but the Company must credit or charge the Participant's Deferred Compensation Account with the same earnings, gains or losses that the Participant would have incurred if the Company had invested the assets allocable to the Participant's Deferred Compensation Account in the specific investments, in the specific amounts and for the specific periods directed by the Participant.

3.3 Investment Earnings or Losses. Any amounts credited to a Participant's Deferred Compensation Account may increase or decrease as a result of the Company's investment of such amounts, as described in Section 3.2 above. In a manner consistent with the allocations described in Section 3.2, the investment earnings or losses under this Section 3.3 shall be credited to a Participant's Deferred Compensation Account, as determined in good faith by the Committee. Each Participant and each Participant's Beneficiary understand and agree that they assume all risk in connection with any decrease in the value of the Deferred Compensation Account as invested in accordance with these Sections 3.2 and 3.3.

3.4 Contribution of Notional Distributions. The Deferred Compensation Account of each Participant shall be credited with notional dividends and other distributions at the same time, in the same form and in the same manner, and in equivalent amounts as dividends and other

distributions that are payable from time to time with respect to investments selected by the Participant under the Deferred Compensation Account. Any such notional dividends and other distributions shall be valued as of the date on which they are credited to a Participant's Deferred Compensation Account and reallocated to acquire additional shares of the investments selected by a Participant under the Deferred Compensation Account. If such notional dividends and other distributions are credited in a form other than Common Stock, shares of Franklin Templeton mutual funds or cash, the Committee will determine their value in good faith.

3.5 Blackout Periods. Notwithstanding anything herein to the contrary, during any "blackout period" (as defined in Regulation BTR promulgated by the Securities and Exchange Commission and referred to hereinafter as "Regulation BTR") in connection with the Plan, if a Participant otherwise would defer receipt of such Participant's Director fees for services rendered as a Director during such blackout period under the Plan and/or direct the investment of such fees in shares of the Common Stock during such blackout period, the Company shall not cause an actual or deemed investment by the Company of such Director fees into shares of Common Stock during such blackout period, but, rather, shall take all steps necessary or appropriate to suspend such investment during, and until then end of, such blackout period required by Regulation BTR. As soon as practicable following the termination of the blackout period required by Regulation BTR, the Company shall cause an actual or deemed investment of the Director fees in shares of Common Stock in accordance with Section 3.2 and such Director's applicable deferral or investment election. Also, during any period that the Director fees are not invested in Common Stock as a result of this Section 3.5, such fees will be credited with interest at the same rate applicable to dividends paid by a Franklin Templeton money market fund as determined by the Committee.

3.6 Valuation of Participant's Deferred Compensation Account. The value of a Participant's Deferred Compensation Account as of any date shall be determined based on the value of the underlying investments (selected by the Participant or otherwise in accordance with Section 3.2 hereof) as of the date the value of the Deferred Compensation Account is determined. The value of each underlying investment shall be determined based on the closing sales price for such investment as quoted or otherwise reported on the date of determination (or, if no closing sales price was reported on that date, on the last trading date such closing sales price was reported), as reported in The Wall Street Journal or such other source as the Committee deems reliable.

3.7 Distribution Election. At the time of making a deferral election under Section 3.1, the Participant shall elect the date or dates that distribution of the Participant's Deferred Compensation Account shall occur. Such election shall be made in the form attached hereto as Exhibit C and filed with the Committee or its designee. A Participant's distribution election shall remain in effect with respect to Deferrals for all years of service until terminated or modified by a subsequent distribution election form which shall become effective with respect to Deferrals for calendar years beginning after December 31st of the calendar year in which such subsequent distribution election is made unless Section 4.4 applies to such subsequent election.

ARTICLE 4

VESTING AND DISTRIBUTION OF BENEFITS

4.1 Vesting of Deferred Compensation Accounts. A Participant's Deferred Compensation Account shall be fully vested at all times.

4.2 Form of Payment. Distributions under the Plan shall be paid solely in cash.

4.3 Scheduled Distribution of Deferred Compensation Accounts. Subject to Sections 4.4, 4.5, 4.6, 4.7 and 4.8, distribution of a Participant's Deferred Compensation Account shall occur on the date or dates elected by the Participant pursuant to Section 3.7. The amount to be distributed from a Participant's Deferred Compensation Account will be determined in accordance with Section 3.6 as of the date of each distribution. In the event the valuation and distribution of all or a portion of a Participant's Deferred Compensation Account shall occur on the same date, the distribution of all or a portion of the Participant's Deferred Compensation Account shall be made as soon as administratively practicable following the valuation of the Participant's Deferred Compensation Account but in no event later than the latest date permitted by Section 1.409A-3(d) of the Treasury regulations.

4.4 Change of Distribution Schedule. A Participant may elect, at any time, to change his or her distribution date(s) with respect to Deferrals for calendar years ending before January 1st of the calendar year in which such election is made, provided that: (a) such election shall not take effect until at least twelve (12) months after the date on which the new election is made; (b) in the case of payment other than in the event of a Change in Control or upon the Participant's death or Disability, the new election delays payment for at least five (5) years from the date that payment would otherwise have been made absent the new election (or in the case of installment payments treated as a single payment, five (5) years from the date the first payment was scheduled to be paid); and (c) in the case of payments made on fixed payment dates, the new election is made not less than twelve (12) months before the date on which payment would have been made (or, in the case of installment payments, the first installment payment would have been made) absent the new election, and, in any case, in conformance with Code Section 409A(a)(4)(C), the Treasury regulations thereunder, and any other published interpretive authority, as issued or amended from time to time. Notwithstanding the foregoing, for purposes of application of the above limitations on changes to distribution date(s), the entitlement to receive distributions in a series of installment payments shall be treated as the entitlement to a single payment. Any change to a Participant's distribution election under this Section 4.4 shall be made in the form attached hereto as Exhibit C and filed with the Committee or its designee. Any such distribution election form with respect to such a change shall expressly state that it is made pursuant to this Section 4.4.

4.5 Change in Control. In the event of a Change in Control prior to complete distribution to a Participant of the entire balance of his or her Deferred Compensation Account, the remaining balance of the Participant's Deferred Compensation Account shall be determined and payable to the Participant either (a) in accordance with the Participant's distribution schedule, or (b) in a lump sum immediately prior to the consummation of the Change in Control, as previously elected by the Participant on Exhibit C.

4.6 Death Benefit. Upon the death of a Participant prior to complete distribution to him or her of the entire balance of his or her Deferred Compensation Account, the remaining balance of his or her Deferred Compensation Account on the date of death shall be payable to the Participant's Beneficiary designated on Exhibit A. The remaining balance of a Participant's Deferred Compensation Account on the date of death shall be payable to the Participant's Beneficiary either (a) in accordance with the Participant's distribution schedule or (b) in a lump sum, as previously elected by the Participant on Exhibit C.

4.7 Disability Benefit. Upon a Participant's Disability prior to complete distribution to him or her of the entire balance of his or her Deferred Compensation Account, the remaining balance of his or her Deferred Compensation Account on the date of Disability shall be payable to the Participant either (a) in accordance with the Participant's distribution schedule or (b) in a lump sum, as previously elected by the Participant on Exhibit C. In the event of a Participant's Disability, the Committee may, in its sole discretion, permit cancellation of his or her Deferrals where such cancellation occurs by the later of the end of the calendar year, or March 15th of the calendar year following the date, in which or on which the Participant incurs the Disability. Any such distribution or cancellation shall be made in accordance with, as applicable, Code Section 409A(a)(2)(B)(ii), the Treasury Regulations under Section 409A and any other published interpretive authority, as issued from time to time, and any procedures that the Committee or its designee may establish consistent with the Plan and the foregoing.

4.8 Accelerated Full or Partial Distributions. Notwithstanding the foregoing, the Committee may accelerate the payment of a Participant's Deferred Compensation Account in any of the following circumstances, and in such event, the distributed amounts shall be deducted from the Participant's Deferred Compensation Account balance. Any such accelerated payment under Section 4.8 (b), (c), (d), (e) or (f) shall be in accordance with the applicable requirements of Section 1.409A-3(j)(4) of the Treasury regulations.

(a) Unforeseeable Emergency. In the event that a Participant suffers an Unforeseeable Emergency, the Committee may, in its sole discretion, permit (i) cancellation of his or her Deferrals and/or (ii) a distribution to the Participant from his or her Deferred Compensation Account of an amount no greater than the amount reasonably necessary to satisfy the emergency need plus any taxes reasonably anticipated to result from the distribution. Any such cancellation or distribution shall be made in accordance with, as applicable, Code Section 409A(a)(2)(B)(ii), the Treasury Regulations under Section 409A and any other published interpretive authority, as issued from time to time, and any procedures that the Committee or its designee may establish consistent with the Plan and the foregoing.

(b) Domestic Relations Order. In its sole discretion, the Committee may permit acceleration of the time or schedule of a payment under the Plan to an individual other than the Participant as may be necessary to fulfill a domestic relations order (as defined in Code Section 414(p)(1)(B)).

(c) Conflict of Interest. In its sole discretion, the Committee may permit the acceleration of the time or schedule of a payment under the Plan (i) to the extent necessary to permit any Participant who becomes employed in the Federal executive branch to comply with an ethics agreement with the Federal government; or (ii) to the extent reasonably necessary to avoid

the violation of an applicable Federal, state, local, or foreign ethics or conflicts of interest law.

(d) De Minimis Distribution. In its sole discretion, the Committee may distribute a Participant's entire Deferred Compensation Account balance in a single lump sum payment to the Participant, provided that (i) the balance of the Participant's Deferred Compensation Account as of the relevant determination date does not exceed the applicable dollar amount then in effect under Section 402(g)(1)(B) of the Code; and (ii) the payment accompanies the termination of the entirety of the Participant's interest in the Plan within the meaning of Section 1.409A-3(j)(4)(v) of the Treasury regulations.

(e) Employment Taxes. In its sole discretion, the Committee may permit acceleration of the time or schedule of a distribution under the Plan as may be necessary to pay the Federal Insurance Contributions Act ("FICA") tax imposed under Code Sections 3101, 3121(a) and 3121(v)(2) (as applicable) on amounts deferred under the Plan. In addition, the Committee may permit acceleration of the time or schedule of a distribution under the Plan as may be necessary to pay the income tax at source on wages imposed under Code Section 3401 or the corresponding withholding provisions of applicable state, local, or non-U.S. tax laws as a result of the payment of the FICA tax, and to pay the additional income tax at source on wages attributable to the pyramiding Section 3401 wages and taxes. Notwithstanding the foregoing, the total accelerated distribution to a Participant under this Section 4.8(e) shall not exceed the aggregate amount of FICA taxes and the income tax withholding related to such amount of FICA taxes.

(f) Income Inclusion under Code Section 409A. In its sole discretion, the Committee may permit acceleration of the time or schedule of a distribution under the Plan at any time the Plan fails to meet the requirements of Code Section 409A and its related Treasury regulations. Notwithstanding the foregoing, the total accelerated distribution to a Participant under this Section 4.8(f) shall not exceed the amount required to be included as income by the Participant as a result of the failure to meet the requirements of Code Section 409A and the applicable Treasury regulations.

4.9 Delay of Distributions. To the extent permitted under Code Section 409A and the related Treasury regulations, a scheduled distribution of a Participant's Deferred Compensation Account shall be delayed to a date after the scheduled payment date under any of the following circumstances:

(a) Company's Financial Exigency. A scheduled distribution of a Participant's Deferred Compensation Account shall be delayed to a date after the scheduled payment date if the making of the distribution on the scheduled payment date would jeopardize the Company's ability to continue as a going concern. Any such delayed distribution shall be made during the first taxable year of the Participant in which the making of the distribution would not have such effect on the Company.

(b) Payments that would Violate Federal Securities Laws or other Applicable Law. A scheduled distribution from a Participant's Deferred Compensation Account shall be delayed to a date after the scheduled payment date in the event the Committee reasonably anticipates that making the distribution will violate federal securities laws or other applicable law.

The delayed distribution must be made at the earliest date at which the Committee reasonably anticipates that making the distribution will not cause such violation. For purposes of this Section 4.9(b), making a payment that would cause inclusion in gross income or the application of any penalty provision or other provision of the Code is not considered a violation of applicable law.

(c) Other Events and Conditions. The Committee may delay a scheduled distribution from the Participant's Deferred Compensation Account upon such other events and conditions as may be prescribed in generally applicable guidance published in the Internal Revenue Bulletin relating to Code Section 409A.

4.10 Participant's Rights Unsecured. The right of Participants and their Beneficiaries to receive a distribution hereunder shall be an unsecured claim against the general assets of the Company, and neither the Participants nor their Beneficiaries shall have any rights in or against any amount credited to their Deferred Compensation Accounts or any other specific assets of the Company, except as otherwise provided in the Trust Agreement. The Deferred Compensation Accounts shall be kept solely as nominal accounts, may be carried in cash or any other liquid assets, may be invested in Common Stock, or may be invested in any other assets as may be selected by the Committee in its sole and absolute discretion.

ARTICLE 5

DESIGNATION OF BENEFICIARY

5.1 Designation of Beneficiary. A Participant may designate a Beneficiary to receive any amount due hereunder to the Participant via written notice thereof to the Committee or its designee at any time prior to his or her death and may revoke or change the Beneficiary designated therein without the Beneficiary's consent by written notice delivered to the Committee or its designee at any time and from time to time prior to the Participant's death, provided that any such designation or change of designation naming a primary Beneficiary other than the Participant's spouse shall be effective only if written spousal consent is provided to the Committee or its designee. If a Participant's spouse is incapacitated, then the person who holds a power of attorney for the incapacitated spouse or other person authorized to act on behalf of the incapacitated spouse may provide the required spousal consent. If a Participant fails to designate a Beneficiary, or if no such designated Beneficiary shall survive him or her, then such amount shall be paid to his or her estate. The designations of Beneficiaries shall be made in the form attached hereto as Exhibit A.

ARTICLE 6

TRUST PROVISIONS

6.1 Trust Agreement. The Company may establish the Trust for the purpose of retaining assets set aside by the Company pursuant to the Trust Agreement for payment of all or a portion of the amounts payable pursuant to the Plan. Any benefits not paid from the Trust shall be paid from the Company's general funds, and any benefits paid from the Trust shall be credited against and reduce by a corresponding amount the Company's liability under the Plan. All Trust Funds shall be subject to the claims of general creditors of the Company in the event the

Company is insolvent as defined in the Trust Agreement. The obligations of the Company to pay benefits under the Plan and the obligation of the Trustee to pay benefits under the Trust constitute an unfunded, unsecured promise to pay benefits in the future and the Participant and his or her Beneficiaries shall have no greater rights than general creditors of the Company. No Trust may hold assets located outside of the United States nor provide that assets will become restricted to the provision of benefits under the Plan in connection with a change in the Company's financial health.

ARTICLE 7

AMENDMENT AND TERMINATION

7.1 Amendment or Termination.

(a) The Committee shall have the general authority, in its sole discretion, to amend, suspend, or terminate the Plan at any time and for any reason it deems appropriate; provided however, that neither an amendment to the Plan nor the Plan's suspension or termination may adversely affect a Participant's vested rights hereunder without such Participant's prior written consent. Any amendment, suspension, or termination of the Plan must be pursuant to a written document that is executed by a duly-authorized officer of the Company. Except as required under Code Section 409A, no Deferrals shall be made during any suspension of the Plan or after termination of the Plan.

(b) Notwithstanding any provision in the Plan to the contrary, the Committee, in its sole discretion and without the consent of any Participant, may amend or modify the Plan in any manner to provide for the application and effects of Code Section 409A and any related regulatory or administrative guidance issued by the Internal Revenue Service. The Committee shall delay the payment of any benefits payable under this Plan to the extent necessary to comply with Section 409A(a)(2)(B)(i) of the Code (relating to payments made to certain "specified employees" of certain publicly-traded companies) and in such event, any such amount to which a Participant would otherwise be entitled during the six (6) month period immediately following his or her Separation from Service will be paid on the first business day following the expiration of such six (6) month period.

7.2 Liquidation of the Plan. To the extent permitted under Code Section 409A, in connection with the termination of the Plan under Section 7.1, the Committee may liquidate the Plan and distribute all Deferred Compensation Account balances; provided, however, that

(a) The termination and liquidation of the Plan does not occur proximate to a downturn in the financial health of the Company;

(b) All agreements, methods, programs, and other arrangements sponsored by the Company that would be aggregated with the Plan under Section 1.409A-1(c) of the Treasury regulations are also terminated and liquidated;

(c) No payments in liquidation of the Plan are made within twelve (12) months of the date on which the Company takes all necessary action to irrevocably terminate and liquidate the Plan other than payments that would have been payable under the terms of the Plan if

the action to terminate and liquidate it had not occurred;

(d) All payments are made within twenty-four (24) months of the date the Company takes all necessary action to irrevocably terminate and liquidate the Plan; and

(e) Neither the Company nor any related entity (within the meaning of Section 1.409A-1(g) of the Treasury regulations) adopts a new plan that would be aggregated with the Plan under Section 1.409A-1(c) of the Treasury regulations within three (3) years following the date the Company takes all necessary action to irrevocably terminate and liquidate the Plan.

7.3 Termination in the Event of Insolvency. To the extent permitted under Code Section 409A, the Committee shall have the authority, in its sole discretion, to terminate the Plan and distribute each Participant's outstanding Deferred Compensation Account balance within twelve (12) months of a corporate dissolution taxed under Code Section 331 or with the approval of a bankruptcy court pursuant to 11 U.S.C. § 503(b)(1)(A); provided that the total accelerated distribution under this Section 7.3 is included in the Participant's gross income in the latest of the following years (or, if earlier, the taxable year in which the amount is actually or constructively received):

(a) The calendar year in which the Plan termination and distribution occurs;

(b) The first calendar year in which the Participant's Deferred Compensation Account balance is no longer subject to a substantial risk of forfeiture; or

(c) The first calendar year in which distribution of the Participant's Deferred Compensation Account is administratively practicable.

7.4 Automatic Termination of Plan. The Plan shall automatically terminate on the date when no Participant (or Beneficiary) has any right to or expectation of payment of further benefits under the Plan.

7.5 Other Termination Events. The Committee shall have the authority to terminate the Plan and distribute all Deferred Compensation Account balances to Participants or, if applicable, their Beneficiaries, upon the occurrence of such other events and conditions as may be prescribed in generally applicable guidance published in the Federal Register or the Internal Revenue Bulletin relating to Code Section 409A.

ARTICLE 8

ADMINISTRATION

8.1 Administration. The Committee shall administer and interpret the Plan in accordance with the provisions of the Plan and the Trust Agreement (if any) and shall have the authority in its discretion to adopt, amend or rescind such rules and regulations as it deems advisable in the administration of the Plan. Any determination or decision by the Committee shall be made in its sole discretion and shall be conclusive and binding on all persons who at any time have or claim to have any interest under the Plan.

8.2 Code Section 409A. Notwithstanding anything in the Plan to the contrary, the Company intends that the Plan and payments thereunder comply with Code Section 409A, the regulations thereunder, and any other published interpretive authority, as issued or amended from time to time (collectively, "Code Section 409A"), and the Committee shall administer and construe the Plan in accordance with Code Section 409A. Any terms of the Plan that are undefined or ambiguous shall be interpreted in a manner that complies with Code Section 409A to the extent necessary to comply with Code Section 409A. If for any reason, such as imprecision in drafting, any provision of the Plan does not accurately reflect its intended compliance with Code Section 409A, as demonstrated by consistent interpretations or other evidence of intent, such provision shall be considered ambiguous as to its exemption from (or compliance with) Code Section 409A and shall be interpreted by the Company in a manner consistent with such intent. If, notwithstanding the foregoing provisions of this Section 8.2, any provision of the Plan would cause a Participant to incur any additional tax or interest under Code Section 409A, the Company shall reform such provision in a manner intended to avoid the incurrence by such Participant of any such additional tax or interest; provided that the Company shall maintain, to the extent reasonably practicable, the original intent and economic benefit to the Participant of the applicable provision without violating the provisions of Code Section 409A. Although the Company intends that the Plan and administration thereof comply with the requirements of Code Section 409A, the Company does not warrant that the Plan will qualify for favorable tax treatment under Code Section 409A or any other provision of federal, state, local, or non-United States law. The Company shall not be liable to any Participant for any tax, interest, or penalties the Participant might owe as a result of Participation in the Plan.

8.3 Liability of Committee, Indemnification. The Committee shall not be liable for any determination, decision, or action made in good faith with respect to the Plan. The Company will indemnify, defend and hold harmless the members of the Committee from and against any and all liabilities, costs, and expenses incurred by such person(s) as a result of any act, or omission, in connection with the performance of such persons' duties, responsibilities, and obligations under the Plan, other than such liabilities, costs, and expenses as may result from the bad faith, gross misconduct, breach of fiduciary duty or willful failure to follow the lawful instructions of the Board or criminal acts of such persons. All members of the Board or the Committee and each and any officer or employee of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination or interpretation.

8.4 Expenses. The cost of the establishment and the adoption of the Plan by the Company, including but not limited to legal and accounting fees, shall be borne by the Company. The expenses of administering the Plan shall be borne by the Company, and the Company shall bear, and shall not be reimbursed by the Trust, for any tax liability of the Company associated with the investment of assets held by the Trust.

ARTICLE 9

GENERAL AND MISCELLANEOUS

9.1 Rights Against Company. Except as expressly provided by the Plan, the establishment of the Plan shall not be construed as giving to any Participant, employee or any

person, any legal, equitable or other rights against the Company, or against its officers, directors, agents or members, or as giving to any Participant or Beneficiary any equity or other interest in the assets or business of the Company or giving any Participant the right to be retained in the employ of the Company. In no event shall the terms of service of a Participant, expressed or implied, be modified or in any way affected by the adoption of the Plan or Trust or any election under the Plan made by a Participant. The rights of a Participant or his or her Beneficiaries hereunder shall be solely those of an unsecured general creditor of the Company.

9.2 Claims Procedures. Claims for benefits under the Plan by a Participant (or his or her beneficiary or duly appointed representative) shall be filed in writing with the Committee. The Committee shall follow the procedures set forth in this Section 9.2 in processing a claim for benefits.

(a) A claim for benefits shall be considered filed only when actually received by the Committee on a form prescribed by the Committee. Within ninety (90) days following receipt by the Committee of a claim for benefits and all necessary documents and information, the Committee shall furnish the Participant or Beneficiary claiming benefits under the Plan (the "Claimant") with written notice of the decision rendered with respect to such claim. Should special circumstances require an extension of time for processing the claim, written notice of the extension shall be furnished to the Claimant prior to the expiration of the initial 90-day period. In the event the Claimant's claim is wholly or partially denied, the Committee's notice of denial will indicate the reason for denial, the pertinent provisions of the Plan on which the denial is based, an explanation of the claims appeal procedure set forth herein, and a description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is necessary.

(b) Any Claimant who has had a claim for benefits denied by the Committee, or is otherwise adversely affected by the action or inaction of the Committee, shall have the right to request further review by the Committee. Such request must be in writing, and must be received by the Committee within sixty (60) days after such person receives notice of the Committee's action. If written request for review is not made within such 60-day period, the Claimant shall forfeit his or her right to review. The Claimant or a duly authorized representative of the Claimant may review all pertinent documents and submit issues and comments in writing. The Committee shall then review the claim. The Committee may issue a written decision reaffirming, modifying or setting aside its former action within ninety (90) days after receipt of the written request for review. Should special circumstances require an extension of time for processing the appeal, written notice of the extension shall be furnished to the Claimant prior to the expiration of the initial 90-day period. An original or copy of the decision on appeal shall be furnished to the Claimant. The decision shall set forth the reasons and pertinent plan provisions or relevant laws on which the decision rests. The decision shall be final and binding upon the Claimant and the Committee and all other persons having or claiming to have an interest in the Plan or in any Account established under the Plan.

(c) In the event of any dispute over benefits under the Plan, all remedies available to the disputing individual under this Section 9.2 must be exhausted before legal recourse of any type is sought. A Claimant's failure to submit a claim or a request for review in accordance with the procedures and deadlines set forth in Section 9.2 shall result in an automatic,

conclusive, and binding denial of the Claimant's claim or appeal, as the case may be.

9.3 Assignment or Transfer. No right, title or interest of any kind in the Plan shall be transferable or assignable by any Participant or Beneficiary or be subject to alienation, anticipation, encumbrance, garnishment, attachment, execution or levy of any kind, whether voluntary or involuntary, nor subject to the debts, contracts, liabilities, engagements, or torts of a Participant or his or her Beneficiary. Any attempt to alienate, anticipate, encumber, sell, transfer, assign, pledge, garnish, attach or otherwise subject to legal or equitable process or to dispose of any interest in the Plan shall be void.

9.4 Severability. If any provision of the Plan shall be declared illegal or invalid for any reason, said illegal or invalid provision shall not affect the remaining provisions of the Plan but shall be fully severable, and the Plan shall be construed and enforced as if said illegal or invalid provision was not part of the Plan.

9.5 Construction. The article and section headings and numbers are included only for convenience of reference and are not to be taken as limiting or extending the meaning of any of the terms and provisions of the Plan. Whenever appropriate, words used in the singular shall include the plural or the plural may be read as the singular. When used herein, the masculine gender includes the feminine and neuter genders, the feminine gender includes the masculine and neuter genders and the neuter gender includes the masculine and feminine genders.

9.6 Governing Law. The validity and effect of the Plan and the rights and obligations of all persons affected hereby shall be construed, administered and enforced in accordance with the laws of the State of California, without giving effect to any choice of law rule, except to the extent preempted by applicable federal law.

9.7 Payment Due to Incompetence. If the Committee receives evidence that a Participant or Beneficiary entitled to receive any payment under the Plan is physically or mentally incompetent to receive such payment, the Committee may, in its sole and absolute discretion, direct the payment to any other person who or trust which has been legally appointed or established for the benefit of such person.

9.8 Taxes. All amounts payable hereunder shall be reduced by any and all federal, state, and local taxes imposed upon the Participant or his or her Beneficiary which are required to be paid or withheld by the Company. The determination of the Company regarding applicable income and employment tax withholding requirements shall be final and binding on the Participant.

IN WITNESS WHEREOF, the Company has caused the Plan to be executed by its duly authorized officer effective as of the 17th day of August, 2026.

FRANKLIN TEMPLETON, INC.,
a Delaware corporation

By: /s/ Lindsey H. Oshita
Lindsey H. Oshita

Its: Chief Accounting Officer

EXHIBIT A

FRANKLIN TEMPLETON, INC.
2006 DIRECTORS DEFERRED COMPENSATION PLAN

BENEFICIARY DESIGNATION

In the event that I should die prior to the receipt of all amounts credited to my Deferred Compensation Account under the Franklin Templeton, Inc. 2006 Directors Deferred Compensation Plan (the "Plan"), and in lieu of disposing of my interest[1] in my Deferred Compensation Account by my will or the laws of intestate succession, I hereby designate the following person(s) as primary Beneficiary(ies) and contingent Beneficiary(ies) of my interest in my Deferred Compensation Account (please attach additional sheets if necessary):

Primary Beneficiary(ies) (Select only one of the three alternatives)

☐ **(a) Individuals and/or Charities** **% Share**

Name_____ _____

Address _____

Name_____ _____

Address _____

Name_____ _____

Address _____

Name_____ _____

Address _____

---

[1] A married Participant whose Deferred Compensation Account is community property may dispose only of his or her own interest in the Deferred Compensation Account. In such cases, the Participant's spouse may designate the Participant or any other person(s) as the beneficiary(ies) of his or her interest in the Deferred Compensation Account on a separate Beneficiary Designation.

☐ **(b) Residuary Testamentary Trust**

In trust, to the trustee of the trust named as the beneficiary of the residue of my probate estate.

☐ **(c) Living Trust**

The_____ Trust, dated _____
(print name of trust) (fill in date trust was established)

Contingent Beneficiary(ies) (Select only one of the three alternatives)

☐ **(a) Individuals and/or Charities** **% Share**

Name_____ _____

Address _____

Name_____ _____

Address _____

Name_____ _____

Address _____

☐ **(b) Residuary Testamentary Trust**

In trust, to the trustee of the trust named as the beneficiary of the residue of my probate estate.

☐ **(c) Living Trust**

The_____ Trust, dated _____
(print name of trust) (fill in date trust was established)

Should all the individual primary Beneficiary(ies) fail to survive me or if the trust named as the primary Beneficiary does not exist at my death (or no will of mine containing a residuary trust is admitted to probate within six months of my death), the contingent Beneficiary(ies) shall be entitled to my interest in the Deferred Compensation Account in the shares indicated. Should any individual beneficiary fail to survive me or a charity named as a beneficiary no longer exists at my death, such beneficiary's share shall be divided among the remaining named primary or contingent Beneficiaries, as appropriate, in proportion to the percentage shares I have allocated to them. In the event that no individual primary Beneficiary(ies) or contingent Beneficiary(ies) survives me, no trust (excluding a residuary testamentary trust) or charity named as a primary Beneficiary or contingent Beneficiary exists at my death, and no will of mine containing a residuary trust is admitted to probate within six months of my death, then my interest in the Deferred Compensation Account shall be disposed of by my will or the laws of intestate succession, as applicable.

Capitalized terms used but not otherwise defined herein shall have the same meanings as set forth in the Plan.

This Beneficiary Designation is effective until I file another such Beneficiary Designation with the Company. Any previous Beneficiary Designations are hereby revoked.

Submitted by:

☐ **Participant** ☐ **Participant's Spouse**

_____

Name: _____

Date: _____

Filing Acknowledgement:

Franklin Templeton, Inc.

By: _____

Its: _____

Filed with the records of the Company this _____ day of _____, 20___

Spousal Consent for any interest in a Deferred Compensation Account that is Community Property

Participant's spouse should file a separate beneficiary designation for the spouse's community property interest in the Participant's Deferred Compensation Account.

Spousal Consent for any interest in a Deferred Compensation Account that is <u>not</u> Community Property (necessary if beneficiary is other than Spouse):

I hereby consent to this Beneficiary Designation. This consent does not apply to any subsequent Beneficiary Designation which may be filed by my spouse.

(Signature of Spouse)

Date: _____

EXHIBIT B

FRANKLIN TEMPLETON, INC.
2006 DIRECTORS DEFERRED COMPENSATION PLAN

DEFERRAL ELECTION FORM

Name: _____

I hereby elect to defer the following Compensation amounts in accordance with the terms of the Franklin Templeton, Inc. 2006 Directors Deferred Compensation Plan (the "Plan"). This election shall be effective for amounts earned as a Director of the Company and/or any subsidiary of the Company. This election shall remain in effect indefinitely for all years of service until terminated or modified by a subsequent deferral election form which shall generally be effective for amounts earned in the calendar year following the calendar year such subsequent deferral election form is filed with the Company:

☐ _____% of my annual stock grant(s).

☐ _____% of my other stock grant(s).

☐ _____% of my Directors' fees.

☐ _____% of my meeting fees.

☐ _____% of my committee fees.

☐ _____% of my chairperson fees.

☐ _____% of all other fees.

Note: As stated above, this election shall remain in effect indefinitely for all years of service until terminated or modified by a subsequent deferral election form. You can file a new election form at any time with respect to deferrals in a subsequent calendar year. A new election form must be filed no later than December 31st of the calendar year prior to the calendar year for which the new election will be effective.

[Signature page follows]

Submitted by:	Filing Acknowledgement:
Participant	**Franklin Templeton, Inc.**
_____	By: _____
Name: _____	Its: _____
Date: _____	Filed with the records of the Company this _____ day of _____, 20___

EXHIBIT C

FRANKLIN TEMPLETON, INC.
2006 DIRECTORS DEFERRED COMPENSATION PLAN

DISTRIBUTION ELECTION FORM

Name: _____

Once I am eligible to receive distributions from the Plan, my Plan deferrals, as adjusted for income, gains or losses under the Plan, shall be paid to me on the following date(s) and in the following increment(s). If the payment date is a Saturday, Sunday or holiday, then the payment shall be made on the next business day. Please elect either "Lump Sum," "Equal Payments Over a Period of Years," or "Fixed Payment Dates," and then make the appropriate sub-election(s).

1. Lump Sum

☐ 100% upon a Separation from Service

2. Equal Payments Over a Period of Years

☐ Substantially equal quarterly installments over five (5) years beginning on the earlier of the January 20, April 20, July 20, or October 20 immediately following my Separation from Service and continuing on each January 20, April 20, July 20, or October 20 thereafter.

☐ Substantially equal quarterly installments over ten (10) years beginning on the earlier of the January 20, April 20, July 20, or October 20 immediately following my Separation from Service and continuing on each January 20, April 20, July 20, or October 20 thereafter. (Note: Elect this alternative if you are not a resident of California and intend to comply with California R&TC Section 17952.5.)

Important Note: For purposes of subsequent changes in the timing of the payments as elected above, a series of installment payments shall be treated as the entitlement to a single payment. In general, if you wish to change this election for amounts previously deferred, (a) any change shall not take effect for twelve (12) months from the date of the new election and (b) the commencement of payments (or a lump sum payment) shall occur no earlier than five (5) years after the date the first distribution would have been paid under the prior distribution schedule. If this Distribution Election Form is intended to change the timing of distributions of amounts previously deferred, please check below:

☐ This Distribution Election Form is made pursuant to Section 4.4 of the Plan.

3. Fixed Payment Dates

☐ _____ _____

Percentage Month Day Year

☐ _____ _____

Percentage Month Day Year

☐ _____ _____

Percentage Month Day Year

☐ _____ _____

Percentage Month Day Year

Important Note: For purposes of subsequent changes in the timing of the payments as elected above, a series of installment payments shall be treated as the entitlement to a single payment. In general, if you wish to change this election for amounts previously deferred, (a) any change shall not take effect for twelve (12) months from the date of the new election, (b) the commencement of payments (or a lump sum payment) shall occur no earlier than five (5) years after the date the first distribution would have been paid under the prior distribution schedule and (c) the change shall be made at least twelve (12) months before the date the first distribution would have been paid absent the change. If this Distribution Election Form is intended to change the timing of distributions of amounts previously deferred, please check below:

☐ This Distribution Election Form is made pursuant to Section 4.4 of the Plan.

Once the payout of my Plan deferrals has commenced, dividends and other distributions accrued with respect to my Plan deferrals shall be paid to me in the following manner:

Dividends and other distributions accrued with respect to Franklin Templeton Mutual Funds:

☐ Reinvested.

☐ Paid out on the next payment date.

Dividends and other distributions accrued with respect to Company Common Stock:

☐ Reinvested.

☐ Paid out on the next payment date.

Upon my death prior to the complete distribution of my Plan deferrals (as adjusted for income, gains and losses under the Plan), the remaining balance shall be payable to my designated beneficiary in the following manner:

☐ In a lump sum.

☐ In accordance with the distribution schedule elected by me on this Exhibit C.

In the event of my Disability prior to the complete distribution of my Plan deferrals (as adjusted for income, gains and losses under the Plan), the remaining balance shall be payable in the following manner:

☐ In a lump sum.

☐ In accordance with the distribution schedule elected by me on this Exhibit C.

In the event of a Change in Control prior to the complete distribution of my Plan deferrals (as adjusted for income, gains and losses under the Plan), the remaining balance shall be payable in the following manner:

☐ In a lump sum immediately prior to the consummation of a Change in Control.

☐ In accordance with the distribution schedule elected by me on this Exhibit C.

Submitted by:	Filing Acknowledgement:
Participant	**Franklin Templeton, Inc.**
_____	By: _____
Name: _____	Its: _____
Date: _____	Filed with the records of the Company this _____ day of _____, 20___

EXHIBIT D

FRANKLIN TEMPLETON, INC.
2006 DIRECTORS DEFERRED COMPENSATION PLAN

INVESTMENT DIRECTION

Effective Date of Change in Investment Direction: _____
(select first day of any upcoming calendar quarter)

The Change in Investment Direction applies to compensation received on and after the Effective Date only ☐Yes ☐No

The Change in Investment Direction applies to compensation received on and after Effective Date and the accumulated balance of the Deferred Compensation Account ☐Yes ☐No

The Participant hereby directs the investment of his or her Deferred Compensation Account in Franklin Templeton, Inc. Common Stock and/or one or more Franklin Templeton mutual funds in accordance with the percentages indicated below.

INVESTMENT	Percentage
Franklin Templeton, Inc. common stock	%
_____	%
_____	%
_____	%
_____	%
	100%

Submitted by:

Participant

_____

Name: _____

Date: _____

Filing Acknowledgement:

Franklin Templeton, Inc.

By: _____

Its: _____

Filed with the records of the Company this _____ day of _____, 20___

EXHIBIT E

FRANKLIN TEMPLETON, INC.
2006 DIRECTORS DEFERRED COMPENSATION PLAN

WITHDRAWAL FORM

Name: _____

I am currently a participant in the Franklin Templeton, Inc. 2006 Directors Deferred Compensation Plan (the "Plan").

Effective **January 1, _____ (*specify applicable calendar year)***, I hereby withdraw from the Plan, and no additional amounts of compensation payable to me on or after such date will be deferred under the Plan unless I file a subsequent election form. I shall be eligible to defer additional amounts under the Plan only by timely delivery to the Company of a new election form which shall generally be effective for amounts earned in the calendar year following the calendar year such subsequent deferral election form is filed with the Company. A new election form must be filed no later than December 31st of the calendar year prior to the calendar year for which the new election form will be effective.

My Plan deferrals (including amounts deferred during the remainder of the current calendar year), as adjusted for losses or gains under the Plan, shall be paid to me in accordance with my most recent Deferral Election Form unless I file a subsequent election form to which the Committee can give effect.

Submitted by:	Filing Acknowledgement:
Participant	**Franklin Templeton, Inc.**
_____	By: _____
Name: _____	Its: _____
Date: _____	Filed with the records of the Company this _____ day of _____, 20___

FRANKLIN TEMPLETON, INC.

1998 EMPLOYEE STOCK INVESTMENT PLAN

Effective August 17, 2026

The following constitute the provisions of the 1998 Employee Stock Investment Plan of Franklin Templeton, Inc.

1. Purpose. The purpose of the Plan is to provide Eligible Employees of the Company and its Designated Parents, Subsidiaries or Affiliates with an opportunity to purchase Common Stock of the Company through accumulated payroll deductions. This Plan includes two components: a Code Section 423 Component (the "423 Component") and a non-Code Section 423 Component (the "Non-423 Component"). It is the intention of the Company to have the 423 Component qualify as an "Employee Stock Investment Plan" under Section 423 of the Code and the applicable regulations thereunder. The provisions of the Plan, accordingly, shall be construed so as to extend and limit participation in the 423 Component in a manner consistent with the requirements of that section of the Code. Except as otherwise indicated or determined by the Plan Administrator pursuant to the terms hereof, the Non-423 Component will operate and be administered in the same manner as the 423 Component.

2. Definitions. As used herein, the following definitions shall apply:

(a) "Affiliate" shall mean any corporation or other entity affiliated with the Company or in which the Company has an interest.

(b) "Applicable Laws" means the legal requirements relating to the administration of employee stock investment plans, if any, under applicable provisions of federal securities laws, state corporate and securities laws, the Code and the applicable regulations thereunder, the rules of any applicable stock exchange or national market system, and the rules of any foreign jurisdiction applicable to participation in the Plan by residents therein.

(c) "Board" means the Board of Directors of the Company.

(d) "Code" means the Internal Revenue Code of 1986, as amended.

(e) "Common Stock" means the common stock of the Company.

(f) "Company" means Franklin Templeton, Inc. (formerly Franklin Resources, Inc.), a Delaware corporation.

(g) "Compensation" means an Eligible Employee's (1) base salary including paid time off and overtime (whether such amount is reflected by one amount or several separate components making up an aggregate amount), (2) commissions, and (3) discretionary cash bonuses (paid annually, semi-annually or quarterly), in each case as received from the Company or one (1) or more Designated Parents, Subsidiaries or Affiliates, including such amounts of base salary, commissions and cash bonuses as are deferred by the Eligible Employee (i) under a qualified cash or deferred arrangement described in Section 401(k) of the Code, or (ii) to a plan qualified under Section 125 of the Code. Compensation does **not** include other cash bonuses, restricted stock awards, other annual awards, other incentive payments, reimbursements or other expense allowances, fringe benefits (cash or noncash), moving expenses, other deferred compensation, profit sharing or other employer matching contributions (other than employee deferral contributions described in the first sentence) made on the Eligible Employee's behalf by the Company or one (1) or more Designated Parents, Subsidiaries or Affiliates under any employee benefit or welfare plan now or hereafter established, and any other payments not specifically referenced in the first sentence.

(h) "Corporate Transaction" means any of the following stockholder-approved transactions to which the Company is a party:

(1) a merger or consolidation in which the Company is not the surviving entity, except for a transaction the principal purpose of which is to change the state in which the Company is incorporated;

(2) the sale, transfer or other disposition of all or substantially all of the assets of the Company (including the capital stock of the Company's subsidiary corporations) in connection with complete liquidation or dissolution of the Company; or

(3) any reverse merger in which the Company is the surviving entity, but in which securities possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities are transferred to a person or persons different from those who held such securities immediately prior to such merger.

(i) "Designated Parents or Subsidiaries" means the Parents or Subsidiaries which have been designated by the Plan Administrator from time to time as eligible to participate in the 423 Component.

(j) "Designated Affiliate" shall mean any Affiliate selected by the Plan Administrator as eligible to participate in the Non-423 Component.

(k) "Eligible Employee" means any individual, including an officer or director, who is (i) an employee of the Company or a Designated Parent or Subsidiary for purposes of Section 423 of the Code or (ii) treated as an active employee in the records of any Designated Affiliate other than an individual who, as of the commencement of a Purchase Period, resides in a country that has been specifically excluded from participation in the Non-423 Component at the discretion of the Plan Administrator. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on a Leave of Absence. Where the period of leave exceeds three (3) months and the individual's right to reemployment is not guaranteed either by statute or by contract, the employment relationship will be deemed to have terminated on the day that is three (3) months and one (1) day of such leave for purposes of determining eligibility to participate in the Plan. Unless otherwise determined by the Plan Administrator, the employment relationship shall be treated as continuing intact where an Eligible Employee transfers employment from one Designated Parent, Designated Subsidiary or Designated Affiliate to another, provided, however, that to be eligible to participate in the 423 Component, the Participant must be employed by a Designated Parent or Designated Subsidiary on the commencement of a Purchase Period and through a date that is at least three (3) months prior to the Exercise Date. The Plan Administrator may in its discretion establish rules to govern other such transfers consistent with the applicable requirements of Section 423 of the Code.

(l) "Enrollment Date" means the first day of each Purchase Period.

(m) "Exercise Date" means the last day of each Purchase Period.

(n) "Fair Market Value" means, as of any date, the closing price of the Common Stock on the New York Stock Exchange Composite Tape on such date. In the event such date is not a Market Trading Day, then such closing price for the next Market Trading Day immediately following such date shall be used.

(o) "Leave of Absence" means the following types of unpaid or reduced pay leaves of absence authorized by the Participant's employer: pregnancy leave and/or parental leave, bereavement leave, compassionate care leave, family responsibility or family medical leave, emergency leave, sick or medical leave, or any other similar leave of absence as approved by the Company.

(p) "Market Trading Day" means a day on which the New York Stock Exchange is open for trading and the Company's Common Stock was traded on such date.

(q) "Offering" means an offer under the Plan of an option that may be exercised during a Purchase Period as further described in Section 4. Unless otherwise specified by the Plan Administrator, each Offering to the Eligible Employees of the Company, a Designated Subsidiary or a Designated Affiliate shall be deemed a separate Offering (the terms of which Offering under the Non-423 Component need not be identical), even if the dates and other terms of each such Offering are identical, and the provisions of the Plan will separately apply to each Offering. To the extent permitted by U.S. Treasury Regulation Section 1.423-2(a)(1), the terms of each separate Offering under the Section 423 Component need not be identical, provided that the terms of the Plan and an Offering together satisfy U.S. Treasury Regulation Section 1.423-2(a)(2) and (a)(3).

(r) "Parent" means a "parent corporation" of the Company, whether now or hereafter existing, as defined in Section 424(e) of the Code.

(s) "Participant" means an Eligible Employee of the Company or Designated Parent or Subsidiary or Designated Affiliate who has completed a subscription agreement as set forth in Section 5(a) and is thereby enrolled in the Plan.

(t) "Plan" means this 1998 Employee Stock Investment Plan, as amended and restated.

(u) "Plan Administrator" means, separately and not jointly, the Board, the Compensation Committee of the Board, and the duly appointed executive officers of the Company, each of whom shall have the authority to administer the Plan as set forth herein.

(v) "Purchase Period" means a purchase period established pursuant to Section 4 hereof.

(w) "Purchase Price" shall mean an amount equal to Eighty-Five Percent (85%) of the Fair Market Value of a share of Common Stock on the Enrollment Date or on the Exercise Date, whichever is lower.

(x) "Reserves" means, as of any date, the sum of (1) the number of shares of Common Stock covered by each then outstanding option under the Plan which has not yet been exercised and (2) the number of shares of Common Stock which have been authorized for issuance under the Plan but not then subject to an outstanding option.

(y) "Subsidiary" means a "subsidiary corporation" of the Company, whether now or hereafter existing, as defined in Section 424(f) of the Code.

3. Eligibility.

(a) General. Any individual who is an Eligible Employee for the ten (10) business day period prior to and including a given Enrollment Date shall be eligible to participate in the Plan for the Purchase Period commencing with such Enrollment Date. No individual who is not an Eligible Employee shall be eligible to participate in the Plan.

(b) Limitations on Grant and Accrual. Any provisions of the Plan to the contrary notwithstanding, no Eligible Employee shall be granted an option under the Plan (i) if, immediately after the grant, such Eligible Employee (taking into account stock owned by any other person whose stock would be attributed to such Eligible Employee pursuant to Section 424(d) of the Code) would own stock and/or hold outstanding options to purchase stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or of any Parent or Subsidiary, or (ii) which permits

the Eligible Employee's rights to purchase stock under all employee stock investment plans of the Company and its Parents or Subsidiaries to accrue at a rate which exceeds Twenty-Five Thousand Dollars (US$25,000) worth of stock (determined at the Fair Market Value of the shares at the time such option is granted) for each calendar year in which such option is outstanding at any time. The determination of the accrual of the right to purchase stock shall be made in accordance with Section 423(b)(8) of the Code and the regulations thereunder. Notwithstanding the foregoing, the Plan Administrator may waive the limits set forth in this Section 3(b) with respect to any Offering under the Non-423 Component if necessary, in the Plan Administrator's discretion, to comply with Applicable Laws.

(c) Other Limits on Eligibility. Notwithstanding subsection (a) above, Eligible Employees who are subject to rules or laws of a foreign jurisdiction (x) that prohibit the participation of such Eligible Employees in the Plan, or (y) in the case of the 423 Component, compliance with which would cause the Plan to be in violation of any requirement of Section 423 of the Code or the regulations thereunder, shall not be eligible to participate in the Plan for any relevant Purchase Period. Further, in the case of the Non-423 Component, Eligible Employees may be excluded from participation in the Plan if the Plan Administrator has determined that participation of such Eligible Employees is not advisable or practicable.

4. Purchase Periods.

(a) The Plan shall be implemented through separate Offerings and overlapping or consecutive Purchase Periods until such time as (i) the maximum number of shares of Common Stock available for issuance under the Plan shall have been purchased or (ii) the Plan shall have been sooner terminated in accordance with Section 19 hereof. The Plan Administrator shall designate, in its discretion, whether each Offering falls under the 423 Component or the Non-423 Component. As of February 1, 2012, the Plan shall be implemented through consecutive Purchase Periods of six (6) months' duration commencing on each February 1 and August 1 and concluding on each July 31 and January 31, respectively; provided that the Purchase Period commencing on February 1, 2023 shall conclude on June 30, 2023. As of July 1, 2023, the Plan shall be implemented through consecutive Purchase Periods of six (6) months' duration commencing on each January 1 and July 1 and concluding on each June 30 and December 31, respectively. The Plan Administrator shall have the authority to change the length and commencement date of any Purchase Period. Notwithstanding the foregoing, in the event the Company determines it is inadvisable to issue and/or purchase shares of Common Stock under the Plan as of any Exercise Date, issuances and/or purchases under the Plan shall be delayed until a date specified by the Plan Administrator.

(b) A Participant shall be granted a separate option for each Purchase Period in which he or she participates. The option shall be granted on the Enrollment Date and shall be automatically exercised on the Exercise Date for the Purchase Period.

(c) Except as specifically provided herein, the acquisition of Common Stock through participation in the Plan for any Purchase Period shall neither limit nor require the acquisition of Common Stock by a Participant in any subsequent Purchase Period.

5. Participation.

(a) Subject to Section 3, an Eligible Employee may become a Participant in the Plan by completing a subscription agreement, in a form designated by the Plan Administrator from time to time, whether in hard copy or in electronic form, authorizing payroll deductions (where permitted) and submitting it with the designated payroll office of the Company (where required) prior to the Enrollment Date for the Purchase Period in which such participation will commence, unless a later time for filing the subscription agreement is set by the Plan Administrator for all Eligible Employees who may participate in a given Offering. In the event an Eligible Employee is on a Leave of Absence, such Eligible Employee may participate in the Plan by making direct contributions to the Plan in the form and manner as authorized by the Plan Administrator.

(b) Subject to the provisions of Section 6(b), payroll deductions for a Participant shall commence with the first payroll period following the Enrollment Date and shall end on the last complete payroll period during the Purchase Period, unless sooner terminated by the Participant as provided in Section 10. A Participant who is on a Leave of Absence may make direct contributions to the Plan in the form and manner as authorized by the Plan Administrator.

6. Payroll Deductions.

(a) Subject to the provisions of Section 6(b), at the time a Participant files a subscription agreement, the Participant shall elect to have payroll deductions made during the Purchase Period in amounts between one percent (1%) and not exceeding ten percent (10%) of the Compensation which the Participant receives during the Purchase Period. Subject to Section 6(c), if a Participant has been participating in the Plan prior to taking a Leave of Absence, any direct contributions to the Plan made by such Participant during a Leave of Absence together with any payroll deductions continuing during such Leave of Absence shall in combination be at the same rate as in effect prior to such Leave of Absence. A Participant may commence participation in the Plan even if on a Leave of Absence by filing a subscription agreement as provided in this Section 6(a) and by making direct contributions, along with any payroll deductions which, either individually or together, as the case may be, total between one percent (1%) and ten percent (10%) of the Compensation which such Participant received immediately preceding the commencement of such Leave of Absence.

(b) A Participant may not make any additional payments into such Participant's account under the Plan except as provided above for a Participant on a Leave of Absence and except as may be required to comply with the laws of certain non-U.S. jurisdictions where payroll deductions may be prohibited by law or to conform to local practice in such non-U.S. jurisdictions. All payroll deductions made for a Participant (and/or any direct contributions, as permitted under the Plan) shall be credited to such Participant's account under the Plan and will be withheld in whole percentages only.

(c) A Participant may discontinue participation in the Plan as provided in Section 10, or may decrease the rate of payroll deductions (and/or direct contributions, if applicable), during the Purchase Period by completing and filing with the Company a new subscription agreement authorizing a decrease in the payroll deduction rate (and/or rate of direct contribution, if applicable). The decrease in rate shall be effective with the first full payroll period commencing fifteen (15) days after the Company's receipt of the new subscription agreement unless the Company elects to process a given change in participation more quickly. A Participant may increase the rate of payroll deductions (and/or direct contributions, if applicable), for a future Purchase Period by filing with the Company a new subscription agreement authorizing an increase in the payroll deduction rate within fifteen (15) days (unless the Company elects to process a given change in participation more quickly) before the commencement of the upcoming Purchase Period. A Participant's subscription agreement shall remain in effect for successive Purchase Periods unless terminated as provided in Section 10. The Plan Administrator shall be authorized to limit the number of payroll deduction rate changes during any Purchase Period.

(d) Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 3(b) herein, a Participant's payroll deductions (and/or direct contributions for a Participant on a Leave of Absence or in non-U.S. jurisdictions, as applicable and as provided in Sections 6(a) and (b) hereof) shall be decreased to 0%. Payroll deductions (and/or direct contributions, if applicable) shall recommence at the rate provided in such Participant's subscription agreement, as amended, at the time when permitted under Section 423(b)(8) of the Code (in the case of participation in the 423 Component) and Section 3(b) herein, unless such participation is sooner terminated by the Participant as provided in Section 10.

(e) At the time the option is exercised, in whole or in part, or at the time some or all of the Company's Common Stock issued under the Plan is disposed of, the Participant must make adequate provision for the Company's or its Parent's, Subsidiary's, or Affiliate's federal, state, or any other tax liability payable to any authority, national insurance, social security, payment on account or other tax withholding obligations, if any, which arise upon the exercise of the option or the disposition of the Common Stock

including, for the avoidance of doubt, any liability of the Participant to pay an employer tax or social contribution obligation, which liability has been shifted to the Participant as a matter of law or contract. At any time, the Company or its Parent, Subsidiary or Affiliate, as applicable, may, but shall not be obligated to, withhold from the Participant's compensation the amount necessary for the Company or its Parent, Subsidiary or Affiliate, as applicable, to meet applicable withholding obligations, including any withholding required to make available to the Company or its Parent, Subsidiary or Affiliate, as applicable, any tax deductions or benefits attributable to sale or early disposition of Common Stock by the Eligible Employee. In addition, the Company or its Parent, Subsidiary or Affiliate, as applicable, may, but will not be obligated to, withhold from the proceeds of the sale of Common Stock or employ any other method of withholding the Company or its Parent, Subsidiary or Affiliate, as applicable, deems appropriate.

7. Grant of Option. On the Enrollment Date, each Participant in an Offering shall be granted an option to purchase on the Exercise Date of the applicable Purchase Period (at the applicable Purchase Price) up to a number of shares of the Common Stock determined by dividing such Participant's payroll deductions (and/or direct contributions, if applicable) accumulated prior to such Exercise Date by the applicable Purchase Price; provided (i) that such option shall be subject to the limitations set forth in Sections 3(b), 6 and 12 hereof, and (ii) the maximum number of shares of Common Stock a Participant shall be permitted to purchase in any Purchase Period shall be six thousand (6,000) shares, subject to adjustment as provided in Section 18 hereof. Exercise of the option shall occur as provided in Section 8, unless the Participant has withdrawn pursuant to Section 10, and the option, to the extent not exercised, shall expire on the last day of the Purchase Period with respect to which such option was granted. Notwithstanding the foregoing, shares subject to the option may only be purchased with accumulated payroll deductions (and/or any direct contributions, as permitted under the Plan) credited to a Participant's account in accordance with Section 6 of the Plan. In addition, to the extent an option is not exercised on each Exercise Date, the option shall lapse and thereafter cease to be exercisable.

8. Exercise of Option. Unless a Participant withdraws from the Plan as provided in Section 10 below, such Participant's option for the purchase of shares will be exercised automatically on each Exercise Date, and the maximum number of shares (including fractional shares) subject to the option shall be purchased for such Participant at the applicable Purchase Price with the accumulated payroll deductions (and/or direct contributions, if applicable) in such Participant's account. The Plan Administrator shall be authorized to establish procedures for the handling of fractional shares, including the distribution of cash in lieu thereof. Notwithstanding the foregoing, any amount remaining in a Participant's account following the purchase of shares on the Exercise Date due to the application of Section 423(b)(8) of the Code or Section 7, above, shall be returned to the Participant and shall not be carried over to the next Purchase Period. During a Participant's lifetime, a Participant's option to purchase shares hereunder is exercisable only by the Participant.

9. Delivery. The shares purchased under the Plan will be delivered in uncertificated form by way of an electronic transfer to the individual account of a Participant. Upon receipt of a request from a Participant after each Exercise Date on which a purchase of shares occurs, the Company shall arrange the delivery to such Participant, as promptly as practicable, of a certificate representing the shares purchased upon exercise of the Participant's option.

10. Withdrawal; Termination of Employment.

(a) A Participant (i) may withdraw all, but not less than all of the payroll deductions (and/or direct contributions, if applicable) credited to such Participant's account and not yet used to exercise such Participant's option under the Plan at any time or (ii) terminate future payroll deductions(and/or direct contributions, if applicable), but allow accumulated payroll deductions (and/or direct contributions, if applicable) to be used to exercise the Participant's option under the Plan at any time by giving at least fifteen (15) days prior written notice to the Company (subject to any shorter period as may be required under Applicable Laws), in a form designated by the Plan Administrator from time to time, whether in hard copy or electronic form. If the Participant elects withdrawal alternative (i) described above, all of the Participant's payroll deductions (and/or direct contributions, if applicable) credited to the Participant's account will be paid to such Participant as promptly as practicable after receipt of the notice of withdrawal,

such Participant's option for the Purchase Period will be automatically terminated, and no further payroll deductions (and/or direct contributions, if applicable) for the purchase of shares will be made during the Purchase Period. If the Participant elects withdrawal alternative (ii) described above, no further payroll deductions (and/or direct contributions, if applicable) for the purchase of shares will be made during the Purchase Period, all of the Participant's payroll deductions (and/or direct contributions, if applicable) credited to the Participant's account will be applied to the exercise of the Participant's option on the Exercise Date (subject to Sections 3(b), 6, 7 and 12) and after such Exercise Date, such Participant's option for the Purchase Period will be automatically terminated and all remaining accumulated payroll deduction amounts (and/or direct contributions, if applicable) shall be returned to the Participant. If a Participant withdraws from a Purchase Period, payroll deductions (and/or direct contributions, if applicable) will not resume at the beginning of the succeeding Purchase Period unless the Participant delivers a new subscription agreement to the Company.

(b) Upon a Participant's ceasing to be an Eligible Employee for any reason or upon termination of a Participant's employment relationship (as described in Section 2(k)), the payroll deductions (and/or direct contributions, if applicable) credited to such Participant's account during the Purchase Period, but not yet used to purchase shares will be returned to such Participant or, in the case of such Participant's death, to the person or persons entitled thereto under Section 14, and such Participant's option will be automatically terminated.

11. Interest. No interest shall accrue on the payroll deductions (and/or direct contributions, if applicable) credited to a Participant's account under the Plan. Notwithstanding the foregoing, if the Plan Administrator determines that interest is required to be accrued on the payroll deductions or contributions for Participants in the Non-423 Component or any separate Offering under the 423 Component, then the Plan Administrator shall cause such interest to accrue to the extent required by applicable non-U.S. requirements.

12. Stock.

(a) The maximum number of shares of Common Stock which shall be made available for sale under the Plan shall be thirty-four million (34,000,000) shares, subject to adjustment upon changes in capitalization of the Company as provided in Section 18. For avoidance of doubt, such maximum number of shares may be used to satisfy exercises of options under the 423 Component or the Non-423 Component, or both. With respect to any amendment to increase the total number of shares of Common Stock under the Plan, the Plan Administrator shall have discretion to disallow the purchase of any increased shares of Common Stock for the Purchase Period in existence prior to such increase. If the Plan Administrator determines that on a given Exercise Date the number of shares with respect to which options are to be exercised may exceed (x) the number of shares then available for sale under the Plan or (y) the number of shares available for sale under the Plan on the Enrollment Date of the Purchase Period in which such Exercise Date is to occur, the Plan Administrator may make a pro rata allocation of the shares remaining available for purchase on such Enrollment Date or Exercise Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine to be equitable, and shall either continue all Offerings then in effect or terminate any one or more Offerings then in effect pursuant to Section 19, below. Any amount remaining in a Participant's payroll account following such pro rata allocation shall be returned to the Participant and shall not be carried over to any future Purchase Period, as determined by the Plan Administrator.

(b) A Participant will have no interest or voting right in shares covered by the Participant's option until such shares are actually purchased on the Participant's behalf in accordance with the applicable provisions of the Plan. No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date of such purchase.

(c) Shares to be delivered to a Participant under the Plan will be registered in the name of the Participant.

13. Administration. The Plan shall be administered by the Plan Administrator, which shall have full and exclusive discretionary authority to construe, interpret and apply the terms of the Plan, to determine eligibility and to adjudicate all disputed claims filed under the Plan, including whether Participants shall participate in the 423 Component or the Non-423 Component and which entities shall be Designated Subsidiaries or Designated Affiliates. Every finding, decision and determination made by the Plan Administrator shall, to the full extent permitted by Applicable Law, be final and binding upon all persons. Notwithstanding any provision to the contrary in this Plan, the Plan Administrator may adopt rules or procedures relating to the operation and administration of the Plan to accommodate the specific requirements of local laws and procedures for jurisdictions outside of the United States. Without limiting the generality of the foregoing, the Plan Administrator is specifically authorized to adopt rules, procedures and subplans, which for purposes of the Non-423 Component may be outside the scope of Section 423 of the Code, regarding, but not limited to, eligibility to participate, the definition of Compensation, handling of payroll deductions, making of contributions to the Plan (including, without limitation, in forms other than payroll deductions), establishment of bank or trust accounts to hold payroll deductions, payment of interest, conversion of local currency, obligations to pay payroll tax, determination of beneficiary designation requirements, withholding procedures and handling of stock certificates which vary with local requirements.

14. Designation of Beneficiary.

(a) Subject to any alternative rules promulgated by the Plan Administrator pursuant to Section 13, each Participant will file a written or electronic designation of a beneficiary who is to receive any shares and cash, if any, from the Participant's account under the Plan in the event of such Participant's death.

(b) Such designation of beneficiary may be changed by the Participant (and the Participant's spouse, if any) at any time by written notice. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living (or in existence) at the time of such Participant's death, the Company shall deliver such shares and/or cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Plan Administrator), the Plan Administrator shall deliver such shares and/or cash to the spouse (or domestic partner, as determined by the Plan Administrator) of the Participant, or if no spouse (or domestic partner) is known to the Plan Administrator, then to the issue of the Participant, such distribution to be made per stirpes (by right of representation), or if no issue are known to the Plan Administrator, then to the heirs at law of the Participant determined in accordance with applicable law. Notwithstanding the foregoing, in the absence of a beneficiary validly designated under the Plan who is living (or in existence) at the time of death of a Participant residing outside the U.S., any required distribution under the Plan shall be made to the executor or administrator of the estate of the Participant, or to such other individual as may be prescribed by applicable law.

15. Transferability. No payroll deductions (and/or direct contributions, if applicable) credited to a Participant's account, options granted hereunder, or any rights with regard to the exercise of an option or to receive shares under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution, or as provided in Section 14 hereof) by the Participant, nor shall it be subject to attachment or other legal process of whatever nature. Any such attempt at assignment, transfer, pledge or other disposition shall be without effect, except that the Plan Administrator may, in its sole discretion, treat such act as an election to withdraw funds from a Purchase Period in accordance with Section 10; provided, however, that the shares purchased under the Plan may also be delivered in uncertificated form by way of an electronic transfer to the individual account of Participant.

16. Use of Funds. All payroll deductions (and/or direct contributions, if applicable) received or held by the Company under the Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions or hold them exclusively for the benefit of Participants, except for payroll deductions (and/or direct contributions, if applicable) made to a Non-423 Component Offering or a separate Offering under the 423 Component where, as determined by the Plan Administrator, non-U.S. law requires segregation of such amounts. Except as required by

applicable local law, all payroll deductions (and/or direct contributions, if applicable) received or held by the Company may be subject to the claims of the Company's general creditors. Participants shall have the status of general unsecured creditors of the Company. Any amounts payable to Participants pursuant to the Plan shall be unfunded and unsecured obligations for all purposes, including, without limitation, Title I of the Employee Retirement Income Security Act of 1974, as amended. The Company shall retain at all times beneficial ownership of any investments, including trust investments, which the Company may make to fulfill its payment obligations hereunder. Any investments or the creation or maintenance of any trust or any Participant account shall not create or constitute a trust or fiduciary relationship between the Plan Administrator, the Company or any Designated Parent, Subsidiary or Affiliate and a Participant, or otherwise create any vested or beneficial interest in any Participant or the Participant's creditors in any assets of the Company or a Designated Parent, Subsidiary or Affiliate. The Participants shall have no claim against the Company or any Designated Parent, Subsidiary or Affiliate for any changes in the value of any assets that may be invested or reinvested by the Company with respect to the Plan. Notwithstanding the other provisions of this Section 16, Participants in the Non-423 Component or a separate Offering under the 423 Component may have additional rights where required under local law, as determined by the Plan Administrator in its discretion.

17. Reports. Individual accounts will be maintained for each Participant in the Plan. Statements of account will be given to Participants at least annually, which statements will set forth the amounts of payroll deductions (and/or direct contributions, if applicable), the Purchase Price, the number of shares purchased and the remaining cash balance, if any.

18. Adjustments Upon Changes in Capitalization; Corporate Transactions.

(a) Adjustments Upon Changes in Capitalization. Subject to any required action by the stockholders of the Company, the Reserves, the Purchase Price, the maximum number of shares that may be purchased in any Purchase Period, as well as any other terms that the Plan Administrator determines require adjustment shall be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of issued shares of Common Stock effected without receipt of consideration by the Company; provided, however that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Such adjustment, if any, shall be made by the Plan Administrator and its determination shall be final, binding and conclusive. Except as the Plan Administrator determines, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason hereof shall be made with respect to, the Reserves and the Purchase Price.

(b) Corporate Transactions. In the event of a proposed Corporate Transaction, each option under the Plan shall be assumed by such successor corporation or a parent or subsidiary of such successor corporation, unless the Plan Administrator, in the exercise of its sole discretion and in lieu of such assumption, determines to shorten the Purchase Period then in progress by setting a new Exercise Date (the "New Exercise Date"). If the Plan Administrator shortens the Purchase Period then in progress in lieu of assumption in the event of a Corporate Transaction, the Plan Administrator shall notify each Participant in writing at least ten (10) business days prior to the New Exercise Date, that the Exercise Date for the Participant's option has been changed to the New Exercise Date and that either:

(1) the Participant's option will be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Purchase Period as provided in Section 10; or

(2) the Company shall pay to the Participant on the New Exercise Date an amount in cash, cash equivalents, or property as determined by the Plan Administrator that is equal to the excess, if any, of (i) the Fair Market Value of the shares subject to the option over (ii) the Purchase Price due had the Participant's option been exercised automatically under Subsection (b)(1) above. In addition,

all remaining accumulated payroll deduction (and/or direct contributions, if applicable) amounts shall be returned to the Participant.

(c) For purposes of this Section 18, an option granted under the Plan shall be deemed to be assumed if, in connection with the Corporate Transaction, the option is replaced with a comparable option with respect to shares of capital stock of the successor corporation or Parent thereof. The determination of option comparability shall be made by the Plan Administrator prior to the Corporate Transaction and its determination shall be final, binding and conclusive on all persons.

19. Amendment or Termination.

(a) The Board or a Committee of the Board that is responsible for the administration of the Plan may at any time and for any reason terminate or amend the Plan. Except as provided in Section 18, this Section 19 and Section 26, no such termination can adversely affect options previously granted, provided that the Plan or any one or more Offerings may be terminated by the Plan Administrator on any Exercise Date or by the Plan Administrator establishing a new Exercise Date with respect to any Offering then in progress if the Plan Administrator determines that the termination of the Plan or such one or more Offerings is in the best interests of the Company and its stockholders. Except as provided in Section 18, this Section 19 and Section 26, no amendment may make any change in any option theretofore granted which adversely affects the rights of any Participant without the consent of affected Participants. To the extent necessary to comply with Section 423 of the Code (or any successor rule or provision or any other Applicable Law), the Company shall obtain stockholder approval of any amendment in such a manner and to such a degree as required.

(b) Without stockholder consent and without regard to whether any Participant rights may be considered to have been "adversely affected," the Plan Administrator shall be entitled to limit the frequency and/or number of changes in the amount withheld during Purchase Periods, determine the length of any future Purchase Period, determine whether future Purchase Periods shall be consecutive or overlapping, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, establish additional terms, conditions, rules or procedures to accommodate the rules or laws of applicable foreign jurisdictions, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with amounts withheld from the Participant's Compensation, amend an outstanding option if, in the Plan Administrator's discretion, it determines that such amendment is necessary or advisable to comply with Applicable Laws and establish such other limitations or procedures as the Plan Administrator determines in its sole discretion advisable and which are consistent with the Plan, in each case to the extent consistent with the requirements of Code Section 423 (with respect to the 423 Component) and other Applicable Laws.

(c) On December 13, 2006, the Board approved an amendment and restatement of the Plan to (i) increase the maximum number of shares available for sale or as a matching grant under the Plan to eight million (8,000,000) shares, (ii) extend the term of the Plan to January 31, 2018, and (iii) remove, for Purchase Periods occurring on and after the date the Board approved such amendment and restatement, the provision that an Eligible Employee will not be eligible to participate in the Plan for any relevant Purchase Period if such Eligible Employee's customary employment is less than 20 hours per week. The increase in the maximum number of shares available under the Plan required the approval of the Company's stockholders, which was obtained on January 25, 2007. On June 19, 2007, the Plan was amended to allow direct contributions to the Plan for Participants on Leaves of Absence. On July 9, 2007, the Plan was amended to (A) provide that the term "Accrual Period" shall refer to a "Purchase Period" effective for Purchase Periods commencing on and after August 1, 2007; and (B) provide that the duration of Purchase Periods commencing on and after August 1, 2007 shall be shortened from twenty-four (24) months to six (6) months. The 2007 Plan amendments did not require the approval of the Company's stockholders. On June 17, 2008, the Plan was amended to change the definition of "Purchase Price" so that it referred to an amount equal to 85% (rather than 90%) of the Fair Market Value of a share of Common

Stock, and to eliminate the provision regarding Company discretionary matching grants under the Plan for Purchase Periods commencing on or after August 1, 2008. The June 2008 amendments did not require the approval of the Company's stockholders. On October 12, 2009, the Plan was amended, effective as of February 1, 2010 (such amendments not subject to stockholder approval) to (A) bring the Plan in to compliance with proposed changes to the regulations promulgated under Section 423 of the Code, (B) modify the definitions of "Exercise Date" and "Purchase Price" to clarify treatment in the event a Purchase Period ends on a date other than a Market Trading Day, and (C) make certain other clarifying and administrative changes. On October 17, 2011, the Plan was amended to update the definition of "Fair Market Value" to better correspond to the previously modified definitions of "Exercise Date" and "Purchase Price." Such amendments did not require stockholder approval. On December 15, 2011, the Plan was amended and restated, effective as of February 1, 2012, to add a Plan component not subject to Section 423 of the Code, to add the capacity for separate Offerings, to adjust the operation of Purchase Periods, and to effect certain other updates to the Plan's terms. Such amendments did not require stockholder approval. The Plan was amended and restated, effective as of September 13, 2017, to extend the term of the Plan to February 1, 2022. Such amendment did not require stockholder approval. On December 10, 2019, the Board approved an amendment and restatement of the Plan to (i) increase the maximum number of shares available for sale under the Plan to twenty-nine million (29,000,000) shares, and (ii) extend the term of the Plan to February 1, 2029. The increase in the maximum number of shares available under the Plan required the approval of the Company's stockholders, which was obtained on February 11, 2020. The Plan was amended and restated, effective as of June 21, 2022, to (A) expand the definition of Compensation to include annual, semi-annual and quarterly discretionary cash bonuses, and (B) update the Purchase Periods pursuant to Section 4(a) of the Plan to correspond to calendar year. Such amendments did not require stockholder approval. On December 17, 2025, the Board approved an amendment and restatement of the Plan to increase the maximum number of shares available for sale under the Plan to thirty-four million (34,000,000) shares, effective upon its approval by the Company's stockholders on February 3, 2026.

20. Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Plan Administrator at the location, or by the person, designated by the Plan Administrator for the receipt thereof.

21. Conditions Upon Issuance of Shares. Shares shall not be issued with respect to an option unless the exercise of such option and the issuance and delivery of such shares pursuant thereto shall comply with all Applicable Laws and shall be further subject to the approval of counsel for the Company with respect to such compliance. As a condition to the exercise of an option, the Company may require the Participant to represent and warrant at the time of any such exercise that the shares are being purchased only for investment and without any present intention to sell or distribute such shares if, in the opinion of counsel for the Company, such a representation is required by any of the aforementioned Applicable Laws or is otherwise advisable.

22. Term of Plan. The Plan became effective upon January 1, 1998. It shall continue in effect until February 1, 2029, unless sooner terminated under Section 19.

23. No Employment Rights. The Plan does not, directly or indirectly, create any right for the benefit of any employee or class of employees to purchase any shares under the Plan, or create in any employee or class of employees any right with respect to continuation of employment by the Company or a Designated Parent, Subsidiary or Affiliate, and it shall not be deemed to interfere in any way with such employer's right to terminate, or otherwise modify, an employee's employment at any time.

24. No Effect on Retirement and Other Benefit Plans. Except as specifically provided in a retirement or other benefit plan of the Company or a Designated Parent, Subsidiary or Affiliate, participation in the Plan shall not be deemed compensation for purposes of computing benefits or contributions under any retirement plan of the Company or a Designated Parent, Subsidiary or Affiliate, and shall not affect any benefits under any other benefit plan of any kind or any benefit plan subsequently instituted under which

the availability or amount of benefits is related to level of compensation. The Plan is not a "Retirement Plan" or "Welfare Plan" under the Employee Retirement Income Security Act of 1974, as amended.

25. Effect of Plan. The provisions of the Plan shall, in accordance with its terms, be binding upon, and inure to the benefit of, all successors of each Participant, including, without limitation, such Participant's estate and the executors, administrators or trustees thereof, heirs and legatees, and any receiver, trustee in bankruptcy or representative of creditors of such Participant.

26. Code Section 409A. The Plan is exempt from the application of Code Section 409A and any ambiguities herein will be interpreted to so be exempt from Code Section 409A. The Non-423 Component is intended to be exempt from the application of Code Section 409A under the short-term deferral exception and any ambiguities shall be construed and interpreted in accordance with such intent. In furtherance of the foregoing and notwithstanding any provision in the Plan to the contrary, if the Plan Administrator determines that an option granted under the Plan may be subject to Code Section 409A or that any provision in the Plan would cause an option under the Plan to be subject to Code Section 409A, the Plan Administrator may amend the terms of an outstanding option granted under the Plan, or take such other action the Plan Administrator determines is necessary or appropriate, in each case, without the Participant's consent, to exempt any outstanding option or future option that may be granted under the Plan from or to allow any such options to comply with Code Section 409A, but only to the extent any such amendments or action by the Plan Administrator would not violate Code Section 409A. Notwithstanding the foregoing, the Company shall have no liability to a Participant or any other party if the option to purchase Common Stock under the Plan that is intended to be exempt from or compliant with Code Section 409A is not so exempt or compliant or for any action taken by the Plan Administrator with respect thereto.

27. Tax-Qualification. Although the Company may endeavor to (a) qualify an option for favorable tax treatment under the laws of the U.S. or jurisdictions outside of the U.S. or (b) avoid adverse tax treatment (e.g., under Section 409A of the Code), the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment, notwithstanding anything to the contrary in this Plan, including Section 26. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on Participants under the Plan.

28. Governing Law. The Plan is to be construed in accordance with and governed by the internal laws of the State of Delaware without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Delaware to the rights and duties of the parties, except to the extent the internal laws of the State of Delaware are superseded by the laws of the United States. Should any provision of the Plan be determined by a court of law to be illegal or unenforceable, the other provisions shall nevertheless remain effective and shall remain enforceable.

Franklin Templeton, Inc.
2002 Universal Stock Incentive Plan

Effective August 17, 2026

1. General

1.1. Purpose. The Franklin Templeton, Inc. 2002 Universal Stock Incentive Plan (the "2002 Stock Plan") has been established by Franklin Templeton, Inc. (formerly Franklin Resources, Inc.), a Delaware corporation (the "Company") to (i) attract and retain persons eligible to participate in the 2002 Stock Plan; (ii) motivate Participants, by means of appropriate incentives, to achieve long-range performance goals; (iii) provide incentive compensation opportunities that are competitive with those of other similar companies; and (iv) further align Participants' interests with those of the Company's other stockholders through compensation that is based on the Company's common stock; and thereby promote the long-term financial interest of the Company and the Subsidiaries.

1.2. Participation. Subject to the terms and conditions of the 2002 Stock Plan, a Committee shall determine and designate, from time to time, from among the Participants, those persons who will be granted one or more Awards under the 2002 Stock Plan. In the discretion of a Committee, a Participant may be granted any Award permitted under the provisions of the 2002 Stock Plan, and more than one Award may be granted to a Participant. Awards may be granted as alternatives to or replacement of awards outstanding under the 2002 Stock Plan, or any other plan or arrangement of the Company or a Subsidiary (including a plan or arrangement of a business or entity, all or a portion of which is acquired by the Company or a Subsidiary). Designation of a Participant in any year shall not require a Committee to designate such person to receive an Award in any other year or, once designated, to receive the same type or amount of an Award as granted to such person in any other year.

1.3. Operation, Administration, and Definitions. The operation and administration of the 2002 Stock Plan, including the Awards made under the 2002 Stock Plan, shall be subject to the provisions of Section 4. Capitalized terms in the 2002 Stock Plan shall be defined as set forth in the 2002 Stock Plan (including the definition provisions of Section 9 of the 2002 Stock Plan).

1.4. Stock Subject to 2002 Stock Plan; Share Counting. Subject to the provisions of this Section 1.4, Section 6.1 and Section 11.1 of the 2002 Stock Plan, the maximum aggregate number of Shares which may be delivered pursuant to Awards, including, without limitation, the number of Shares that may be granted pursuant to Options (including Incentive Stock Options) and SARs, is 190,000,000 (after giving effect to the stock split effected by the Company in July 2013 in the form of a stock dividend (the "2013 stock split")) (the "Share Reserve"). The Shares may be authorized but unissued, or reacquired Common Stock.

(a) Except as set forth in Section 1.4(b) and (c), to the extent any Shares covered by an Award are not delivered to a Participant or beneficiary because the Award is forfeited or canceled, or the Shares are not delivered because the Award is settled in cash, such Shares shall not be deemed to have been delivered for purposes of determining the maximum number of Shares available for delivery pursuant to Awards granted under the 2002 Stock Plan.

(b) All Shares covered by the portion of a SAR that is exercised (whether or not Shares are actually issued to the Participant upon exercise of the SAR) shall be considered issued pursuant to the 2002 Stock Plan.

(c) If Shares are surrendered or withheld as payment of either the exercise price of an Option granted hereunder and/or withholding taxes in respect of such an Option (including, without limitation, by attestation), such Shares shall not be returned to the 2002 Stock Plan and shall not be available for future awards under the 2002 Stock Plan.

(d) Subject to adjustment under Section 6.1 and after giving effect to the 2013 stock split, (i) the maximum number of shares that may be granted to any one individual Participant pursuant to Section 2 (relating to Options and SARs) shall be 1,200,000 Shares during any one-calendar-year period and (ii) the maximum number of Shares that may be granted to any one individual Participant subject to Section 3 (relating to Restricted Stock Awards, Restricted Stock Unit Awards, Stock Awards and Stock-Based Awards) shall be 3,000,000 Shares during any one-calendar-year period (regardless of when such Shares are deliverable).

(e) Subject to adjustment under Section 6.1, the maximum number of Shares subject to Awards granted during a single fiscal year of the Company to any non-employee member of the Board, taken together with any cash fees paid to such non-employee member of the Board during the fiscal year, shall not, in each case, exceed $1,000,000 in total value (calculating the value of any stock-based Award based on the grant date fair value of such Award for financial reporting purposes).

2. Options and SARs

2.1. Options.

(a) An Option is a grant of a right to purchase Shares at an exercise price established by the Compensation Committee, subject to Section 2.3. Options granted under this Section 2 may be either Incentive Stock Options ("ISO") or Nonstatutory Stock Options ("NSO"), as determined in the discretion of the Compensation Committee.

(b) Each Option shall be designated in the written option agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designations, to the extent that the aggregate Fair Market Value of the Shares with respect to which Options designated as Incentive Stock Options are exercisable for the first time by any Optionee during any calendar year (under all plans of the Company or any Parent or Subsidiary) exceeds $100,000, such excess Options shall be automatically treated as Nonstatutory Stock Options. For purposes of this paragraph 2.1(b), Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of the underlying Shares shall be determined as of the original date on which the Option is granted. In the event that the Code or the regulations promulgated thereunder are amended after the date the 2002 Stock Plan becomes effective to provide for a different limit on the Fair Market Value of Shares permitted to be subject to Incentive Stock Options, then such different limit will be automatically incorporated herein and will apply to any Options granted after the effective date of such amendment.

(c) The term of each Option shall be the term stated in the Award Agreement; provided, however, that in the case of any Incentive Stock Option, the term shall be no more than ten (10) years from the date of grant thereof or such shorter term as may be provided in the Award Agreement. However, in the case of an Incentive Stock Option granted to an Optionee who, at the time the Option is granted, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Option shall be five (5) years from the date of grant thereof or such shorter term as may be provided in the Award Agreement.

(d) The date of grant of an Option shall, for all purposes, be the date on which the Compensation Committee makes the determination granting such Option, or such other future date as is determined by the Compensation Committee. Notice of the determination shall be given to each Participant to whom an Option is so granted within a reasonable time after the date of such grant.

2.2. Stock Appreciation Rights. A Stock Appreciation Right ("SAR") is a grant of rights to receive, in cash or Stock (as determined by the Compensation Committee), value equal to (or otherwise based on) the excess of: (a) the Fair Market Value of a specified number of Shares at the time of exercise; over (b) a base appreciation amount established by the Compensation Committee, subject to Section 2.3.

2.3. Exercise Price. The exercise price or base appreciation amount (as applicable) of each Option and SAR shall be established by the Compensation Committee or shall be determined by a method established by the Compensation Committee at the time the Option or SAR is granted; provided, that:

(a) In the case of an ISO,

(i) granted to an employee who, at the time of the grant of such Incentive Stock Option, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the per Share exercise price shall be no less than 110% of the Fair Market Value per Share on the date of grant;

(ii) granted to any other employee, the per Share exercise price shall be no less than 100% of the Fair Market Value per Share on the date of grant.

(b) In the case of a NSO, the per Share exercise price shall be no less than 100% of the Fair Market Value per Share on the date of grant.

(c) In the case of a SAR, the base appreciation amount shall be no less than 100% of the Fair Market Value per Share on the date of grant.

2.4. Time and Manner of Exercise. Options and SARs shall be exercisable in accordance with such terms and conditions and during such periods as may be established by a Committee; subject to the following terms regarding Options and SARs:

(a) Termination of Service. In the event of termination of an Optionee's Service, such Optionee may, but only within ninety (90) days after the date of such termination (unless such other period is set out by a Committee in the Award Agreement, which period shall control, but in no event later than the expiration date of the term of such Option as set forth in the Award Agreement), exercise the Option to the extent that Optionee was entitled to exercise it at the date of such termination. To the extent that Optionee was not entitled to exercise the Option at the date of such termination, or if Optionee does not exercise such Option to the extent so entitled within the time specified herein, the Option shall terminate.

(b) Disability of Optionee. Notwithstanding the provisions of paragraph 2.4(a) above, in the event of termination of an Optionee's Service as a result of Optionee's Disability, Optionee (or Optionee's legal representative) may, but only within six (6) months from the date of such termination (unless such other period is set out by a Committee in the Award Agreement, which period shall control, but in no event later than the expiration date of the term of such Option as set forth in the Award Agreement), exercise the Option to the extent otherwise entitled to exercise it at the date of such termination. To the extent that Optionee was not entitled to exercise the Option at the date of termination, or if Optionee (or Optionee's legal representative) does not exercise such Option to the extent so entitled within the time specified herein, the Option shall terminate.

(c) Death of Optionee. Notwithstanding the provisions of paragraph 2.4(a) above, in the event of the death of an Optionee, the Option may be exercised, at any time within twelve (12) months following the date of death (unless such other period is set out by a Committee in the Award Agreement, which period shall control, but in no event later than the expiration date of the term of such Option as set forth in the Award Agreement), by the Optionee's estate or by a person who acquired the right to exercise the Option by bequest or inheritance, but only to the extent the Optionee was entitled to exercise the Option at the date of death. To the extent that Optionee was not entitled to exercise the Option at the date of death, or if the Optionee's estate or person who acquired the right to exercise the Option by bequest or inheritance does not exercise such Option to the extent so entitled within the time specified herein, the Option shall terminate.

(d) Minimum Vesting Requirement. No Option or SAR shall become vested or exercisable prior to the first anniversary of its date of grant; provided, however, that such minimum vesting requirement shall not apply to Options or SARs that vest as a result of a Participant's death or Disability, or the occurrence of a Transaction.

2.5. Payment of Exercise Price. Payment of the exercise price of an Option shall be subject to the following:

(a) The full exercise price for Shares purchased upon the exercise of any Option shall be paid at the time of such exercise (except that, in the case of an exercise arrangement approved by a Committee and described in paragraph 2.5(b), payment may be made as soon as practicable after the exercise).

(b) The consideration to be paid for the Shares to be issued upon exercise of an Option, including the method of payment, shall be determined by a Committee (and, in the case of an Incentive Stock Option, shall be determined at the time of grant) and may, in the discretion of a Committee, consist entirely of (i) cash, (ii) check, (iii) delivery of authorization for the Company to retain from the total number of Shares as to which the Option is exercised that number of Shares having a Fair Market Value on the date of exercise equal to the exercise price for the total number of Shares as to which the Option is exercised, (iv) delivery of a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company the amount of sale or loan proceeds required to pay the exercise price, (v) irrevocably authorizing a third party to sell Shares (or a sufficient portion of the shares) acquired upon exercise of the Option and remit to the Company a sufficient portion of the sale proceeds to pay the entire exercise price and any tax withholding resulting from such exercise, (vi) any combination of the foregoing methods of payment, or (vii) such other consideration and method of payment for the issuance of Shares to the extent permitted under Applicable Laws.

2.6. Settlement of Award. Shares delivered pursuant to the exercise of an Option or SAR shall be subject to such conditions, restrictions and contingencies as a Committee may establish in the applicable Award Agreement at the time of grant. Settlement of SARs may be made in Shares (valued at their Fair Market Value at the time of exercise), in cash, or in a combination thereof, as determined in the discretion of a Committee. A Committee, in its discretion, may impose such conditions, restrictions and contingencies with respect to Shares acquired pursuant to the exercise of an Option or a SAR as such Committee determines to be desirable.

3. Other Stock Awards or Stock-based Awards

3.1. Restrictions on Stock Awards. Each Restricted Stock Award, Restricted Stock Unit Award, Stock Award and Stock-Based Award shall be subject to the following:

(a) Any such Awards shall be subject to such conditions, restrictions and contingencies as a Committee shall determine and set forth in the applicable Award Agreement or otherwise.

(b) A Committee may designate whether any such Awards being granted to any Participant shall be subject to a risk of forfeiture or other restrictions that will lapse upon the achievement of certain performance goals, which may be tied to one or more business criteria, including, without limitation: (a) annual revenue, (b) budget comparisons, (c) controllable profits, (d) Company earnings per share, (e) expense management, (f) improvements in capital structure, (g) net income, (h) net or gross sales, (i) operating income (pre- or post-tax), (j) profit margins, (k) operating or gross margin, (l) profitability of an identifiable business unit or product, (m) return on investments, (n) return on sales, (o) return on stockholders' equity, (p) total return to stockholders, (q) assets under management, (r) investment management performance, (s) mutual and other investment fund performance, (t) institutional account performance, (u) high net worth and other separate account performance, (v) cash flow, operating cash flow, or cash flow or operating cash flow per share (before or after dividends), (w) price of the Shares or any other publicly traded securities of the Company, (x) reduction in costs, (y) return on capital, including return on total capital or return on invested capital, (z) improvement in or attainment of expense levels or working capital levels, and (aa) performance of the Company relative to a peer group of companies and/or relevant indexes on any of the foregoing measures. The performance goals may be applicable to the Company and/ or any of its individual business units and may differ from Participant to Participant. In addition, the performance goals may be calculated in accordance with generally accepted accounting principles, but excluding the effect (whether positive or negative) of any change in accounting standards and any extraordinary, unusual or nonrecurring item, as determined by the Compensation Committee, occurring after the establishment of the performance goals and may be otherwise adjusted as determined by the Compensation Committee.

3.2. Restricted Stock Awards.

(a) Subject to the applicable Award Agreement, a Participant shall have all rights of a stockholder with respect to the Shares granted to the Participant under a Restricted Stock Award, including the right to vote the Shares and receive all dividends and other distributions paid or made with respect thereto, unless a Committee determines otherwise at the time the Restricted Stock Award is granted.

(b) If a Participant makes an election pursuant to Section 83(b) of the Code with respect to a Restricted Stock Award, the Participant shall promptly provide the Company with a copy of the properly filed election. A Committee may provide in an Award Agreement that the Restricted Stock Award is conditioned upon the Participant's making or refraining from making an election with respect to the Award under Section 83(b) of the Code.

4. Operation and Administration

4.1. Effective Date. The 2002 Stock Plan became effective as of October 10, 2002 (the "Effective Date"). The 2002 Stock Plan shall be unlimited in duration and, in the event of the 2002 Stock Plan termination, shall remain in effect as long as any Awards under it are outstanding; provided, however, that to the extent required by the Code, no ISO may be granted under the 2002 Stock Plan after December 15, 2030.

4.2. Term of Awards. Subject to the limitations of Section 2.1(c), the term of each Award under the 2002 Stock Plan shall be the term stated in the applicable Award Agreement, provided, that the term shall be no more than ten (10) years from the date of grant thereof. Notwithstanding the foregoing, the specified term of any Award shall not include any period for which the Participant has elected to defer the receipt of the Shares or cash issuable pursuant to the Award.

4.3. General Restrictions. Delivery of Shares or other amounts under the 2002 Stock Plan shall be subject to the following:

(a) Notwithstanding any other provision of the 2002 Stock Plan, the Company shall have no liability to deliver any Shares under the 2002 Stock Plan or make any other distribution of benefits under the 2002 Stock Plan unless such delivery or distribution would comply with all Applicable Laws (including, without limitation, the requirements of the Securities Act), and the applicable requirements of any securities exchange or similar entity.

(b) Shares issued under the 2002 Stock Plan may be certificated or, to the extent not prohibited by Applicable Law or the applicable rules of any stock exchange, non-certificated.

4.4. Tax Withholding. All distributions under the 2002 Stock Plan are subject to withholding of all applicable taxes, and a Committee may condition the delivery of any Shares or other benefits under the 2002 Stock Plan on satisfaction of the applicable withholding obligations. A Committee, in its discretion, and subject to such requirements as such Committee may impose prior to the occurrence of such withholding, may permit such withholding obligations to be satisfied through (i) cash payment by the Participant, (ii) the surrender of Shares which the Participant already owns (which have been held by the Participant and vested for at least six (6) months or such other period as established from time to time by the Committee in order to avoid an adverse accounting treatment under applicable accounting standards), or (iii) the surrender of Shares to which the Participant is otherwise entitled under the 2002 Stock Plan, provided, however, that only the number of Shares sufficient to satisfy the Company's minimum statutorily required tax withholding obligations shall be surrendered to the Company. A Committee has full discretion to allow a Participant to satisfy, in whole or in part, any additional income, employment and/or other applicable taxes payable by the Participant with respect to an Award by electing to have the Company withhold from the Shares otherwise deliverable to, or that would otherwise be retained by, the Participant upon the grant, exercise, vesting or settlement of the Award, as applicable, Shares having an aggregate Fair Market Value that is greater than the applicable minimum required statutory withholding obligation (but such withholding may in no event be in excess of the maximum statutory withholding amount in the Participant's relevant tax jurisdictions).

4.5. Use of Shares. Subject to the overall limitation on the number of Shares that may be delivered under the 2002 Stock Plan, a Committee may use available Shares as the form of payment for compensation, grants or rights earned or due under any other compensation plans or arrangements of the Company or a Subsidiary, including the plans and arrangements of the Company or a Subsidiary assumed in business combinations.

4.6. Dividends and Dividend Equivalents. An Award (including without limitation an Option or SAR Award) may provide the Participant with the right to receive dividend payments or dividend equivalent payments with respect to Stock subject to the Award (both before and after the Stock subject to the Award is earned, vested, or acquired), which payments may be either made currently or credited to an account for the Participant, and may be settled in cash or Stock as determined by a Committee. Any such settlements, and any such crediting of dividends or dividend equivalents or reinvestment in Shares, may be subject to such conditions, restrictions and contingencies as a Committee shall establish, including the reinvestment of such credited amounts in Stock equivalents.

4.7. Payments. Awards may be settled through cash payments, the delivery of Shares, the granting of replacement Awards (subject to Section 5.2(e)), or combination thereof as a Committee shall determine. Any Award settlement, including payment deferrals, may be subject to such conditions, restrictions and contingencies as a Committee shall determine. A Committee may permit or require the deferral of any Award payment, subject to such rules and procedures as it may establish, which may include provisions for the payment or crediting of interest, or dividend equivalents, including converting such credits into deferred Stock equivalents. Each Subsidiary shall be liable for payment of cash due under the 2002 Stock Plan with respect to any Participant to the extent that such benefits are attributable to the services rendered for that Subsidiary by the Participant. Any disputes relating to liability of a Subsidiary for cash payments shall be resolved by a Committee.

4.8. Non-alienation of Awards. Unless specifically provided by a Committee in the Award Agreement, Awards under the 2002 Stock Plan may not be sold, assigned, conveyed, hypothecated, encumbered, anticipated, or otherwise disposed of, and are nontransferable except as designated by the Participant by will or by the laws of descent and distribution; provided, that an Award Agreement shall not provide that an Award is transferable during the lifetime of the Participant, except to the extent that such Award Agreement permits transfers made to family members, to family trusts, to family controlled entities, to charitable organizations, and/or pursuant to domestic relations orders or agreements, in all cases without payment for such transfers to the Participant. Any attempt to sell, assign, convey, hypothecate, encumber, anticipate, transfer, or otherwise dispose of any Award under the 2002 Stock Plan in violation of this Section 4.8 shall be void, and no Shares or cash subject to any Award shall, prior to receipt thereof by a Participant, be in any manner subject to the debts, contracts, liabilities, engagements, or torts of such Participant.

4.9. Agreement With Company. An Award under the 2002 Stock Plan shall be subject to such terms and conditions, not inconsistent with the 2002 Stock Plan, as a Committee shall, in its sole discretion, prescribe. The terms and conditions of any Award to any Participant shall be reflected in an Award Agreement, a copy of which shall be provided to the Participant, and a Committee may, but need not require that the Participant shall sign a copy of such Award Agreement.

4.10. Gender and Number. Where the context admits, words in any gender shall include any other gender, words in the singular shall include the plural and the plural shall include the singular.

4.11. Limitation of Implied Rights.

(a) Neither a Participant nor any other person shall, by reason of participation in the 2002 Stock Plan, acquire any right in or title to any assets, funds or property of the Company or any Parent or Subsidiary whatsoever, including, without limitation, any specific funds, assets, or other property which the Company or any Parent or Subsidiary, in their sole discretion, may set aside in anticipation of a liability under the 2002 Stock Plan. A Participant shall have only a contractual right to the Stock or amounts, if any, payable under the 2002 Stock Plan, unsecured by any assets of the Company or any Parent or Subsidiary, and nothing contained in the 2002 Stock Plan shall constitute a guarantee that the assets of the Company or any Parent or Subsidiary shall be sufficient to pay any benefits to any person.

(b) The 2002 Stock Plan does not constitute a contract of employment, and selection as a Participant will not give any Participant the right to be retained in the employ of the Company or any Subsidiary, nor any right or claim to any benefit under the 2002 Stock Plan, unless such right or claim has specifically accrued under the terms of the 2002 Stock Plan. Except as otherwise provided in the 2002 Stock Plan, no Award under the 2002 Stock Plan shall confer upon the holder thereof any rights as a stockholder of the Company prior to the date on which the individual fulfills all conditions for receipt of such rights.

4.12. Annual Incentive Plan. Any Equity Award, other than a Mutual Fund Unit Award, (each as defined in the Annual Incentive Plan) that is granted in accordance with the Annual Incentive Plan shall, in accordance with Section 5.1(b) of the Annual Incentive Plan (or any successor provision), be subject to the 2002 Stock Plan and the applicable Award Agreement.

5. Committees

5.1. Committees. The authority to control and manage the operation and administration of the 2002 Stock Plan shall be vested in the Board or a committee or committees established by the Board with such powers and authority as shall be determined by the Board in its discretion (the Board or each such committee, as applicable, a "Committee"). In addition to any other Committee established by the Board, the Compensation Committee of the Board (the "Compensation Committee") shall be considered a Committee hereunder and shall be comprised, unless otherwise determined by the Board, solely of members who satisfy the requirements for (i) an "independent director" under rules adopted by the New York Stock Exchange or other principal exchange on which the Shares are then listed and (ii) a "non-employee director" within the meaning of Rule 16b-3 under the Exchange Act. Notwithstanding the foregoing, the mere fact that a Committee member may fail to qualify under any of the foregoing requirements shall not invalidate any Award made by a Committee which Award is otherwise validly made under the 2002 Stock Plan. Neither the Company nor any member of the Board or Committee shall be liable for any action or determination made in good faith by the Board or a Committee with respect to the 2002 Stock Plan or any Award thereunder.

5.2. Powers of Committee. Each Committee's administration of the 2002 Stock Plan shall be subject to the authority granted to such Committee by the Board and the following:

(a) Subject to the provisions of the 2002 Stock Plan, a Committee will have the authority and discretion to select from among the Participants those persons who shall receive Awards, to determine the time or times of receipt, to determine the types of Awards and the number of shares covered by the Awards, to establish the terms, conditions, performance criteria, restrictions, and other provisions of such Awards, and (subject to Section 7) to cancel or suspend Awards.

(b) To the extent that a Committee determines that the restrictions imposed by the 2002 Stock Plan preclude the achievement of the material purposes of the Awards in jurisdictions outside the United States, such Committee will have the authority and discretion to modify those restrictions as such Committee determines to be necessary or appropriate to conform to applicable requirements or practices of jurisdictions outside of the United States.

(c) A Committee may grant Awards to Participants who are subject to the tax laws of nations other than the United States, which Awards may have terms and conditions as determined by the Committee as necessary to comply with applicable foreign laws. A Committee may take any action which it deems advisable to obtain approval of such Awards by the appropriate foreign government entity; provided, however, that no such Awards may be granted under this 2002 Stock Plan and no action may be taken which would result in a violation of the Exchange Act, the Code or any other Applicable Law.

(d) In controlling and managing the operation and administration of the 2002 Stock Plan, a Committee shall take action in a manner that conforms to the articles and by-laws of the Company, and Applicable Law.

(e) Notwithstanding anything in the 2002 Stock Plan to the contrary, (i) the reduction of the exercise price of any Option awarded under the 2002 Stock Plan and the base appreciation amount of any SAR awarded under the 2002 Stock Plan shall be subject to stockholder approval and (ii) canceling an Option or SAR at a time when its exercise price or base appreciation amount (as applicable) exceeds the Fair Market Value of the underlying Shares, in exchange for another Option, SAR, Restricted Stock Award, other Award or cash payment shall be subject to stockholder approval.

(f) Notwithstanding the authority granted to any other Committee, the Compensation Committee will have the sole authority and discretion to interpret the 2002 Stock Plan, to establish, amend, and rescind any rules and regulations relating to the 2002 Stock Plan, and to make all other determinations that may be necessary or advisable for the administration of the 2002 Stock Plan. The Compensation Committee may correct any defect or supply any omission or reconcile any inconsistency in the 2002 Stock Plan in the manner and to the extent the Compensation Committee deems necessary or advisable. Any decision of the Compensation Committee in the interpretation and administration of the Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, without limitation, Participants and their beneficiaries or successors).

5.3. Delegation by Compensation Committee or a Committee. The Compensation Committee may delegate its authority and duties under the 2002 Stock Plan to the Chief Executive Officer and/or to other executive officers of the Company under such conditions and/or subject to such limitations as the Compensation Committee may establish and as limited by and subject to Applicable Law or the applicable rules of a stock exchange. Except to the extent prohibited by Applicable Law or the applicable rules of a stock exchange, a Committee may allocate in writing all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its ministerial duties to any person or persons selected by it; provided, however, that any such allocation or delegation may be revoked by a Committee at any time. In no event shall any such allocation or delegation of authority be permitted for the grant of Awards to any member of the Board or to any Participant who is subject to Section 16 under the Exchange Act. In the event that a Committee's authority is delegated to Board members, officers or employees in accordance with the foregoing, all provisions of the 2002 Stock Plan relating to a Committee shall be interpreted in a manner consistent with the foregoing by treating any such reference as a reference to such Board members, officers or employees for such purpose. Any action undertaken in accordance with a Committee's delegation of authority hereunder shall have the same force and effect as if such action was undertaken directly by a Committee and shall be deemed for all purposes of the 2002 Stock Plan to have been taken by a Committee.

5.4. Information to be Furnished to Committee. The records of the Company and its Subsidiaries as to a Participant's employment, termination of employment, leave of absence, reemployment and compensation shall be conclusive on all persons unless determined to be incorrect. Participants must furnish a Committee such evidence, data or information as such Committee considers desirable to carry out the terms of the 2002 Stock Plan in order to be entitled to benefits under the 2002 Stock Plan.

6. Adjustments Upon Changes in Capitalization or Corporate Transaction

6.1. Changes in Capitalization. In the event of any change with respect to the outstanding shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, extraordinary cash dividend, merger or corporate combination, combination or reclassification of the Common Stock or any transaction similar to the foregoing, the Compensation Committee shall make such substitution or adjustment, if any, as it deems to be equitable in order to prevent the enlargement or diminution of the benefits or potential benefits intended to be made available under the 2002 Stock Plan, subject to any required action by the stockholders of the Company, as to (a) the number and/or kind of securities covered by each outstanding Award, (b) the price per share covered by each such outstanding Award, (c) the number and/or kind of securities which have been authorized for issuance under the 2002 Stock Plan but as to which no Awards have yet been granted or which have been returned to the 2002 Stock Plan upon cancellation or expiration of an Award, (d) the maximum number of Options, SARs, Restricted Stock Awards, Restricted Stock Unit Awards, Stock Awards and Stock-Based Awards which may be granted to any Participant in any one-calendar-year period, (e) any other value determinations applicable to the 2002 Stock Plan and/or outstanding Awards, and (f) any other terms of an Award that are affected by the event; provided, that, for the avoidance of doubt, in the case of the occurrence of any of the foregoing events that is an "equity restructuring" (within the meaning of applicable stock-based compensation accounting guidelines), the Compensation Committee shall make an equitable adjustment to outstanding Awards to reflect such event.

6.2. Transaction. In the event of the proposed dissolution or liquidation of the Company or of a merger or corporate combination (a "Transaction") in which the successor corporation does not agree to assume the Award or substitute an equivalent Award, the Compensation Committee shall make a determination (subject to Section 7) as to the equitable treatment of outstanding Awards under the 2002 Stock Plan and shall notify Participants of such treatment no later than ten (10) days prior to such proposed Transaction. To the extent it has not been previously exercised, an Award that is not assumed will terminate immediately prior to the consummation of such proposed Transaction.

7. Amendment and Termination

The Board may, at any time, amend or terminate the 2002 Stock Plan; provided, that no amendment or termination (i) may materially and adversely affect the rights of any Participant or beneficiary under any Award granted under the 2002 Stock Plan prior to the date such amendment is adopted by the Board or such termination occurs unless written consent of the change by the affected Participant (or, if the Participant is not then living, the affected beneficiary) is obtained, and (ii) shall be made without the approval of the Company's stockholders to the extent such approval is required by Applicable Laws, the requirements of any applicable stock exchange, or if such amendment would lessen the stockholder approval requirements of Section 5.2(e) or this Section 7; provided, that, anything to the contrary notwithstanding, the Board may amend the 2002 Stock Plan in such manner as it deems necessary to cause an Award to comply with the requirements of the Code or any other Applicable Law, to avoid adverse tax consequences, or for changes in new accounting standards. Notwithstanding anything herein to the contrary, modifications or adjustments pursuant to Sections 6.1 or 6.2 or that may cause an Incentive Stock Option to become a Nonstatutory Stock Option shall in no event be deemed to have an adverse effect on any Award.

8. Forfeiture Events

A Committee may specify in an Award Agreement that a Participant's rights, payments and benefits with respect to an Award are subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of the Award. Such events may include, without limitation, termination of a Participant's Service for Cause (as such term or like term is defined in the Award Agreement), a Participant's violation of applicable laws, regulations or policies of the Company or any of its subsidiaries, breach of noncompetition, non-solicitation, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company, as determined by a Committee in its sole and absolute discretion.

9. Defined Terms

In addition to the other definitions contained herein, the following definitions shall apply:

(a) "Annual Incentive Plan" means the Franklin Templeton, Inc. Amended and Restated Annual Incentive Compensation Plan, as may be further amended, restated, or replaced.

(b) "Applicable Law" means the corporate, securities and tax laws (including, without limitation, the Delaware corporate law, the Exchange Act, the Securities Act and the Code) applicable to the establishment and administration of employee stock incentive plans and the grant of awards thereunder.

(c) "Award" means any award or benefit granted under the 2002 Stock Plan, including, without limitation, the grant of Options, SARs, Restricted Stock Awards, Restricted Stock Unit Awards, Stock Awards and Stock-Based Awards.

(d) "Award Agreement" means a written agreement between the Company and a holder of an Award, executed by the Company, evidencing the terms and conditions of the Award.

(e) "Board" means the Board of Directors of the Company.

(f) "Code" means the Internal Revenue Code of 1986, as amended. A reference to any provision of the Code shall include reference to any successor provisions of the Code.

(g) "Common Stock" means the common stock, par value, $.10 per share, of the Company.

(h) "Continuous Status as an Employee" as used in certain Award Agreements means the absence of any interruption or termination of the employment relationship by the Company or any Subsidiary. Continuous Status as an Employee shall not be considered interrupted in the case of: (i) sick leave, military leave or any other leave of absence approved by the Board, provided, that, solely for purposes of Incentive Stock Options, such leave is for a period of not more than ninety (90) days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Company policy adopted from time to time; or (ii) in the case of transfers between locations of the Company or between the Company, its Subsidiaries or its successor.

(i) "Controller" means the entity that decides how and why Personal Data are processed.

(j) "Disability" means that a Participant ceases to be an employee on account of disability as a result of which the Participant is determined to be disabled by the determining authority under the long-term or total permanent disability policy, or government social security or other similar benefit program, of the country or location in which Participant is employed and in the absence of such determining authority, as determined by the Committee in accordance with the policies of the Company.

(k) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(l) "Fair Market Value" means the value of a share of Stock granted pursuant to the 2002 Stock Plan as of any date determined as follows:

(i) If there should be a public market for the Stock on such date, the closing price of such share of Stock as reported on such date on the composite tape of the principal national securities exchange on which such share is listed or admitted to trading, or if such share is not listed or admitted to trading on any national securities exchange, the arithmetic mean of the per share closing bid price and the per share closing asked price on such date as quoted on the National Association of Securities Dealers Automated Quotation System (or such market in which such prices are regularly quoted) ("NASDAQ"), or if no sale of such share shall have been reported on the composite tape of any national securities exchange or quoted on the NASDAQ on such date, then the immediately preceding date on which sales of such shares has been so reported or quoted shall be used; and

(ii) If there should not be a public market for the Stock on such date, then the Fair Market Value of the Stock shall be determined in good faith by the Board (or a committee thereof); provided, that for purposes of setting the exercise price of Options or the base appreciation amount of SARs, Fair Market Value shall be determined in a manner consistent with Section 409A of the Code and the regulations thereunder, unless such Award is not subject to U.S. tax law.

(m) "Incentive Stock Option" means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code.

(n) "Nonstatutory Stock Option" means an Option not intended to qualify as an Incentive Stock Option.

(o) "Option" means a stock option granted pursuant to Section 2 of the 2002 Stock Plan.

(p) "Optionee" means a Participant who receives an Option.

(q) "Parent" means a "parent corporation", whether now or hereafter existing, as defined in Section 424(e) of the Code.

(r) "Participant" means any executive, employee, director or individual consultant of the Company or any of its Subsidiaries. An Award may be granted to an employee, in connection with hiring, retention or otherwise, prior to the date the employee first performs services for the Company or its Subsidiaries; provided, that such Awards shall not become vested prior to the date the employee first performs such services. The term "Participant" also includes any non-employee director of the Company or its Subsidiaries.

(s) "Personal Data" means any information relating to an identified or identifiable natural person (a "data subject").

(t) "Process," "processing" or "processed" means anything that is done with Personal Data, including collecting, storing, accessing, using, editing, disclosing, or deleting those data.

(u) "Restricted Stock Award" means a grant of Shares subject to a risk of forfeiture or other restrictions that will lapse upon the achievement of one or more goals relating to completion of service by the Participant, or achievement of performance or other objectives, as determined by a Committee.

(v) "Restricted Stock Unit Award" means a grant of a right to receive Shares or cash in the future, with such right to future delivery subject to a risk of forfeiture or other restrictions that will lapse upon the achievement of one or more goals relating to completion of service by the Participant, or achievement of performance or other objectives, as determined by a Committee.

(w) "Securities Act" means the Securities Act of 1933, as amended, and any successor thereto.

(x) "Service" means a Participant's employment with the Company or any Subsidiary or a Participant's service as a non-employee director or individual consultant with the Company or any Subsidiary, as applicable.

(y) "Share" means a share of the Common Stock, as adjusted in accordance with Section 6 of the 2002 Stock Plan.

(z) "Stock" means shares of Common Stock of the Company.

(aa)"Stock Award" means a grant of Shares that are not subject to forfeiture or other restrictions.

(bb)"Stock-Based Award" means an Award that is valued, in whole or in part, by reference to, or is otherwise based on the Fair Market Value of, Shares, that is not a Restricted Stock Award, Restricted Stock Unit Award, or Stock Award.

(cc)"Subsidiary" or "Subsidiaries" means any company during any period in which it is a "subsidiary corporation" (as that term is defined in Code section 424(f)) with respect to the Company.

10. Section 409A

The 2002 Stock Plan is intended to comply with the requirements of Section 409A of the Code or an exemption or exclusion therefrom and, with respect to amounts that are subject to Section 409A of the Code, it is intended that the 2002 Stock Plan be administered in all respects in accordance with Section 409A of the Code. Each payment under any Award shall be treated as a separate payment for purposes of Section 409A of the Code. In no event may a Participant, directly or indirectly, designate the calendar year of any payment to be made under any Award, but only to the extent such payment is considered "nonqualified deferred compensation" within the meaning of Section 409A of the Code. Notwithstanding any provision of the 2002 Stock Plan or any Award Agreement to the contrary, in the event that a Participant is a "specified employee" within the meaning of Section 409A of the Code (as determined in accordance with the methodology established by the Company), amounts that constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code that would otherwise be payable on account of a separation from service within the meaning of Section 409A of the Code and during the six-month period immediately following a Participant's "separation from service" within the meaning of Section 409A of the Code ("Separation from Service") shall instead be paid or provided on the first business day after the date that is six months following the Participant's Separation from Service. If the Participant dies following the Separation from Service and prior to the payment of any amounts delayed on account of Section 409A of the Code, such amounts shall be paid to the personal representative of the Participant's estate within thirty (30) days after the date of the Participant's death. The Company shall use commercially reasonable efforts to implement the provisions of this Section 10 in good faith; provided, that neither the Company, the Committee nor any of the Company's employees, directors or representatives shall have any liability to any Participant with respect to this Section 10.

11. General Provisions

11.1. Substitute Awards in Corporate Transactions. Nothing contained in the 2002 Stock Plan shall be construed to limit the right of a Committee to grant Awards under the 2002 Stock Plan in connection with the acquisition, whether by purchase, merger, consolidation or other corporate transaction, of the business or assets of any corporation or other entity. Without limiting the foregoing, a Committee may grant Awards under the 2002 Stock Plan to an employee, director or individual independent contractor of another corporation who becomes a Participant by reason of any such corporate transaction in substitution for awards previously granted by such corporation or entity to such person. The terms and conditions of the substitute Awards may vary from the terms and conditions that would otherwise be required by the 2002 Stock Plan solely to the extent a Committee deems necessary for such purpose. Any such substitute awards shall not reduce the Share Reserve or count toward the limits in Section 1.4(d); provided, however, that such treatment is permitted by applicable law and the listing requirements of the New York Stock Exchange or other exchange or securities market on which the Stock is listed.

11.2. Other Compensation and Benefit Plans. The adoption of the 2002 Stock Plan shall not affect any other share incentive or other compensation plans in effect for the Company or any Subsidiary, nor shall the 2002 Stock Plan preclude the Company from establishing any other forms of share incentive or other compensation or benefit program for employees of the Company or any Subsidiary. The amount of any compensation deemed to be received by a Participant pursuant to an Award shall not constitute includable compensation for purposes of determining the amount of benefits to which a Participant is entitled under any other compensation or benefit plan or program of the Company or a Subsidiary, including, without limitation, under any pension or severance benefits plan, except to the extent specifically provided by the terms of any such plan.

11.3. Governing Law. The 2002 Stock Plan shall be governed by, and all claims, disagreements, or disputes arising under or in connection with the 2002 Stock Plan shall be resolved in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules, to the extent not preempted by the federal laws of the United States of America.

11.4. No Fractional Shares. No fractional Shares shall be issued or delivered pursuant to the 2002 Stock Plan or any Award, and a Committee shall determine whether cash, other securities or other property shall be paid or transferred in lieu of any fractional shares of Stock or whether such fractional shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

11.5. No Guarantees Regarding Tax Treatment. Neither the Company nor a Committee make any guarantees to any person regarding the tax treatment of Awards or payments made under the 2002 Stock Plan. Neither the Company nor a Committee has any obligation to take any action to prevent the assessment of any tax on any person with respect to any Award under Section 409A of the Code, Section 4999 of the Code or otherwise and neither the Company nor a Committee shall have any liability to a person with respect thereto.

11.6. Data Protection. In connection with implementing, administering and managing the 2002 Stock Plan, the Company is the Controller with respect to processing Personal Data. Information concerning the Company's employee privacy practices and notices can be obtained through the Company Global Privacy Office. Participants are responsible for: (i) providing the Company with accurate and up to date Personal Data; and (ii) updating those Personal Data in the event of any material changes.

12. Plan History

The 2002 Stock Plan became effective as of October 10, 2002. The 2002 Stock Plan was originally approved by the stockholders of the Company on January 30, 2003. The Board approved an amendment and restatement of the 2002 Stock Plan on December 16, 2004 to (a) include additional Performance Goals and (b) amend Section 6.1 to increase the scope of adjustments that may be made as a result of changes in capitalization of the Company, which amendment and restatement was approved by the stockholders of the Company on January 25, 2005. The Board approved a further amendment and restatement of the 2002 Stock Plan on December 18, 2009 to (a) revise the Performance Goals such that they conform to the Performance Goals under the Franklin Templeton, Inc. 2004 Key Executive Incentive Compensation Plan and (b) make certain administrative updates, which amendment and restatement became effective upon its approval by the stockholders of the Company on March 16, 2010. The Board approved a further amendment and restatement of the 2002 Stock Plan on December 16, 2010 to increase the number of authorized Shares subject to the 2002 Stock Plan by ten million (10,000,000) Shares, for a total maximum aggregate of forty million (40,000,000) Shares, which amendment and restatement became effective upon its approval of the stockholders of the Company on March 15, 2011. The Board approved a further amendment and restatement of the 2002 Stock Plan on October 22, 2012 to permit additional committees of the Board to exercise certain authority under the Plan, which amendment and restatement was not subject to the approval of the stockholders of the Company. The Board approved a further amendment and restatement of the 2002 Stock Plan on December 15, 2015, to provide for a minimum vesting schedule for Options and SARs and clarify that cancellation of an Option or SAR at a time when its exercise price or base appreciation amount (as applicable) exceeds the Fair Market Value of the underlying Shares requires shareholder approval, which amendment and restatement was not subject to the approval of the stockholders of the Company. The Board approved a further amendment and restatement of the 2002 Stock Plan on June 14, 2017 to limit the total value of awards to non-employee members of the Board of Directors in any fiscal year and provide that the Committee may permit a Participant to elect to withhold up to the maximum statutorily required amount for applicable tax withholding upon the vesting, exercise or settlement of Awards and to make other immaterial administrative changes, which amendment and restatement was not subject to the approval of the stockholders of the Company. The Board approved a further amendment and restatement of the 2002 Stock Plan on December 15, 2020 (a) to increase the number of authorized Shares subject to the 2002 Stock Plan by twenty million (20,000,000) Shares, for a total maximum aggregate of one hundred and forty million (140,000,000) Shares (after giving effect to the 2013 stock split) and (b) make certain other changes and administrative updates, which amendment and restatement became effective upon its approval of the stockholders of the Company on February 9, 2021. The Board approved a further amendment and restatement of the 2002 Stock Plan on December 12, 2023 to increase the number of authorized Shares subject to the 2002 Stock Plan by twenty-five million (25,000,000) Shares, for a total maximum aggregate of one hundred and sixty-five million (165,000,000) Shares, effective upon its approval by the stockholders of the Company on February 6, 2024. The Board approved a further amendment and restatement of the 2002 Stock Plan on December 17, 2025 to increase the number of authorized Shares subject to the 2002 Stock Plan by twenty-five million (25,000,000) Shares, for a total maximum aggregate of one hundred and ninety million (190,000,000) Shares, effective upon its approval by the stockholders of the Company on February 3, 2026.

FRANKLIN TEMPLETON, INC.

AMENDED AND RESTATED ANNUAL INCENTIVE COMPENSATION PLAN

(amended and restated September 9, 2026)
(amended and restated December 10, 2019)
(amended and restated June 14, 2016)
(amended and restated October 20, 2014)
(amended and restated October 22, 2012)
(amended and restated March 16, 2010)
(amended and restated December 13, 2006)
(amended and restated December 16, 2005)
(amended and restated September 22, 2005)
(amended and restated December 16, 2004)
(amended and restated December 11, 2003)

I. PURPOSE

Franklin Templeton, Inc. has established this Amended and Restated Annual Incentive Compensation Plan to attract, retain, and motivate eligible employees to achieve the highest levels of performance results in the financial services business by providing them an opportunity to share in the organization's annual performance results.

II. DEFINITIONS

When used in this plan document, the following words and phrases shall have the following meanings:

2.1 "Award Pool" means the total amount, denominated in U.S. dollars, available for funding Incentive Awards under the Plan for an applicable Plan Year.

2.2 "Bonus Opportunity" means a potential bonus target for a Participant.

2.3 "Committee" means the Compensation Committee of the Board of Directors of the Company, and/or another committee of the Board of Directors to the extent of such other committee's authority granted by the Board of Directors of the Company.

2.4 "Company" means Franklin Templeton, Inc. (formerly Franklin Resources, Inc.), a Delaware corporation, and its direct and indirect subsidiaries.

2.5 "Compensation Committee" means the Compensation Committee of the Board of Directors of the Company.

2.6 "Equity Award" means a grant of Stock, Options, SARs, Stock Awards, Restricted Stock Awards or Restricted Stock Unit Awards under the 2002 Universal Stock Incentive Plan or successor equity compensation plan, or Mutual Fund Unit Awards.

2.7 "Grantor" means Management or a Committee, as applicable.

2.8 "Incentive Award" means either an Equity Award or cash awarded to a Participant under this Plan.

2.9 "Management" means one or more of the executive officers of the Company.

2.10 "Mutual Fund Unit Award" (also referred to as "Restricted Fund Units" from time to time) means the grant of a right to receive shares in mutual funds or other investment funds sponsored by the Company, or cash depending on the applicable award agreement, upon the vesting of the units, with such right to receive shares in such mutual funds (or cash) subject to a risk of forfeiture or other restrictions that will lapse based on the completion of service or achievement of performance objectives by the Participant, as determined by a Committee.

2.11 "Option" means the grant of a right to purchase Stock at a specified exercise price, with the right to purchase such shares of Stock subject to the completion of service or achievement of performance objectives by the Participant, as determined by a Committee.

2.12 "Participant" means each employee who has been determined by the Grantor to be a Participant pursuant to Article III.

2.13 "Plan" means the Amended and Restated Annual Incentive Compensation Plan as set forth in this document, as amended from time to time.

2.14 "Pre-Bonus Operating Income" (hereafter "PBOI") means the consolidated operating income of the Company, calculated before non-operating interest, taxes and extraordinary items and before the accrual for any Incentive Awards and, if applicable, any "Actual Awards" as defined under the Company's 2014 Key Executive Incentive Compensation plan, or any successor plan, in each case determined in a manner consistent with the Company's consolidated statement of income for the applicable Plan Year.

2.15 "Plan Year" means the 12-month period beginning on the first day of each fiscal year of the Company.

2.16 "Restricted Stock Award" means the grant of shares of Stock, with such shares of Stock subject to a risk of forfeiture or other restrictions that will lapse based on the completion of service or achievement of performance objectives by the Participant, as determined by a Committee.

2.17 "Restricted Stock Unit Award" means the grant of a right to receive Stock or cash in lieu of Stock, depending on the terms of the applicable award agreement, upon the vesting of the units, with such right to receive Stock (or cash) subject to a risk of forfeiture or other restrictions that will lapse based on the completion of service or achievement of performance objectives by the Participant, as determined by a Committee.

2.18 "SAR" means the grant of a right to receive, in cash or Stock (as determined by a Committee), value equal to (or otherwise based on) the excess of (a) the fair market value of a specified number of shares of Stock at the time of exercise over (b) a specified exercise price, with the right to receive such value in cash or Stock subject to the completion of service or achievement of performance objectives by the Participant, as determined by a Committee.

2.19 "Stock" means the Company's common stock reserved for issuance under the Company's 2002 Universal Stock Incentive Plan or successor equity compensation plan, as may be amended and restated from time to time.

2.20 "Stock Award" means the grant of a right to receive Stock.

III. PARTICIPATION

All individuals who are employees at the beginning of the Plan Year, except employees who participate in commission-based incentive plans or employees who a Grantor determines in its sole discretion are ineligible, are eligible to be designated by a Committee or Management as Participants during that Plan Year. Employees, including but not limited to employees hired during a Plan Year, may be added to the Plan as Participants in the sole discretion of a Committee or Management.

IV. AWARD POOL FUNDING AND INDIVIDUAL AWARDS

4.1 For each Plan Year, the Compensation Committee shall determine the amount to be allocated to the Award Pool in its sole discretion. In making such determination, the Committee may consider an amount up to approximately Thirty Percent (30%) of PBOI as a guideline; however, the Committee may apply judgment and consider the broader compensation context when making pool decisions.

4.2 The Grantor may generally determine the amount of Bonus Opportunities under the Plan. A Committee has the sole and absolute discretion to grant any Equity Award. The Compensation Committee has the sole and absolute discretion to increase or decrease an Incentive Award payable to a member of Management. Management or a Committee may award cash Incentive Awards.

4.3 The actual amounts allocated to the Award Pool may be determined and/or revised by the Compensation Committee at any time during or after the end of each Plan

Year, based upon actual or projected Company performance, including factors such as PBOI. Amounts not allocated as Incentive Awards do not carry over to the next Plan Year.

4.4 Incentive Awards may be awarded during or following the end of each Plan Year. The amount of any Incentive Awards awarded prior to the end of a Plan Year shall be credited against the Award Pool for such Plan Year so that the net amount remaining in the Award Pool is available for Incentive Awards determined and awarded after the end of such Plan Year. Actual Incentive Awards may vary from the Bonus Opportunities depending on the amount allocated or projected to be allocated to the Award Pool and on a Participant's individual performance.

4.5 No employee is entitled to receive an Incentive Award for any Plan Year. Generally a Participant's Incentive Award will be based upon an evaluation of a Participant's overall performance, including the successful accomplishment of annual goals and objectives and the desire to retain and motivate the Participant, as well as other performance factors such as business unit performance and overall Company performance. Notwithstanding an employee's individual performance, however, and despite anything to the contrary in this Plan, the Grantor has absolute discretion to determine the amount of any Incentive Award, including discretion to increase or decrease a recommended award, or to determine not to award any Incentive Award. Past Incentive Awards awarded to a Participant are not an indicator of future participation in the Award Pool or of the amount of any future Incentive Awards that may be awarded to the Participant. In order to promote the highest levels of individual performance, there is no minimum or maximum amount which applies to individual Incentive Awards of any Participant.

V. AWARD OF AND PAYMENT UNDER INCENTIVE AWARDS GENERALLY

5.1 Cash and/or equity awarded as part of an Incentive Award may be paid or become vested, as applicable, in the following time and manner:

(a) Incentive Awards may be subject to such restrictions and vesting as determined by a Committee to be appropriate.

(b) Any Equity Awards granted as part of an Incentive Award shall be governed by the terms of the applicable award agreement evidencing such Equity Award, and either (i) or (ii) as follows: (i) in the case of Equity Awards other than Mutual Fund Unit Awards, the 2002 Universal Stock Incentive Plan or any successor plan, and once granted to the recipient shall not be governed by or subject to the terms of this Plan, (ii) in the case of Mutual Fund Unit Awards, the terms of this Plan.

(c) The cash portion of an Incentive Award shall be paid at such time and in such manner as the Grantor determines. Participants shall be notified in writing as to the date and time of payment of any deferred portion of the Incentive Award.

(d) Equity Awards granted as part of an Incentive Award shall be granted effective as of such time during or after the end of the Plan Year as determined by a Committee. Notwithstanding anything in the Plan to the contrary, Equity Awards and any modifications thereto shall be made by a Committee.

(e) Notwithstanding the foregoing, with respect to any Incentive Award granted to a Participant who is a United States resident or subject to United States law, the payment of such Incentive Award shall be completed no later than two and one-half (2½) months following the end of the calendar year in which such Incentive Award is earned. Payment timing shall be determined by the Committee for any other Participant, subject to applicable law.

5.2 Application of Code Section 409A.

The Plan is intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") or an exemption or exclusion therefrom and, with respect to amounts that are subject to Section 409A of the Code, the Plan shall be administered in all respects in accordance with Section 409A of the Code. Notwithstanding any other provision of this Plan to the contrary, the Company, in its sole discretion and without Participant consent, may amend or modify the Plan in any manner to provide for the application and effects of Section 409A of the Code (relating to deferred compensation arrangements) and any related regulatory or administrative guidance issued by the Internal Revenue Service, or any successors thereto. The Company shall have the authority to delay the payment of any benefits described under the Plan to the extent it deems necessary or appropriate to comply with Section 409A(a)(2)(B)(i) of the Code (relating to payments made to certain "key employees" of certain publicly-traded companies) and in such event, any such payments to which a Participant would otherwise be entitled during the six (6) month period immediately following his or her separation from service (within the meaning of Section 409A of the Code) will be made on the first business day following the expiration of such six (6) month period. If the Participant dies following a separation from service and prior to the payment of any amounts delayed in accordance with the prior sentence, such amounts shall be paid to the Participant's estate or applicable beneficiary within thirty (30) days after the date of the Participant's death. None of the Company, the Committee nor any of the Company's employees, directors or representatives shall have liability to any Participant with respect to Section 409A of the Code.

VI. AWARD OF OR PAYMENT UNDER INCENTIVE AWARDS IN EVENT OF TERMINATION OF EMPLOYMENT

6.1 Termination of Employment.

(a) Except as otherwise noted in Section 6.1(c) below, and subject to the terms of any governing award agreement, Participants must be employed with the Company both on the date Incentive Awards are awarded and the date Incentive

Awards are paid in order to be eligible to receive the award of, or payment under, an Incentive Award.

(b) Subject to Section 6.1(c) and the terms of any applicable award agreement, a Participant shall have no right to an Incentive Award, and shall forfeit any awarded Incentive Award, which shall be cancelled without payment of any consideration to a Participant therefor, if the Participant's employment terminates, for any reason, (i) before the date an Incentive Award is awarded to the Participant or, (ii) in the case of an Incentive Award that includes a cash award, before the cash payment under that Incentive Award has been made, in each case whether or not the Participant has been notified of his or her Incentive Award. For purposes of this Section 6.1(b), an Equity Award shall be considered to have been awarded to a Participant when the Equity Award has been granted to the Participant in accordance with the Company's then-applicable Equity Award grant procedures.

(c) Notwithstanding the foregoing, the Grantor can decide in its sole and absolute discretion to award a cash Incentive Award, or make a cash payment under an Incentive Award previously awarded, to a Participant whose employment ends for any reason. The Grantor has the sole and absolute discretion to determine the amount of any Incentive Award awarded to a terminated employee. The Grantor shall, when exercising discretion to award such an Incentive Award, and in determining the amount of any specific cash Incentive Award to a terminated employee, consider that it is not practical or effective to award amounts that would otherwise have reflected future incentives to departed employees. Any Incentive Award awarded pursuant to this Section 6.1(c) in the discretion of the Grantor shall be paid in cash in a single payment as soon as practical following when the Incentive Award would have otherwise been paid absent the employee's termination, or as otherwise determined by the Grantor but subject to Section 5.1(e) above.

(d) There is no obligation, either expressed or implied, that the Grantor must actually consider awarding an Incentive Award, or making any payment under any Incentive Award already awarded but not yet accepted and paid, to an employee whose employment ends for any reason.

VII. AMENDMENT OR TERMINATION

7.1 Amendment.

The Compensation Committee reserves the right, in its sole discretion to amend, modify or suspend this Plan at any time in whole or in part; provided, however, that no amendment, modification or suspension shall result in the forfeiture or cancellation of any Participant's Incentive Award(s) already awarded before the date the Compensation Committee approves such amendment, modification or suspension, unless otherwise agreed to by the affected Participant(s).

7.2 Termination.

The Compensation Committee may terminate the Plan at any time. Termination of the Plan shall not result in the forfeiture or cancellation of any Participant's Incentive Award(s) which have already been awarded but under which payments have not yet been made, unless otherwise agreed to by the affected Participant(s).

VIII. ADMINISTRATION

8.1 Administration of the Plan.

This Plan has been adopted by the stockholders of the Company and shall be administered by the Compensation Committee.

The Compensation Committee shall have the sole authority, in its absolute discretion, to adopt, amend, and rescind such policies and procedures as, in its opinion, may be advisable in the administration of the Plan, to construe and interpret the Plan, the policies and procedures, and any instruments evidencing Incentive Awards and to make all other determinations deemed necessary or advisable for the administration of the Plan. All decisions, determinations, and interpretations of the Compensation Committee shall be binding on all Participants.

The Plan is intended to meet the requirements of the rules promulgated by the Securities and Exchange Commission under Section 16(b) of the Securities Exchange Act of 1934, as amended, and shall be administered and construed accordingly.

The Compensation Committee shall have the right, solely with respect to any Participants who are not United States residents or subject to United States law, to vary from the provisions of the Plan to preserve its incentive features (subject to applicable law in the applicable jurisdiction).

8.2 Non-alienation of Benefits.

No benefit under this Plan may be sold, assigned, transferred, conveyed, hypothecated, encumbered, anticipated, or otherwise disposed of, and any attempt to do so shall be void other than by will or the laws of inheritance upon death of the Participant. No such benefit shall, prior to receipt thereof by a Participant, be in any manner subject to the debts, contracts, liabilities, engagements, or torts of such Participant.

8.3 No Contract or Effect on Employment.

This Plan is not intended to be, and should not be construed to be, an employment contract or any other contract or agreement or as a guarantee of employment for any particular period of time. This Plan also does not create any express or implied contract or promise for the payment or award of any Incentive Award or other compensation or benefit.

Nothing in this Plan shall be construed to limit, change or contradict in any way any of the Company's personnel policies and procedures particularly, without limitation, the Company's right to terminate a Participant's employment at any time for any reason whatsoever with or without cause. Likewise, nothing in this Plan provides an agreement or understanding, express or implied, that the Company (a) will employ a Participant in any particular position or for a particular length of time, (b) will ensure participation in any incentive programs, or (c) will award any awards under such programs.

8.4 Applicable Law.

The provisions of the Plan shall be governed by and construed in accordance with the laws of the State of Delaware, with the exception of Delaware's conflict of laws provisions.

8.5 Mandatory Alternative Dispute Resolution.

The Participant and the Company agree to resolve all disputes arising under the Plan or involving the participation by Participant in the Plan exclusively through Alternative Dispute Resolution, including direct discussion and mandatory mediation, followed, if necessary, by final and binding arbitration in accordance with the Company's dispute resolution policies and the Participant's ADR Agreement with the Company then in effect.

IX. FORFEITURE OF INCENTIVE AWARDS

9.1 Forfeiture Pursuant to Restatement of Financial Results.

Notwithstanding any other provision of this Plan to the contrary, in the event that (i) the Company issues a restatement of financial results to correct a material error; (ii) the Compensation Committee determines, in good faith, that a Participant's fraud or willful misconduct was a significant contributing factor to the need to issue such restatement; and (iii) some or all of an award awarded to that Participant prior to such restatement (the "Relevant Award") and/or shares of Stock or mutual fund shares that were awarded and/or other property earned by the Participant prior to such restatement (the "Relevant Property") would not have been awarded and/or earned, as applicable, based upon the restated financial results, the Participant shall immediately return to the Company the Relevant Award and the Relevant Property, including any property received with respect to that Relevant Award or Relevant Property, including any pre-tax income derived from any disposition of it, and shares of Stock, mutual fund shares or other property previously received in settlement of a Relevant Award that would not have been awarded and/or earned based upon the restated financial results (the "Repayment Obligation"), and any and all such Relevant Award or Relevant Property (whether or not vested) shall immediately be forfeited. The Company shall be able to enforce the Repayment Obligation by all legal means available, including, without limitation, by withholding such amount from other sums owed by the Company to the Participant.

9.2 Forfeiture Pursuant to Fraud or Breach of Securities Law.

(a) Notwithstanding any other provision of this Plan to the contrary, in the event that the Participant:

(i) is convicted by any court for fraud;

(ii) is finally adjudicated by any court or is otherwise finally determined by a Regulatory Agency to be in violation of any Securities Law where the violation related to a period of time during which the Participant was an employee; or

(iii) enters into a settlement agreement with a Regulatory Agency, with or without admission of any liability, in relation to or in connection with an allegation concerning a violation of any Securities Law by the Participant where the violation or alleged violation related to a period of time during which the Participant was an employee, and the terms of the settlement agreement result in (x) the Participant making, or being required to make, payment of any penalty or a payment in lieu of any penalty or redress in respect of such violation, or alleged violation; (y) the publication of any statement of reprimand or censure; or (z) the Participant suffering any other penalty including (without limitation) suspension or termination of his status for the purposes of any Securities Law, each of the Participant's Incentive Awards under the Plan, if and to the extent that it has not been awarded or paid, shall immediately be forfeited without any payment to the Participant therefor and the Participant will immediately cease to have any further rights over or interest in such award; provided, however, that in such event Equity Awards (other than Mutual Fund Units) shall be subject to the terms of the 2002 Universal Stock Incentive Plan and the applicable award agreement(s) underlying such Equity Awards and Equity Awards that are Mutual Fund Units shall be governed by this Plan. Notwithstanding the foregoing, the Compensation Committee may determine, in its sole discretion, that only a portion of the Participant's award specified by the Compensation Committee (or no such portion of the award) shall be forfeited. However, there is no obligation, either expressed or implied, that the Compensation Committee must actually consider causing only a portion (or no such portion) of the Participant's award to be forfeited.

For the purposes of Section 9.2, the following words shall have the following meanings:

"Regulatory Agency" shall mean in any jurisdiction any department of government, independent agency, authority appointed by statute or by government in connection with the supervision and or enforcement of any Securities Law including, but not limited to, the U.S. Securities and Exchange Commission;

"Securities Law" shall mean any enactment, law, statute, rule, requirement or regulation in any jurisdiction relating to Securities that is or was applicable to the Company or that is or was applicable to the Participant;

"Securities" shall mean any shares, bonds, derivatives or other financial instruments or financial assets or any interest therein.

9.3 Other Repayment or Forfeiture.

Any benefits Participants may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with (i) any applicable listing standards of a national securities exchange adopted in accordance with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules and regulations of the U.S. Securities and Exchange Commission adopted thereunder, (ii) similar laws, and implementing rules and regulations, of the European Union (as implemented by its member states and by the European Securities and Markets Authority) and of any other jurisdiction and (iii) any policies adopted by the Company to implement such requirements, all to the extent determined by the Company in its discretion to be applicable to Participant.

* * *

This Plan was originally approved by the stockholders of the Company on January 19, 1994. The stockholders of the Company approved an amendment of the Plan on January 24, 1995. The Board of Directors of the Company approved an amendment and restatement of the Plan on December 11, 2003 to (a) provide that up to 20% of pre-tax operating income may be allocated to the Award Pool by the Compensation Committee and (b) give broad discretion to the Compensation Committee in determining the amount of Incentive Awards payable to Participants in the Plan, which amendment and restatement was approved by the stockholders of the Company on January 29, 2004. The Board of Directors of the Company approved an amendment and restatement of the Plan on December 16, 2004 to provide that Incentive Awards may be paid in Options, SARs, Stock Awards and Restricted Stock Unit Awards, which amendment and restatement was not subject to the approval of the stockholders of the Company. The Board of Directors of the Company approved an amendment and restatement of the Plan on September 22, 2005 principally to (a) provide that the allocation of actual amounts to the Award Pool, Associates' Pool(s) and/or Principals' Pool(s) for a Plan Year and the determination and payment of actual Incentive Awards for a Plan Year may be made in advance of the completion of such Plan Year and (b) make various conforming and other technical changes to the Plan, which amendment and restatement was not subject to the approval of the stockholders of the Company. The Board of Directors of the Company approved an amendment and restatement of the Plan on December 16, 2005 principally to change the governing law of the Plan to Delaware, which amendment and restatement was not subject to the approval of the stockholders of the Company. The Board of Directors of the

Company approved an amendment and restatement of the Plan on December 13, 2006 principally to make clarifying and technical changes to the Plan, which amendment and restatement was not subject to the approval of the stockholders of the Company. The Board of Directors of the Company approved an amendment and restatement of the Plan on March 16, 2010 principally to (a) make clarifying and technical changes to the Plan, including to extend certain administrative authority to appropriate officers and members of management personnel in addition to the Compensation Committee, as well as (b) include a clawback provision providing for the forfeiture of Incentive Awards by a Participant in the context of certain material financial restatements resulting from such Participant's misconduct, which amendment and restatement was not subject to the approval of the stockholders of the Company. The Board of Directors of the Company approved an amendment and restatement of the Plan on October 22, 2012 to permit additional committees established by the Board to act under the Plan to the extent of the authority awarded to any such committee, which amendment and restatement was not subject to the approval of the stockholders of the Company. The Board of Directors of the Company approved an amendment and restatement of the Plan on October 20, 2014 to amend the clawback provision to also provide for the forfeiture of Incentive Awards by a Participant in the case of certain circumstances involving fraud or breach of securities laws by the Participant, any applicable listing standards of a national securities exchange adopted in accordance with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and, similar laws, and implementing rules and regulations, of the European Union (as implemented by its member states and by the European Securities and Markets Authority) and of any other jurisdiction, which amendment and restatement was not subject to the approval of the stockholders of the Company. The Board of Directors of the Company approved an amendment and restatement of the Plan on June 14, 2016 to amend the Plan in certain respects to clarify the rights of Participants and make other conforming changes, which amendment and restatement was not subject to the approval of the stockholders of the Company. The Board of Directors of the Company approved an amendment and restatement of the Plan on December 10, 2019 to (a) increase the maximum amount to be allocated to the Award Pool from twenty percent (20%) of PBOI to thirty percent (30%) of PBOI, and (b) make clarifying and technical changes to the Plan, including to Sections 5.1 and 5.2 of the Plan. The Compensation Committee approved an amendment and restatement of the Plan on September 9, 2026 to (a) modify the amount to be allocated to the Award Pool from a maximum of thirty percent (30%) of PBOI to reflect a guideline-based approach, and (b) reflect the Company's name change to Franklin Templeton, Inc.

FRANKLIN TEMPLETON, INC.

AMENDED AND RESTATED
FRANKLIN TEMPLETON, INC.
2017 EQUITY INCENTIVE PLAN

1. Purpose

The purpose of the Plan is to provide motivation to Eligible Employees of the Company and its Subsidiaries to put forth maximum efforts toward the continued growth, profitability, and success of the Company and its Subsidiaries by providing incentives to such Eligible Employees through the ownership and performance of the Common Stock and the grant of Awards whose value is based in whole or in part on the value of Common Stock. Toward this objective, the Committee may grant stock options, stock appreciation rights, Stock Awards, performance units, performance shares, and other incentive awards to Eligible Employees of the Company and its Subsidiaries on the terms and subject to the conditions set forth in the Plan.

The Plan was originally adopted as the Legg Mason, Inc. 2017 Equity Incentive Plan, and was amended and restated and assumed by the Company in connection with the closing of the transactions contemplated by the Agreement and Plan of Merger, by and among the Company, Legg Mason, Inc. and Alpha Sub, Inc. dated as of February 17, 2020.

2. Definitions

2.1 "*Award*" means any form of stock option, SAR, Stock Award, performance unit, performance shares or other incentive award granted under the Plan, whether individually, in combination, or in tandem, to a Participant by the Committee pursuant to such terms, conditions, restrictions, and/or limitations, if any, as the Committee may establish by the Award Notice or otherwise.

2.2 "*Award Notice*" means a written notice from the Company to a Participant that establishes the terms, conditions, restrictions, and/or limitations applicable to an Award in addition to those established by this Plan and by the Committee's exercise of its administrative powers. An Award Notice may be in paper, electronic or other appropriate format, as determined by the Committee.

2.3 "*Board*" means the Board of Directors of the Company.

2.4 "*Code*" means the Internal Revenue Code of 1986, as amended from time to time.

2.5 "*Committee*" means the Compensation Committee of the Board (or such other committee designated by the Board) authorized to administer the Plan under Section 3. So long as required by law, the Committee shall consist of not less than two members, each of whom shall be (i) independent within the meaning of applicable rules of the New York Stock Exchange (or other principal registered national securities exchange on which the Common Stock is listed); and (ii) a "non-employee director" within the meaning of Rule 16b-3 promulgated under Section 16 of the Exchange Act; provided, however, that the inadvertent failure of any of its members to satisfy one or more of the foregoing standards will not invalidate any action or determination taken or made by the Committee.

2.6 "*Common Stock*" means common stock, par value $.10 per share, of the Company.

2.7 "*Company*" means Franklin Templeton, Inc. (formerly Franklin Resources, Inc.).

2.8 "*Eligible Employee*" means any officer of the Company or a Subsidiary and any other employee of the Company or a Subsidiary so designated by the Committee; provided, however, that no individual who provided services to the Company or a Subsidiary prior to the Restatement Date shall be considered an Eligible Employee.

2.9 "*Exchange Act*" means the Securities Exchange Act of 1934, as amended from time to time.

2.10 "*Fair Market Value*" of the Common Stock for any purpose on a particular date means the mean of the high and low sales prices of the Common Stock, unless the Committee authorizes a different calculation of sales price for such date, as reported by the New York Stock Exchange (or other principal registered national securities exchange on which the Common Stock is listed), or, if the Common Stock is not listed on such an exchange, as quoted on a nationally recognized inter-dealer quotation system; provided, however, that, if there is no trading on such date, Fair Market Value shall be deemed to be the mean of the high and low sales prices of the Common Stock on the last preceding date on which the Common Stock was traded, calculated as authorized by the Committee. If the Common Stock is not listed on any registered national securities exchange or quoted on a nationally recognized inter-dealer quotation system, then the Fair Market Value of the Common Stock shall be determined in good faith by the Committee by the reasonable application of a reasonable valuation method consistent with Section 409A of the Code and the regulations promulgated thereunder.

2.11 "*Freestanding SARs*" has the meaning set forth in Section 9(a).

2.12 "*Individual Limit*" has the meaning set forth in Section 5(b).

2.13 "*Participant*" means any Eligible Employee to whom an Award has been granted by the Committee under this Plan.

2.14 "*Plan*" means the Amended and Restated Franklin Templeton, Inc. 2017 Equity Incentive Plan, as the same may amended from time to time.

2.15 "*Plan Limit*" has the meaning set forth in Section 5(a).

2.16 "*Restatement Date*" has the meaning set forth in Section 6.

2.17 "*SAR*" has the meaning set forth in Section 5(c).

2.18 "*Stock Award*" means an award granted pursuant to Section 10 hereof in the form of shares of Common Stock, restricted shares of Common Stock, or Units of Common Stock.

2.19 "*Subsidiary*" means a corporation or other business entity in which the Company directly or indirectly has an ownership interest of 50 percent or more.

2.20 "*Tandem SARs*" has the meaning set forth in Section 9(a).

2.21 "*Unit*" means a bookkeeping entry used by the Company to record and account for the grant of the following Awards until such time as the Award is paid, cancelled, forfeited or terminated, as the case may be: Units related to Common Stock (commonly referred to as restricted stock units), performance units, and performance shares which are expressed in terms of Units of Common Stock.

3. Administration

The Plan shall be administered by the Committee. The Committee shall have the authority to (a) interpret the Plan and make factual determinations; (b) establish or amend such rules and regulations as it deems necessary for the proper operation and administration of the Plan; (c) select from time to time the Eligible Employees to receive Awards under the Plan; (d) determine the form of an Award, whether a stock option, stock appreciation right, Stock Award, performance unit, performance share, or other incentive award established by the Committee in accordance with clause (h) below, the number of shares of Common Stock or Units subject to the Award, all the terms, conditions, restrictions and/or limitations, if any, of an Award, including the time and conditions of exercise or vesting, and the terms of any Award Notice, which may include the waiver or amendment of prior terms and conditions or acceleration or early vesting or payment of an Award under certain circumstances determined by the Committee; (e) determine whether Awards will be granted individually, in combination or in tandem; (f) grant waivers of Plan terms, conditions, restrictions, and limitations; (g) accelerate the vesting, exercise, or payment of an Award or the performance period of an Award when such action or actions would be in the best interest of the Company; (h) establish such other types of Awards, besides those specifically enumerated in Section 2.1 hereof, which the Committee determines are consistent with the Plan's purpose; and (i) take any and all other action it deems necessary or advisable for the proper operation or administration of the Plan; provided, however, that the Committee may not exercise its authority or discretion in a manner that would cause an Award to violate the provisions of Section 409A of the Code. All determinations of the Committee shall be made by a majority of its members, and its determinations shall be final, binding and conclusive on all interested persons, including the Company and each Participant. All actions required of the Committee under the Plan shall be made in the Committee's sole discretion, not in a fiduciary capacity and need not be uniformly applied to other persons, including similarly situated persons. The Committee may delegate its authority and duties under the Plan to the Chief Executive Officer and/or to other senior officers of the Company under such conditions and/or subject to such limitations as the Committee may establish; provided, however, that only the Committee may grant Awards to Participants who are subject at the time of grant to Section 16 of the Exchange Act or whose compensation is to be determined by the Committee pursuant to the Committee's charter or other governing document approved by the Board.

4. Eligibility

Any Eligible Employee is eligible to become a Participant of the Plan.

5. Shares Available

(a) *Plan Limit*. The maximum number of shares of Common Stock which shall be available for grant of Awards under the Plan during its term shall not exceed 23,049,473 (the "*Plan Limit*") (such amount shall be subject to adjustment as provided in Section 21 for events occurring after the Restatement Date).

(b) *Individual Limit*. Notwithstanding anything in the Plan to the contrary, the maximum aggregate number of shares of Common Stock that shall be subject to Awards granted under the Plan to any one individual during any calendar year shall be 2,375,297 (such amount shall be subject to adjustment as provided in Section 21) (the "*Individual Limit*"). With respect to performance units, performance shares, or other types Awards that vary the number of shares of Common Stock that may be delivered in settlement of the Award based upon the achievement of performance criteria, the calculation of the Individual Limit shall be based upon the maximum number of shares issuable under each such Award.

(c) *Increases to Plan Limit*. Any shares of Common Stock related to Awards which terminate by expiration, forfeiture, cancellation or otherwise without the issuance of shares, are settled in cash in lieu of Common Stock, or are exchanged in the Committee's discretion for Awards not involving Common Stock, shall be available again for grant under the Plan. Further, any shares of Common Stock which are used by a Participant for the full or partial payment to the Company of the purchase price of shares of Common Stock upon exercise of a stock option granted under the Plan, or for any withholding taxes due as a result of such exercise of an Award, shall again be available for grants under the Plan. Only shares of Common Stock delivered upon exercise of a stock appreciation right ("*SAR*") shall be counted against the Plan Limit, and any shares covered by a SAR in excess of the number of shares of Common Stock delivered upon exercise of such SAR shall again be available for grant under the Plan.

(d) *Source of Shares*. The shares of Common Stock available for issuance under the Plan may be authorized and unissued shares or treasury shares.

6. Term

The effective date of this amendment and restatement of the Plan is July 31, 2020 (the "*Restatement Date*").

7. Participation

The Committee shall select, from time to time, Participants from those Eligible Employees who, in the opinion of the Committee, can further the Plan's purposes. Once a Participant is so selected, the Committee shall determine the type or types of Awards to be made to the Participant and shall establish in the related Award Notices the terms, conditions, restrictions and/or limitations, if any, applicable to the Awards in addition to those set forth in this Plan and the administrative rules and regulations issued by the Committee.

8. Stock Options

(a) *Grants*. Awards may be granted in the form of stock options to purchase Common Stock or Common Stock derivatives; provided, however, that following the Restatement Date,

Awards granted in the form of stock options shall be non-qualified stock options (*i.e.*, stock options which are not incentive stock options within the meaning of Section 422 of the Code).

(b) *Terms and Conditions of Options*. An option shall be exercisable in whole or in such installments and at such times as may be determined by the Committee. The price at which Common Stock may be purchased upon exercise of a stock option shall be established by the Committee, but such price shall not be less than the Fair Market Value of the Common Stock on the date of the stock option's grant.

(c) *Additional Terms and Conditions*. The Committee may, by way of the Award Notice or otherwise, establish such other terms, conditions, restrictions and/or limitations, if any, of any stock option; provided, however, that such terms, conditions, restrictions and limitations shall not be inconsistent with the Plan. Notwithstanding the forgoing, a stock option shall not be entitled to receive or accrue dividends or dividend equivalents.

(d) *Exercise*. Upon exercise, the option price of a stock option may be paid (i) in cash or by check, bank draft or money order payable to the order of the Company; (ii) in shares of Common Stock or shares of restricted Common Stock as to which restrictions have lapsed; (iii) a combination of the foregoing; or (iv) such other consideration as the Committee may deem appropriate. Subject to the discretion of the Committee, any option granted under the Plan may be exercised by a broker-dealer acting on behalf of a Participant if (i) the broker-dealer has received from the Participant or the Company a fully- and duly-endorsed agreement evidencing such option and instructions (including written instructions pursuant to a Rule 10b5-1 trading plan) signed by the Participant requesting the Company to deliver the shares of Common Stock subject to such option to the broker-dealer on behalf of the Participant and specifying the account into which such shares should be deposited, (ii) adequate provision has been made with respect to the payment of any withholding taxes due upon such exercise and (iii) the broker-dealer and the Participant have otherwise complied with Section 220.3(e)(4) of Regulation T, 12 CFR Part 220 and any successor rules and regulations applicable to such exercise. The Committee shall establish appropriate methods for accepting Common Stock, whether restricted or unrestricted, and may impose such conditions as it deems appropriate on the use of such Common Stock to exercise a stock option.

9. Stock Appreciation Rights

(a) *Grants*. Awards may be granted in the form of SARs. A SAR may be granted in tandem with all or a portion of a related stock option under the Plan ("*Tandem SARs*"), or may be granted separately ("*Freestanding SARs*"). A Tandem SAR may be granted either at the time of the grant of the related stock option or at any time thereafter during the term of the stock option. SARs shall entitle the recipient to receive a payment equal to the appreciation in market value of a stated number of shares of Common Stock from the exercise price to the market value on the date of exercise.

(b) *Terms and Conditions of Tandem SARS*. A Tandem SAR shall be exercisable to the extent, and only to the extent, that the related stock option is exercisable, and the "exercise price" of such an SAR (the base from which the value of the SAR is measured at its exercise) shall be the option price under the related stock option. However, at no time shall a Tandem SAR be issued if the option price of its related stock option is less than the Fair Market Value of the

Common Stock on the date of the Tandem SAR's grant. The exercise of a Tandem SAR or related stock option will result in the simultaneous cancellation of the same portion of the related stock option or Tandem SAR, as the case may be, as was exercised.

(c) *Terms and Conditions of Freestanding SARS*. Freestanding SARs shall be exercisable in whole or in such installments and at such times as may be determined by the Committee and designated in the Award Notice. The exercise price of a Freestanding SAR shall also be determined by the Committee; provided, however, that such price shall not be less than the Fair Market Value of the Common Stock on the date of the Freestanding SAR's grant.

(d) *Deemed Exercise*. The Committee may provide that an SAR shall be deemed to be exercised at the close of business on the scheduled expiration date of such SAR, if at such time the SAR by its terms remains exercisable and, if exercised, would result in a payment to the holder of such SAR.

(e) *Additional Terms and Conditions*. The Committee may, by way of the Award Notice or otherwise, determine such other terms, conditions, restrictions and/or limitations, if any, of any SAR Award, provided they are not inconsistent with the Plan. Notwithstanding the forgoing, a SAR shall not be entitled to receive or accrue dividends or dividend equivalents.

10. Stock Awards

(a) *Grants*. Awards may be granted in the form of Stock Awards. Stock Awards may consist of grants of Common Stock, restricted shares of Common Stock or restricted stock units, and may be granted either for consideration or for no consideration, as determined by the Committee. Stock Awards shall be awarded in such numbers and at such time during the term of the Plan as the Committee shall determine.

(b) *Terms and Conditions of Awards*. Stock Awards shall be subject to such terms, conditions, restrictions, and/or limitations, if any, as the Committee deems appropriate including, but not by way of limitation, restrictions on transferability and continued employment. The Committee may modify or accelerate the delivery of a Stock Award under such circumstances as it deems appropriate, unless the Stock Award is subject to the provisions of Section 409A of the Code.

(c) *Rights as Shareholders*. During the period in which any restricted shares of Common Stock are subject to the restrictions imposed under Section 10(b), the Committee may, in its discretion, grant to the Participant to whom such restricted shares have been awarded all or any of the rights of a shareholder with respect to such shares, including, but not by way of limitation, the right to vote such shares and to receive dividends (subject to any vesting, mandatory reinvestment or other requirement imposed by the Committee). A Participant to whom restricted stock units have been granted shall have only the rights of a general unsecured creditor of the Company and shall not be a shareholder with respect to the shares of Common Stock underlying the restricted stock units unless and until the restricted stock units convert to shares of Common Stock; provided, however, that the Committee may, in its discretion, grant dividend equivalent rights with respect to restricted stock units.

(d) *Evidence of Award*. Any Stock Award granted under the Plan may be evidenced in such manner as the Committee deems appropriate, including, without limitation, registration in the name of the Company, book-entry registration or issuance of a stock certificate or certificates. If certificates representing restricted shares of Common Stock are registered in the name of the Participant, the Committee may require (i) that such certificates bear an appropriate legend referring to the terms, conditions and restrictions applicable to such restricted shares, (ii) that the Company retain physical possession of the certificates and (iii) that the Participant deliver a stock power to the Company, endorsed in blank, relating to the restricted shares.

11. Performance Units

(a) *Grants*. Awards may be granted in the form of performance units. Performance units, as that term is used in this Plan, shall refer to Units valued by reference to designated criteria established by the Committee, other than Common Stock.

(b) *Performance Criteria*. Performance units shall be contingent on the attainment during a performance period of designated performance objectives. The length of the performance period, the performance objectives to be achieved during the performance period, and the measure of whether and to what degree such objectives have been attained shall be determined by the Committee. Performance objectives may be revised by the Committee, at such times as it deems appropriate during the performance period, in order to take into consideration any unforeseen events or changes in circumstances.

(c) *Additional Terms and Conditions*. The Committee may, by way of the Award Notice or otherwise, determine such other terms, conditions, restrictions, and/or limitations, if any, of any Award of performance units, provided they are not inconsistent with the Plan.

12. Performance Shares

(a) *Grants*. Awards may be granted in the form of performance shares. Performance shares, as that term is used in this Plan, shall refer to shares of Common Stock or Units which are expressed in terms of Common Stock.

(b) *Performance Criteria*. Performance shares shall be contingent upon the attainment during a performance period of designated performance objectives. The length of the performance period, the performance objectives to be achieved during the performance period, and the measure of whether and to what degree such objectives have been attained shall be conclusively determined by the Committee. Performance objectives may be revised by the Committee, at such times as it deems appropriate during the performance period, in order to take into consideration any unforeseen events or changes in circumstances.

(c) *Additional Terms and Conditions*. The Committee may, by way of the Award Notice or otherwise, determine such other terms, conditions, restrictions and/or limitations, if any, of any Award of performance shares, provided they are not inconsistent with the Plan.

13. Other Incentive Awards

(a) *Form of Awards*. The Committee may provide for the grant of other forms of incentive awards not specified above under the terms of the Plan, including Awards that are payable in whole or in part in cash and whose value is not related to Common Stock.

(b) *Terms and Conditions*. The terms and conditions of other incentive awards shall be determined by the Committee and communicated to the applicable Participants in the Award Document.

14. [Intentionally Omitted]

15. Claw back Provision

All Awards granted under the Plan shall be subject to the Company's claw back, recoupment, forfeiture and repayment policies as in effect from time to time. By accepting an Award, a Participant agrees promptly to repay or return to the Company the gross amount received in payment or settlement of any Award to the extent that the Committee requires such repayment in accordance with the terms and provisions of the applicable policy, as construed and applied by the Committee.

16. Payment of Awards

At the discretion of the Committee, payment of Awards may be made in cash, Common Stock, a combination of cash and Common Stock, or any other form of property as the Committee shall determine; provided, however, that, unless otherwise expressly stated in the Award Notice for a specific Award and other than payments for partial shares of Common Stock, all Awards that are stock options, stock settled SARs, Stock Awards (including restricted shares of Common Stock) and performance units or performance shares payable in shares of Common Stock shall be paid in shares of Common Stock and not cash or any other form of property. In addition, payment of Awards may include such terms, conditions, restrictions, and/or limitations, if any, as the Committee deems appropriate, including, in the case of Awards paid in the form of Common Stock, restrictions on transfer and forfeiture provisions. Further, payment of Awards may be made in the form of a lump sum or installments, as determined by the Committee. To the extent that an Award constitutes deferred compensation under Section 409A of the Code, then such payment, distribution or transfer shall be made in accordance with the provisions of Section 409A of the Code and the Award Notice shall contain provisions that comply with the distribution restrictions contained in Section 409A of the Code (including, in the case of a specified employee, the requirement that any payment made on account of the Participant's separation from service shall not be made earlier than the first business day of the seventh month following the Participant's separation from service, or if earlier the date of death of the Participant). Any payment that is delayed in accordance with the foregoing sentence shall be made on the first business day following the expiration of such six (6) month period. The terms "specified employee" and "separation from service" shall have the meaning assigned to such terms under Section 409A of the Code.

17. Termination of Employment

If a Participant's employment with the Company or a Subsidiary terminates for a reason other than death, disability, retirement, or any approved reason, all unexercised, unearned, and/or

unpaid Awards, including, but not by way of limitation, Awards earned, but not yet paid, all unpaid dividends and dividend equivalents, and all interest accrued on the foregoing shall be cancelled or forfeited, as the case may be, unless the Committee provides otherwise. The Committee shall have the authority to promulgate rules and regulations to (i) determine what events constitute disability, retirement, or termination for an approved reason for purposes of the Plan, and (ii) determine the treatment of a Participant under the Plan in the event of his death, disability, retirement, or termination for an approved reason. To the extent applicable, such rules and regulations shall conform to the provisions of Section 409A of the Code and the regulations promulgated thereunder.

18. Dividends and Dividend Equivalents

If an Award is granted in the form of a Stock Award, performance share, or any other stock-based grant (other than a stock option or SAR), the Committee may, at the time of the grant of the Award or any time thereafter up to the time of the Award's payment (and subject to the provisions of Section 409A of the Code to the extent applicable to the Award), to the extent the grant of such Award does not already result in the Participant having the rights of a shareholder of the Company, include as part of such Award an entitlement to receive dividend equivalents, subject to such terms, conditions, restrictions, and/or limitations, if any, as the Committee may establish. Dividends equivalents shall be paid to the Participant at the time and in the manner specified by the Committee in the applicable Award Document. Dividends equivalents may, at the Committee's discretion, accrue interest, be reinvested into additional shares of Common Stock or, in the case of dividends or dividend equivalents credited in connection with performance shares, be credited as additional performance shares.

19. Additional Terms Relating to Outstanding Awards

Except in connection with a corporate transaction involving the Company (including, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, or exchange of shares), the terms of outstanding awards may not be amended to reduce the exercise price of outstanding options or SARs or cancel outstanding options or SARs in exchange for cash, other awards or options or SARs with an exercise price that is less than the exercise price of the original options or SARs without stockholder approval.

20. Nonassignability

No stock options, SARs, performance shares or other derivative securities (as defined in the rules and regulations promulgated under Section 16 of the Exchange Act) awarded under the Plan shall be subject in any manner to alienation, anticipation, sale, transfer, assignment, pledge, or encumbrance, except for transfers by will or the laws of descent and distribution; provided, however, that the Committee may, subject to such terms and conditions as the Committee shall specify, permit the transfer of an Award to a Participant's family members or to one or more trusts established in whole or in part for the benefit of one or more of such family members; provided, further, that the restrictions in this sentence shall not apply to the shares of Common Stock received in connection with an Award after the date that the restrictions on transferability of such shares set forth in the applicable Award Notice have lapsed. During the lifetime of the Participant, an Option,

SAR, or similar-type other award shall be exercisable only by him or by the family member or trust to whom such Option, SAR, or other Award has been transferred in accordance with the previous sentence.

21. Adjustment of Shares Available

(a) In the event of a merger, consolidation, stock rights offering, liquidation, or similar event affecting the Company or any of its Affiliates (each, a "*Corporate Event*") or a stock dividend, stock split, reverse stock split, separation, spinoff, disaffiliation, reorganization, extraordinary dividend of cash or other property, share combination, or recapitalization or similar event affecting the capital structure of the Company (each, a "*Share Change*"), the Committee or the Board shall make such equitable and appropriate substitutions or adjustments to (A) the aggregate number of shares of Common Stock reserved for issuance and delivery under the Plan, (B) the various maximum limitations set forth in the Plan upon certain types of Awards and upon the grants to individuals of certain types of Awards, (C) the number of shares of Common Stock subject to outstanding Awards and (D) the exercise price of outstanding Awards as it deems appropriate.

(b) In the case of Corporate Events, such adjustments may include, without limitation, (A) the cancellation of outstanding Awards in exchange for payments of cash, securities or other property or a combination thereof having an aggregate value equal to the value of such Awards, as determined by the Committee or the Board in its sole discretion (it being understood that in the case of a Corporate Event with respect to which shareholders receive consideration other than publicly traded equity securities of the ultimate surviving entity, any such determination by the Committee that the value of an stock option or stock appreciation right shall for this purpose be deemed to equal the excess, if any, of the value of the consideration being paid for each share pursuant to such Corporate Event over the exercise price of such stock option or stock appreciation right shall conclusively be deemed valid), and (B) the substitution of securities or other property (including, without limitation, cash or other securities of the Company and securities of entities other than the Company) for the shares subject to outstanding Awards.

(c) In connection with any disaffiliation, separation, spinoff, or other similar event, the Committee or the Board may arrange for the assumption of Awards, or replacement of Awards with new awards based on securities or other property (including, without limitation, other securities of the Company and securities of entities other than the Company), by the affected affiliate or business division or by the entity that controls such affiliate or business division following such event (as well as any corresponding adjustments to Awards that remain based upon Company securities). Such replacement with new awards may include revision of award terms reflective of circumstances associated with the disaffiliation, separation, spinoff or other similar event.

(d) If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company or the applicable Affiliate, business division or other operational unit of, or the manner in which any of the foregoing conducts its business, or other events or circumstances render the performance goals applicable to an Award to be unsuitable, the Committee may modify such performance goals or the related minimum acceptable level of achievement, in whole or in part, as the Committee deems appropriate and equitable.

(e) Notwithstanding the foregoing: (i) any adjustments made pursuant to this Section 21 to Awards that are considered "deferred compensation" within the meaning of Section 409A of the Code shall be made in compliance with the requirements of Section 409A of the Code; (ii) any adjustments made pursuant to this Section 21 to Awards that are not considered "deferred compensation" subject to Section 409A of the Code shall be made in such a manner as to ensure that after such adjustment, the Awards either (A) continue not to be subject to Section 409A of the Code or (B) comply with the requirements of Section 409A of the Code; and (iii) in any event, neither the Committee nor the Board shall have the authority to make any adjustments pursuant to Section 21 to the extent the existence of such authority would cause an Award that is not intended to be subject to Section 409A of the Code at the grant date to be subject thereto.

22. Withholding Taxes

The Company shall be entitled to deduct from any payment under the Plan, regardless of the form of such payment, the amount of all applicable income and employment taxes required by law to be withheld with respect to such payment or may require the Participant to pay to it such tax prior to and as a condition of the making of such payment. To the extent permitted by applicable law, the Committee shall be entitled to deduct and withhold additional amounts so long as such additional deductions would not cause an Award classified as equity under applicable accounting principles and standards to be classified as a liability under such principles and standards. In accordance with any applicable administrative guidelines it establishes, the Committee may allow a Participant to pay the amount of taxes required by law to be withheld from an Award by withholding from any payment of Common Stock due as a result of such Award, or by permitting the Participant to deliver to the Company, shares of Common Stock, having a fair market value, as determined by the Committee, equal to the amount of such required withholding taxes.

23. Noncompetition Provision

Unless the Award Notice specifies otherwise, a Participant shall forfeit all unexercised, unearned, and/or unpaid Awards, including, but not by way of limitation, Awards earned but not yet paid, the right to all dividends and dividend equivalents, and all interest, if any, accrued on the foregoing if, (i) in the opinion of the Committee, the Participant, without the written consent of the Company, engages directly or indirectly in any manner or capacity as principal, agent, partner, officer, director, employee, or otherwise, in any business or activity competitive with the business conducted by the Company or any Subsidiary; or (ii) the Participant performs any act or engages in any activity which in the opinion of the Chief Executive Officer of the Company is inimical to the best interests of the Company. In addition, the Committee may, in its discretion, condition the grant, exercise, payment or deferral of any Award made under the Plan, or the right to any dividends and dividend equivalents, on a Participant's compliance with the terms of this Section 23 and any other terms specified by the Committee in the Award Notice, and cause such a Participant to forfeit any payment which is deferred or to grant to the Company the right to obtain equitable relief if the Participant fails to comply with the terms hereof.

24. Amendments to Awards

The Committee may at any time unilaterally amend any unexercised, unearned, or unpaid Award, including, but not by way of limitation, Awards earned but not yet paid, to the extent it deems appropriate; provided, however, that any such amendment which, in the opinion of the Committee, is adverse to the Participant shall require the Participant's consent (unless such amendment is necessary or advisable, in the opinion of the Committee, to conform to or maintain compliance with any and all applicable statutes, regulations and rules). Notwithstanding the preceding sentence, the Committee may not accelerate the payment or settlement of any Award that constitutes a deferral of compensation for purposes of Section 409A of the Code, except to the extent such acceleration would not result in the Participant incurring interest or additional tax under Section 409A of the Code.

25. Compliance with Law

Notwithstanding anything contained in this Plan to the contrary, the Company shall have no obligation to issue or deliver certificates of Common Stock evidencing Stock Awards or any other Award resulting in the payment of Common Stock prior to (a) the obtaining of any approval from, or satisfaction of any waiting period or other condition imposed by, any governmental agency which the Company shall, in its sole discretion, determine to be necessary or advisable, (b) the admission of such shares to listing on the stock exchange on which the Common Stock may be listed, and (c) the completion of any registration or other qualification of said shares under any state or federal law or ruling of any governmental body which the Company shall, in its sole discretion, determine to be necessary or advisable. With respect to persons subject to Section 16 of the Exchange Act, it is the intent of the Company that the Plan and all transactions under the Plan comply with all applicable provisions of Rule 16b-3, as the rule may be amended or replaced, under the Exchange Act.

26. No Right to Continued Employment or Grants

Participation in the Plan shall not give any Eligible Employee any right to remain in the employ of the Company or any Subsidiary. The Company or, in the case of employment with a Subsidiary, the Subsidiary, reserves the right to terminate any Eligible Employee at any time. Further, the adoption of this Plan shall not be deemed to give any Eligible Employee or any other individual any right to be selected as a Participant or to be granted an Award.

27. Amendment to the Plan

The Board or the Committee may suspend or terminate the Plan at any time. In addition, the Board or the Committee may, from time to time, amend the Plan in any manner. To the extent required by applicable law or the rules of the New York Stock Exchange or the rules of any other exchange on which the Common Stock is listed, amendments to the Plan shall not be effective unless they are approved by the Company's shareholders.

28. Governing Law

The Plan shall be governed by and construed in accordance with the laws of the State of Maryland except as superseded by applicable Federal Law.

29. Section 409A

To the extent that Section 409A of the Code applies to any election or payment, distribution or transfer made in connection with an Award, then such election, payment, distribution or transfer made shall be made in conformance with the provisions of Section 409A of the Code, and if the provisions of any such Award are subject to more than one interpretation or construction, such ambiguity shall be resolved in favor of that interpretation or construction which is consistent with the Award complying with the applicable provisions of Section 409A of the Code (including, but not limited to the restrictions applicable to specified employees with respect to any payment, distribution or transfer made on account of a Participant's separation from service).

Franklin Templeton, Inc.
2023 Restricted Fund Unit Plan

Effective October 18, 2023
Amended and Restated as of September 10, 2025
Name Change Effective as of August 17, 2026

1. General

1.1 Purpose. The Franklin Templeton, Inc. 2023 Restricted Fund Unit Plan (the "Plan") has been established by Franklin Templeton, Inc. (formerly Franklin Resources, Inc.), a Delaware corporation (the "Company"), to (i) attract and retain persons eligible to participate in the Plan; (ii) motivate Participants, by means of appropriate incentives, to achieve long-range performance goals; (iii) provide incentive compensation opportunities that are competitive with those of other similar companies; and (iv) promote the long-term financial interest of the Company and the Subsidiaries.

1.2 Participation. Subject to the terms and conditions of the Plan, the Administrator shall determine and designate, from time to time, Participants who will be granted one or more Awards under the Plan. Awards may be granted as alternatives to or replacement of awards outstanding under the Plan. Designation of a Participant to receive an Award in any year shall not require the Administrator to designate such person to receive an Award in any other year or, once designated, to receive the same type or amount of an Award as granted to such person in any other year.

1.3 Operation, Administration, and Definitions. The operation and administration of the Plan, including the Awards made under the Plan, shall be subject to the provisions of Section 3. Capitalized terms in the Plan shall be defined as set forth in the Plan (including the definition provisions of Section 8 of the Plan).

2. Restricted Fund Unit Awards

2.1 Units. The Plan permits the grant of Awards to Participants. The Award Agreement for an Award shall specify the number of Units granted pursuant to the Award and either (i) the applicable Fund(s) to which such Units relate or (ii) that the Participant receiving such Award shall have the opportunity to select the applicable Fund(s) to which such Units relate in accordance with Section 4.5. Each Unit granted pursuant to an Award shall represent the right to receive the value of one Fund Share in the applicable Fund, as determined herein and in the Award Agreement.

2.2 Terms and Conditions of Awards. Awards shall be subject to such terms, conditions, restrictions and contingencies as the Administrator shall determine and set forth in the applicable Award Agreement or otherwise, including, without limitation, whether an Award granted to a Participant shall be subject to vesting, a risk of forfeiture or other restriction that will lapse upon the achievement of certain service and/or performance goals.

2.3 Form of Settlement. Awards shall be settled in cash, unless the Award Agreement or the Administrator provides for settlement in Fund Shares, the granting of replacement Award(s), or a combination thereof.

2.4 Settlement Timing. Except as may otherwise be provided by the Administrator or as set forth in an Award Agreement, any Unit granted pursuant to an Award that vests shall be settled as soon as practicable after the applicable vesting date, but in any event, within the period ending on the later to occur of the date that is two and a half (2½) months from the end of (i) Participant's tax year (which shall be deemed the calendar year for a Participant not subject to taxation in the United States) that includes the applicable vesting date, or (ii) the Company's tax year that includes the applicable vesting date (such period, the "Short-Term Deferral Period").

2.5 Cash Settlement. Any cash payment made in settlement of vested Units shall be equal to the Vested Value.

3. Operation and Administration

3.1 Effective Date. The Plan shall become effective as of the date the Board adopts the Plan (the "Effective Date"). The Plan shall be unlimited in duration and, in the event of the Plan's termination, shall remain in effect as long as any Awards under it are outstanding.

3.2 Compliance with Applicable Laws. Notwithstanding any other provision of the Plan, the Company shall have no liability to pay any cash, cause to be delivered any Fund Shares or make any other distribution of benefits under the Plan unless such payment, delivery, or distribution would comply with all Applicable Laws.

3.3 Tax Withholding. All benefits under the Plan are subject to withholding of all applicable taxes, and the Administrator may condition the payment of cash, delivery of any Fund Shares, or other distribution of benefits under the Plan on satisfaction of the applicable tax withholding obligations. The Administrator, in its discretion, and subject to such requirements as the Administrator may impose prior to the occurrence of such tax withholding, may permit such tax withholding obligations to be satisfied through (a) cash payment by the Participant or (b) the withholding of Fund Shares or cash to which the Participant is otherwise entitled under the Plan.

3.4 Dividends and Dividend Equivalents. Except as may otherwise be provided by the Administrator or as set forth in an Award Agreement, any dividends that are paid from time to time with respect to the Fund Shares represented by the Units granted pursuant to an Award shall be deemed reinvested in the Fund Shares with respect to which the dividend was paid (subject to any subsequent changes in the Fund(s) applicable to the Award), shall be credited to Participant as additional Units under such Award and shall vest and be settled in accordance with the same vesting and settlement conditions applicable to the Units pursuant to which the dividends were originally paid. The Administrator shall have sole discretion to determine whether a dividend has been paid with respect to any Fund Shares and the amount of any such dividends.

3.5 Payment Deferral. The Administrator may permit or require the deferral of any Award payment, subject to such rules and procedures as it may establish and in accordance with Section 409A of the Code, which may include provisions for the payment or crediting of interest, or dividend equivalents, including converting such credits into deferred Fund Share equivalents.

3.6 Payment by Subsidiaries. Each Subsidiary shall be liable for payment of cash due under the Plan with respect to any Participant to the extent that such benefits are attributable to the services rendered for that Subsidiary by the Participant. Any disputes relating to liability of a Subsidiary for cash payments shall be resolved by the Administrator. For the avoidance of any doubt, this is for administration purposes only and any cash payment made to a Participant by a Subsidiary in respect of any Award under this Plan shall not form part of normal or expected employment-related remuneration for the purposes of calculating any severance, bonus, retirement, welfare or other benefit or entitlement under Applicable Law. Any payment of cash made by a Subsidiary to a Participant in connection with an Award under this Plan should not be taken as a guarantee of any future payment.

3.7 Non-alienation of Awards. Unless specifically provided by the Administrator in the Award Agreement, Awards under the Plan may not be sold, assigned, conveyed, hypothecated, encumbered, anticipated, or otherwise disposed of, and are nontransferable except as designated by the Participant by will or by the laws of descent and distribution; provided, that an Award Agreement shall not provide that an Award is transferable during the lifetime of the Participant, except to the extent that such Award Agreement permits transfers made to family members, to family trusts, to family controlled entities, to charitable organizations, and/or pursuant to domestic relations orders or agreements, in all cases without payment for such transfers to the Participant. Any attempt to sell, assign, convey, hypothecate,

encumber, anticipate, transfer, or otherwise dispose of any Award under the Plan in violation of this Section 3.7 shall be void, and no cash or Fund Shares subject to any Award shall, prior to receipt thereof by a Participant, be in any manner subject to the debts, contracts, liabilities, engagements, or torts of such Participant.

3.8 Agreement With Company. An Award under the Plan shall be subject to such terms and conditions, not inconsistent with the Plan, as the Administrator shall, in its sole discretion, prescribe. The terms and conditions of any Award to any Participant shall be reflected in an Award Agreement, a copy of which shall be provided to the Participant, and the Administrator may, but need not require that the Participant shall sign a copy of such Award Agreement.

3.9 Gender and Number. Where the context admits, words in any gender shall include any other gender, words in the singular shall include the plural and the plural shall include the singular.

3.10 Limitation of Implied Rights.

(a) Neither a Participant nor any other person shall, by reason of participation in the Plan, acquire any right in or title to any assets, funds or property of a Fund, the Company or any Parent or Subsidiary whatsoever, including, without limitation, any specific funds, assets, or other property which the Company or any Parent or Subsidiary, in their sole discretion, may set aside in anticipation of a liability under the Plan. A Participant shall have only a contractual right to the benefits, if any, payable under the Plan, unsecured by any assets of the Company or any Parent or Subsidiary, and nothing contained in the Plan shall constitute a guarantee that the assets of the Company or any Parent or Subsidiary shall be sufficient to pay any benefits to any person.

(b) The Plan does not constitute a contract of employment or service, and selection as a Participant will not give any Participant the right to be retained in the employment or service of the Company or any Parent or Subsidiary, nor any right or claim to any benefit under the Plan or local employment contract, unless such right or claim has specifically accrued under the terms of the Plan. Participants shall not have any right in, to or with respect to any of the Fund Shares (including any voting rights) to which Units under the Award relate.

3.11 Annual Incentive Plan. Any Award that is granted in accordance with the Annual Incentive Plan shall be subject to the Plan and the applicable Award Agreement.

4. Administration

4.1 Administrator. The authority to control and manage the operation and administration of the Plan shall be vested in the Administrator. The “Administrator” shall mean the Compensation Committee of the Board (“Compensation Committee”) and/or another committee of the Board to the extent of such other committee’s authority granted by the Board (each such committee, including the Compensation Committee, a “Committee”). Neither the Company nor any member of a Committee shall be liable for any action or determination made in good faith by a Committee with respect to the Plan or any Award thereunder.

4.2 Powers of Administrator. The Administrator’s administration of the Plan shall be subject to the authority granted to such Administrator by the Board and the following:

(a) Subject to the provisions of the Plan, the Administrator will have the authority and discretion to select from among the Participants those persons who shall receive Awards, to determine the time or times of receipt, to determine the number of Units covered by the Awards, to determine the grant date value of the Awards, to determine the Fund(s) applicable to such Awards or to provide the Participant receiving an Award an opportunity to select the Fund(s) applicable to such Award (subject to Section 4.5), to provide Participants with an opportunity

to change the selection of Fund(s) applicable to their Awards from time to time (subject to Section 4.6), to establish the terms, conditions, performance criteria, restrictions, and other provisions of such Awards, and (subject to Section 6) to cancel or suspend Awards.

(b) To the extent that the Administrator determines that the restrictions imposed by the Plan preclude the achievement of the material purposes of the Awards in jurisdictions outside the United States, such Administrator will have the authority and discretion to modify those restrictions as such Administrator determines to be necessary or appropriate to conform to applicable requirements or practices of jurisdictions outside of the United States.

(c) The Administrator may grant Awards to Participants who are subject to the tax laws of nations other than the United States, which Awards may have terms and conditions as determined by the Administrator as necessary to comply with applicable foreign laws. The Administrator may take any action which it deems advisable to obtain approval of such Awards by the appropriate foreign government entity; provided, however, that no such Awards may be granted under this Plan and no action may be taken which would result in a violation of any Applicable Law.

(d) In controlling and managing the operation and administration of the Plan, the Administrator shall take action in a manner that conforms to the articles and by-laws of the Company, and Applicable Law.

(e) Notwithstanding the authority granted to any other Administrator, the Compensation Committee will have the sole authority and discretion to interpret the Plan, to establish, amend, and rescind any rules and regulations relating to the Plan, and to make all other determinations that may be necessary or advisable for the administration of the Plan. The Compensation Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Compensation Committee deems necessary or advisable. Any decision of the Compensation Committee in the interpretation and administration of the Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, without limitation, Participants and their beneficiaries or successors).

4.3 Delegation. The Compensation Committee may delegate its authority and duties under the Plan to the Chief Executive Officer and/or to other executive officers of the Company under such conditions and/or subject to such limitations as the Compensation Committee may establish and as limited by and subject to Applicable Law. Except to the extent prohibited by Applicable Law, a Committee may allocate in writing all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its ministerial duties to any person or persons selected by it; provided, however, that any such allocation or delegation may be revoked by a Committee at any time. In the event that a Committee's authority is delegated to Committee members, officers or employees in accordance with the foregoing, all provisions of the Plan relating to the Administrator shall be interpreted in a manner consistent with the foregoing by treating any such reference to the Administrator as a reference to such Committee members, officers or employees for such purpose. Any action undertaken in accordance with a Committee's delegation of authority hereunder shall have the same force and effect as if such action was undertaken directly by a Committee and shall be deemed for all purposes of the Plan to have been taken by a Committee.

4.4 Information to be Furnished to Administrator. The records of the Company and its Subsidiaries as to a Participant's employment, termination of employment, leave of absence, reemployment and compensation shall be conclusive on all persons unless determined to be incorrect. Participants must

furnish the Administrator such evidence, data or information as such Administrator considers desirable to carry out the terms of the Plan in order to be entitled to benefits under the Plan.

4.5 Selection of Initial Fund(s) by Participants. In lieu of the Administrator determining the Fund(s) applicable to an Award, the Administrator may provide the Participant with an opportunity to select the initial Fund(s) applicable to the Award in accordance with rules and procedures established by the Administrator. Unless otherwise determined by the Administrator, the Participant shall select the initial Fund(s) applicable to an Award on the website of the third-party stock administration provider used by the Company during the period of time specified by the Administrator, and such selection shall become effective upon the expiration of such period. If a Participant fails to timely select any Fund(s) for an Award, the Administrator shall determine the initial Fund(s) applicable to such Award.

4.6 Changes to Selection of Fund(s) by Participants. From time to time, the Administrator may provide Participants with an opportunity to change the selection of Fund(s) applicable to an Award in accordance with rules and procedures established by the Administrator. The Administrator shall have the authority to determine the frequency in which such new Fund selections are made. Unless otherwise determined by the Administrator, the Participant shall make a new selection of Fund(s) applicable to an Award on the website of the third-party stock administration provider used by the Company during the period of time specified by the Administrator, and such selection shall become effective upon the expiration of such period. If a Participant does not timely make a new selection of Fund(s), the current selection of Fund(s) shall continue to apply to the Award.

4.7 Administrator Authority to Change Fund(s) Applicable to Award. Notwithstanding anything to the contrary in Section 4.5 or Section 4.6, the Administrator shall have the authority to select, or change the selection of, one or more Funds applicable to an Award if the Administrator determines such action to be necessary or advisable (e.g., due to the termination of a Fund).

4.8 Fund Changes. Except as otherwise determined by the Administrator, when a Fund change is made for any reason, the Administrator shall determine the then-current total value of the Award (inclusive of any amounts corresponding to dividends) and the new Fund(s) shall be applicable to such value.

5. Adjustments Upon Changes in Capitalization or Corporate Transaction

5.1 Changes in Capitalization of a Fund. In the event of any change of capitalization with respect to the Fund Shares applicable to an Award for any reason, the Administrator shall make such substitution or adjustment, if any, as it deems to be equitable in order to prevent the enlargement or diminution of the benefits or potential benefits intended to be made available under the Plan, subject to any required action by the stockholders of the Company, as to (a) the number and/or kind of Fund Shares covered by each outstanding Award, (b) any other value determinations applicable to the Plan and/or outstanding Awards, and (c) any other terms of an Award that are affected by the event.

5.2 Company Transaction. In the event of the proposed dissolution or liquidation of the Company or of a merger or corporate combination of the Company (a "Transaction") in which the successor entity does not agree to continue or assume the Award or substitute an equivalent Award, the Administrator shall make a determination (subject to Section 6) as to the equitable treatment of outstanding Awards under the Plan and shall notify Participants of such treatment no later than ten (10) days prior to such proposed Transaction. In the event the Award is not continued or assumed in connection with a Transaction, the Award will terminate upon the consummation of such proposed Transaction.

5.3 Cessation of Fund. Except as may otherwise be provided by the Administrator or as set forth in an Award Agreement, in the event that any one or more Funds applicable to an Award ceases to exist (a "Closed Fund"), the following will occur: (a) the number of Units relating to any such Closed Fund shall cease to apply, (b) the value of the Closed Fund, as at the date of cessation, shall be determined by the Administrator (the "Cessation Value"), and (c) the Administrator will determine, in its sole discretion, any one or more appropriate alternative Funds and allocate to Participant such number of Units

representing, at the date of such allocation, value in such one or more Funds of an amount equal to the applicable Cessation Value.

6. Amendment and Termination

The Administrator may, at any time, amend or terminate the Plan; provided, that no amendment or termination may materially and adversely affect the rights of any Participant or beneficiary under any Award granted under the Plan prior to the date such amendment is adopted by the Administrator or such termination occurs unless written consent of the change by the affected Participant (or, if the Participant is not then living, the affected beneficiary) is obtained; provided, that, anything to the contrary notwithstanding, the Administrator may amend the Plan in such manner as it deems necessary to cause an Award to comply with the requirements of the Code or any other Applicable Law, to avoid adverse tax consequences, or for changes in new accounting standards. Notwithstanding anything herein to the contrary, modifications or adjustments pursuant to Sections 5.1 or 5.2 or 5.3 shall in no event be deemed to have an adverse effect on any Award.

7. Forfeiture Events

The Administrator may specify in an Award Agreement that a Participant's rights, payments and benefits with respect to an Award are subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of the Award. Such events may include, without limitation, termination of a Participant's Service for Cause (as such term or like term is defined in the Award Agreement), a Participant's violation of applicable laws, regulations or policies of the Company or any of its subsidiaries, breach of noncompetition, non-solicitation, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company, as determined by the Administrator in its sole and absolute discretion.

8. Defined Terms

In addition to the other definitions contained herein, the following definitions shall apply:

(a) "Administrator" has the meaning set forth in Section 4.1 of the Plan.

(b) "Annual Incentive Plan" means the Franklin Templeton, Inc. Amended and Restated Annual Incentive Compensation Plan, as may be further amended, restated, or replaced.

(c) "Applicable Law" means the corporate, securities, tax and other laws applicable to the Plan and the grant of Awards thereunder.

(d) "Award" means any award of Units granted to a Participant under the Plan.

(e) "Award Agreement" means a written agreement between the Company and a holder of an Award, executed by the Company, evidencing the terms and conditions of the Award.

(f) "Board" means the Board of Directors of the Company.

(g) "Code" means the Internal Revenue Code of 1986, as amended. A reference to any provision of the Code shall include reference to any successor provisions of the Code.

(h) "Continuous Status as an Employee or Consultant" as used in Award Agreements means the absence of any interruption or termination of the Service relationship with the Company or any Subsidiary. Continuous Status as an Employee or Consultant shall not be considered interrupted in the case of: (i) sick leave, military leave or any other leave of absence approved by the Administrator, provided that such leave is for a period of not more than ninety (90) days, unless reemployment or Service upon the expiration of such leave is guaranteed by contract or statute, or

unless provided otherwise pursuant to Company policy adopted from time to time; or (ii) in the case of transfers between locations of the Company or between the Company, its Subsidiaries or its successor.

(i) "Controller" means the entity that decides how and why Personal Data are processed.

(j) "Disability" means that a Participant ceases to be an employee on account of disability as a result of which the Participant is determined to be disabled by the determining authority under the long-term or total permanent disability policy, or government social security or other similar benefit program, of the country or location in which Participant is employed and in the absence of such determining authority, as determined by the Administrator in accordance with the policies of the Company.

(k) "Fund" means an investment company in the Franklin Templeton fund family.

(l) "Fund Share" means one share of the applicable class of a series of the applicable Fund.

(m) "Parent" means a "parent corporation" of the Company, whether now or hereafter existing, as defined in Section 424(e) of the Code.

(n) "Participant" means any executive, employee, director or individual consultant of the Company or any of its Subsidiaries who is selected to receive an Award. An Award may be granted to an employee, in connection with hiring, retention or otherwise, prior to the date the employee first performs services for the Company or its Subsidiaries; provided, that such Awards shall not become vested prior to the date the employee first performs such services. The term "Participant" also includes any non-employee director of the Company or its Subsidiaries who is selected to receive an Award.

(o) "Personal Data" means any information relating to an identified or identifiable natural person (a "data subject").

(p) "Process," "processing" or "processed" means anything that is done with Personal Data, including collecting, storing, accessing, using, editing, disclosing, or deleting those data.

(q) "Service" means a Participant's employment with the Company or any Subsidiary or a Participant's service as a non-employee director or individual consultant with the Company or any Subsidiary, as applicable.

(r) "Short-Term Deferral Period" has the meaning set forth in Section 2.4 of the Plan.

(s) "Subsidiary" or "Subsidiaries" means any company during any period in which it is a "subsidiary corporation" (as that term is defined in Section 424(f) of the Code) with respect to the Company.

(t) "Unit" means a restricted fund unit.

(u) "Vested Value" means, except as otherwise determined by the Administrator or as set forth in an Award Agreement: (i) with regard to Fund Shares of closed-end Funds, the number of vested Fund Shares multiplied by the closing price per share of the applicable Fund on the primary stock exchange or NASDAQ stock market, as applicable, on which such Fund then trades on the applicable vesting date (or, if such date is not a trading day, on the last trading day prior to such date); or (ii) with regard to non-closed end Funds, the net asset value per share of the applicable non-closed end Fund calculated on the applicable date of determination as detailed in the Fund's prospectus (or, if the date of determination is not a trading day, on the last trading day prior to the date of determination).

9. Section 409A

The Plan is intended to comply with the requirements of Section 409A of the Code or an exemption or exclusion therefrom and, with respect to amounts that are subject to Section 409A of the Code, it is intended that the Plan be administered in all respects in accordance with Section 409A of the Code. Each payment under any Award shall be treated as a separate payment for purposes of Section 409A of the Code. In no event may a Participant, directly or indirectly, designate the calendar year of any payment to be made under any Award, but only to the extent such payment is considered "nonqualified deferred compensation" within the meaning of Section 409A of the Code. Notwithstanding any provision of the Plan or any Award Agreement to the contrary, in the event that a Participant is a "specified employee" within the meaning of Section 409A of the Code (as determined in accordance with the methodology established by the Company), amounts that constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code that would otherwise be payable on account of a separation from service within the meaning of Section 409A of the Code and during the six-month period immediately following a Participant's "separation from service" within the meaning of Section 409A of the Code ("Separation from Service") shall instead be paid or provided on the first business day after the date that is six months following the Participant's Separation from Service. If the Participant dies following the Separation from Service and prior to the payment of any amounts delayed on account of Section 409A of the Code, such amounts shall be paid to the personal representative of the Participant's estate within thirty (30) days after the date of the Participant's death. The Company shall use commercially reasonable efforts to implement the provisions of this Section 9 in good faith; provided, that neither the Company, any of its Subsidiaries, any Administrator nor any of the Company's or Subsidiary's employees, directors or representatives shall have any liability to any Participant with respect to this Section 9.

10. General Provisions

10.1 Other Compensation and Benefit Plans. The adoption of the Plan shall not affect any other incentive or other compensation plans in effect for the Company or any Subsidiary, nor shall the Plan preclude the Company from establishing any other forms of incentive or other compensation or benefit program for employees of the Company or any Subsidiary. Consistent with Section 3.6 above, the amount of any compensation deemed to be received by a Participant pursuant to an Award shall not constitute includable compensation for purposes of determining the amount of benefits to which a Participant is entitled under any other compensation or benefit plan or program of the Company or a Subsidiary, including, without limitation, under any pension or severance benefits plan, except to the extent specifically provided by the terms of any such plan.

10.2 Governing Law. The Plan shall be governed by, and all claims, disagreements, or disputes arising under or in connection with the Plan shall be resolved in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules, to the extent not preempted by the federal laws of the United States of America.

10.3 No Fractional Fund Shares. No fractional Fund Shares shall be issued or delivered pursuant to the Plan or any Award, and the Administrator shall determine whether cash, other securities or other property shall be paid or transferred in lieu of any fractional Fund Shares or whether such fractional Fund Shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

10.4 No Guarantees Regarding Tax Treatment. Neither the Company nor the Administrator make any guarantees to any person regarding the tax treatment of Awards or payments made under the Plan. Neither the Company nor the Administrator has any obligation to take any action to prevent the assessment of any tax on any person with respect to any Award under Section 409A of the Code, Section 4999 of the Code or otherwise and neither the Company nor the Administrator shall have any liability to a person with respect thereto.

10.5 Data Protection. In connection with implementing, administering and managing the Plan, the Company is the Controller with respect to processing Personal Data. Information concerning the Company's employee privacy practices and notices can be obtained through the Company Global Privacy Office.

Participants are responsible for: (i) providing the Company with accurate and up to date Personal Data; and (ii) updating those Personal Data in the event of any material changes.

FRANKLIN TEMPLETON, INC.

AMENDED AND RESTATED DEFERRED COMPENSATION FUND PLAN

(Effective as of August 17, 2026)

THIS AMENDED AND RESTATED FRANKLIN TEMPLETON, INC. DEFERRED COMPENSATION FUND PLAN (the "Plan") is adopted by FRANKLIN TEMPLETON, INC. (the "Company") as of the effective date set forth above (the "Effective Date"), under the terms and conditions hereinafter set forth, as may be further amended from time to time. This Plan was originally adopted effective as of November 16, 2021, as last amended and restated effective as of August 15, 2023. The Company hereby further amends and restates the Plan as set forth herein.

ARTICLE I

General

1.1. Purpose of Plan – The Company adopted the Plan to facilitate the deferral of compensation by designated employees of the Company and its Affiliates.

1.2. Nature of Plan – The Plan is intended to be a non-qualified, unfunded plan maintained to provide deferred compensation to a select group of management and/or highly compensated employees (within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA) of the Company and its Affiliates, and is not intended to be subject to ERISA (other than Title I, Subtitle B, Part 1, Reporting and Disclosure, and Title I, Subtitle B, Part 5, Administration and Enforcement). The Plan is intended to comply in form and operation with Section 409A and shall be so interpreted.

ARTICLE II

Definitions

2.1. Definitions – The following terms, as used herein, unless a different meaning is implied by the context, shall have the following meanings:

Account – The account established for each Participant pursuant to **Section 6.1**.

Administrative Committee – The Administrative Committee appointed under **Section 10.3** to serve as the Administrator.

Administrator – The person, group or entity designated in accordance with the provisions of **ARTICLE X** to administer and operate the Plan.

Affiliate – Any member of the Employer Group, other than the Sponsor, designated by the Administrator as an "Affiliate" for purposes of the Plan.

Beneficiary – Any person or persons so designated in accordance with the provisions of **Section 8.2**.

Code – The Internal Revenue Code of 1986, as amended, or any provision or section thereof herein specifically referred to, as such Code, provision or section may from time to time be amended or replaced.

Company – Franklin Templeton, Inc., a corporation duly organized and existing under the laws of the State of Delaware, and its successors and assigns, unless otherwise herein provided.

Compensation – Amounts payable by the Company or an Affiliate to a Participant which are attributable to services performed during the Election Year, limited to base salary, any cash bonus payable during the Election Year for a Fiscal Year ending on or after September 30th of the Election Year and such other bonuses or sales commissions that are attributable to services performed during the Election Year. Notwithstanding the above, Compensation does not include amounts payable for services performed outside the United States from a non-U.S. payroll.

Compensation Deferral Agreement – The written or electronic agreement, on a form or in a format provided or approved by the Administrator, whereby a Participant elects to commence or resume participation in the Plan, and to defer Compensation pursuant to the terms of the Plan, the filing of which may be accomplished by physical or electronic receipt thereof by the Administrator.

Compensation Deferral Agreement Deadline – September 30th of the Election Year preceding each Election Year for which a Compensation Deferral Agreement is to be effective.

Compensation Deferral Contributions – Credits made to the Account of a Participant under **Section 5.2**.

Covered Employee – Any Employee who is determined by the Administrator, in its sole and absolute discretion, to be a member of "a select group of management or highly compensated employees" within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA.

Disability – Any condition that renders a Participant "disabled" within the meaning of § 1.414A-3(i)(4) of the Regulations.

Distribution Date – The date on which a distribution is made pursuant to the terms of the Plan.

Effective Date – The effective date of this amendment and restatement of the Plan is as defined above.

Election Year – The twelve (12)-month period to which a deferral election applies. The Election Year shall be the calendar year in all cases.

Employee – Any person employed by the Company or an Affiliate within the United States.

Employer Group – A group of employers consisting of the Company and all other employers who are treated as a single employer under Section 414(b) and/or (c) of the Code.

ERISA – The Employee Retirement Income Security Act of 1974, or any provision or section thereof herein specifically referred to, as such Act, provision or section may from time to time be amended or replaced.

Fiscal Year – The fiscal year of the Company, which currently ends on September 30th.

FT 401(k) Plan – The Franklin Templeton 401(k) Retirement Plan, as amended from time to time.

FT Funds – Mutual, money market, index, exchange-traded, digital asset or other funds, products and investment vehicles sponsored by (i) the Company, (ii) a subsidiary of the Company, (iii) any entity in which the Company has a twenty-five percent (25%) or greater ownership interest, (iv) an Affiliate, or (v) any third party pursuant to the terms of the FT 401(k) Plan. Notwithstanding the foregoing, and for the avoidance of doubt, investments in a FT Fund through a self-directed brokerage option under the FT 401(k) Plan is **not** permitted as an investment option under this Plan.

FT Sub – Franklin Templeton Companies, LLC, a Delaware limited liability company.

Leave of Absence – An authorized absence from active employment under circumstances which are not treated by the Administrator as a Separation from Service, and with respect to which there is a reasonable expectation that the Participant will return to perform further services for the Employer Group.

Participant – Any person, including, where appropriate according to the context of the Plan, any former Employee, who has an Account (with an undistributed balance) under the Plan.

Payment Option Election – A written or electronic election, on a form or in a format provided or approved by the Administrator, pursuant to the Plan whereby a Participant elects the form and/or timing of the distribution of all or a portion of the Participant's Account.

Plan – The plan set forth herein, as amended from time to time.

Regulations – Regulatory guidance promulgated by the Treasury Department with respect to Section 409A and, where appropriate, other sections of the Code (as such regulations are presently written or subsequently proposed, finalized, amended, supplemented or replaced).

Return – The amount calculated under **Section 6.4**.

Section 409A – Section 409A of the Code (as now or hereafter amended or replaced) and the Regulations and other Internal Revenue Service guidance issued thereunder.

Separation from Service – A retirement or other termination of employment with the Employer Group under circumstances which do not constitute a Leave of Absence, and which meet the requirements of Regulations Section 1.409A-1(h). Where appropriate to the context, a Participant's termination of employment by reason of death shall be deemed to be a Separation from Service. Notwithstanding the foregoing, a Leave of Absence shall be deemed to constitute a Separation from Service if the period of leave exceeds six (6) months (or such longer period for which the Participant retains re-employment rights with the Employer Group under an applicable statute or contract).

Sponsor – The Company.

Unforeseeable Emergency – An "Unforeseeable Emergency" shall be defined in accordance with §1.409A-3(i)(3) of the Regulations and, to the extent not inconsistent therewith, the following summary thereof: a severe financial hardship to the Participant resulting from an illness or accident of the Participant, their spouse or their dependent (as defined in Section 152 of the Code without regard to Sections 152(b)(1), (b)(2) and (d)(1)(B)), or any Beneficiary he or she has designated pursuant to **Section 8.2.2** (and which designation is in effect when the unforeseeable emergency occurs), loss of the Participant's property due to casualty (whether or not resulting from a natural disaster), or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, but only to the extent such emergency is not and may not be relieved: (i) through reimbursement or compensation by insurance or otherwise, (ii) by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship); or (iii) by cessation of deferrals under the Plan. However, determination of amounts reasonably necessary to satisfy the emergency need is not required to take into account any additional compensation that, due to the unforeseeable emergency, is available under another nonqualified deferred compensation plan but has not actually been paid. Examples of circumstances that may (under all relevant facts and circumstances) constitute an unforeseeable emergency are: (i) imminent foreclosure of or eviction from the Participant's primary residence, (ii) the need to pay prescription drugs or other medical expenses (including non-refundable deductibles) of the Participant, spouse, dependent or Beneficiary, or (iii) funeral expenses of a spouse, dependent or Beneficiary; provided, however, that home purchase or college tuition will not, under normal circumstances, constitute an unforeseeable emergency.

Value – The contributions and Return allocated to an Account less the amount of any distributions and forfeitures from the Account hereunder.

2.2. Statutory References – Statutory references in the Plan shall incorporate by reference all regulations, rulings, procedures, releases and other position statements issued by the relevant governmental agency with respect to such statutory provision.

ARTICLE III

Eligibility and Participation

3.1. **Requirements** – A Covered Employee shall be eligible to become a Participant on the January 1st of an Election Year on which both of the following requirements are met:

3.1.1 The Covered Employee is individually approved by the Administrator, in its sole and absolute discretion, for participation in the Plan; and

3.1.2 The Covered Employee is notified by the Administrator of his or her eligibility to participate in the Plan.

3.2. **Enrollment and Participation** – Participation in the Plan is voluntary. Each Covered Employee who has met the requirements of **Section 3.1** may elect to participate in the Plan by filing a Compensation Deferral Agreement with the Administrator in accordance with **Section 4.2**. However, except as provided in the next paragraph, a Covered Employee shall not become a Participant until the effective date of a timely filed Compensation Deferral Agreement, as determined in accordance with **Section 4.2** (so that participation may only begin on a January 1st).

The election to become a Participant shall be made by, and only by, completing and delivering to the Administrator a Compensation Deferral Agreement.

Subject to the right of the Administrator to prospectively terminate the status of any Participant as a Covered Employee, once an Employee has become a Participant, the Employee shall remain a Participant (without regard to whether or not a Compensation Deferral Agreement is in effect) throughout the Participant's tenure as an Employee.

3.3. **Change of Employment Category** – During any period in which a Participant remains in the employ of the Employer Group, but ceases to be a Covered Employee: (i) the Participant will continue their Plan participation, and the Participant's Account will continue to be credited with earnings or losses, as applicable, so long as the Participant's Account has an undistributed balance, but (ii) the Participant's Account shall not be credited with, nor shall the Participant be entitled to make, any deferral contributions based upon Compensation payable with respect to such period. However, if, at the time the Participant ceases to be a Covered Employee (other than on account ceasing to remain in the employ of the Employer Group), the Participant has a Compensation Deferral Agreement in effect the Participant's deferral contribution thereunder shall continue until such time as the Compensation Deferral Agreement would lapse by its terms.

In the event that a Participant who ceased to be a Covered Employee subsequently becomes a Covered Employee, the Participant shall be eligible to defer Compensation only after again meeting all of the requirements of **Section 3.1** (including, without limitation, being notified by the Administrator of his or her eligibility to resume participation in the Plan) and filing a new Compensation Deferral Agreement pursuant to **Section 3.2**.

3.4. **Leaves of Absence** – During any authorized absence from active service that constitutes a Leave of Absence, a Participant shall continue to participate in the Plan to the same extent as if the Participant had not taken the leave of absence, and any Compensation Deferral Agreement shall remain in effect.

3.5. **Separation from Service** – Upon a Participant's Separation from Service with the Company or an Affiliate, the Participant's participation in the Plan shall terminate (except as provided in **Section 3.7**). If an Employee (whether or not a Participant) who has a Separation from Service is subsequently re-employed by the Company or an Affiliate, the Employee shall be treated as a new Employee who shall be eligible to become a Participant only after again meeting all of the requirements of **Section 3.1** (including, without limitation, being notified by the Administrator of his or her eligibility to participate in the Plan) and filing a new Compensation Deferral Agreement pursuant to **Section 3.2**.

3.6. **Failure to Participate When First Eligible** – In the event that a Covered Employee who, pursuant to **Section 3.1**, is eligible to commence or resume participation fails to elect to participate when he or she first becomes eligible to become a Participant in the Plan, the Employee shall not again be eligible to participate until the first day of the next, or any subsequent, Election Year (provided the Employee is still then otherwise eligible for participation). If the Employee does so elect, the Employee's participation shall be effective as of the date determined in accordance with **Section 4.2**.

3.7. **Inactive Participation** – In the event that a Participant's active participation in the Plan ceases, as described in **Sections 3.2, 3.3 or 3.5**, or he or she ceases to make **Section 5.2** deferral contributions or ceases to be a Covered Employee, the Participant shall nevertheless be deemed to remain as a Participant for all purposes other than the crediting of further **Section 5.2** contributions to the Participant's Account, until such time as there is no longer an undistributed balance in the Participant's Account.

ARTICLE IV

Deferral Elections

4.1. **General** – The election by any Participant to defer Compensation pursuant to the terms of the Plan shall be made by, and only by, the filing of a completed Compensation Deferral Agreement with the Administrator. Subject to the remainder of this **ARTICLE IV**, deferral elections shall be made at the time, in the manner, and subject to the conditions specified by the Administrator.

4.2. **Timing of Elections** – An election to defer Compensation for any Election Year shall not be effective unless made on or before the Compensation Deferral Agreement Deadline for the Election Year to which the election relates.

4.3. **Irrevocability of Elections** – Except as provided in **Section 4.5**, an election to defer Compensation for an Election Year becomes irrevocable on, and may not be changed or revoked after, the Compensation Deferral Agreement Deadline for that Election Year.

4.4. Changes in Deferral Elections – A Participant shall be required to make an election to defer Compensation pursuant to a new Compensation Deferral Agreement with respect to each Election Year. No deferrals of Compensation will be made in any subsequent Election Year if a Participant fails to file a completed Compensation Deferral Agreement on or before the Compensation Deferral Agreement Deadline for any such subsequent Election Year, regardless as to whether the Participant is still eligible to defer Compensation under the Plan. See **Section 8.3** regarding initial and subsequent Payment Option Elections.

4.5. Unforeseeable Emergency – Notwithstanding the provisions of **Sections 4.2, 4.3 and 4.4**, in the event of a Participant's Unforeseeable Emergency, or in the event of a hardship withdrawal by a Participant under the FT 401(k) Plan (but only if the hardship withdrawal meets the requirements of §1.401(k)-1(d)(3) of the Regulations), the Participant may apply to the Administrator for permission to cancel (not merely postpone or delay) **Section 5.2** Compensation Deferral Contributions for the remainder of the Election Year. The Administrator shall have the sole discretion (subject to **Section 10.5**) to determine whether the Participant's circumstances meet the applicable standards. If a Participant receives payment on account of an Unforeseeable Emergency in accordance with **ARTICLE IX**, the Participant will cease to make Compensation Deferral Contributions for the remainder of the Election Year in which such payment is made.

ARTICLE V

Contributions

5.1. Nature of Contributions – Contributions described in this **ARTICLE V** shall not represent actual deposits to a separate fund or trust, but shall be bookkeeping entries in the form of credits to the Accounts of the Participants on whose behalf the contributions are made.

5.2. Compensation Deferral Contributions –

5.2.1 By so electing in their Compensation Deferral Agreement, each Participant may elect to defer Compensation (which would otherwise have been paid to the Participant) in any whole percentage amount designated by the Participant, provided that such amount is not less than 1% of the Participant's Compensation nor more than such percentage or dollar maximum approved by the Administrator and reflected in the Compensation Deferral Agreement prior to the Compensation Deferral Agreement Deadline (with the percentage amount designated and any percentage limits approved by the Administrator applied in the aggregate until the dollar maximum is reached) for the Election Year. The Administrator may adjust the aggregate percentage or dollar maximums, and may approve a different percentage or dollar maximum for any specific element of Compensation, prior to the Compensation Deferral Agreement Deadline for an Election Year.

5.2.2 The Administrator may establish such procedures with respect to timing and amount of individual deferrals by each Participant as it deems appropriate to implement the limitations described in **ARTICLE IV** or this **ARTICLE V** (other than any procedure which would require or permit the Administrator to authorize payment to the Participant any Compensation previously deferred by the Participant pursuant to this **Section 5.2.2** during the current or any preceding Election Year or which would permit a change or discontinuation of deferrals under the Plan that would violate Section 409A).

5.2.3 The gross amount of the Participant's Compensation shall be reduced pursuant to each Participant's Compensation Deferral Agreement. In lieu of payment of the deferred portion of the Participant's Compensation to the Participant as earned, the Administrator will credit to the Participant's Account dollar amounts equal to the deferred Compensation, each such credit to be made as of a date no later than fifteen (15) business days after the last day of the month during which the Participant would have been entitled to such Compensation had it been paid as current Compensation.

5.2.4 Any Federal Insurance Contributions Act ("FICA") or other payroll tax which may be imposed on the Participant with respect to deferral contributions shall, unless otherwise determined by the Administrator, be deducted from the non-deferred remainder of the Participant's remuneration.

5.3. Effect of Compensation Deferrals – With respect to any other employee benefit or welfare plan sponsored by the Company or an Affiliate under which the amount of any benefit is based on the compensation paid to an employee, a Participant's compensation for the purpose of such employee benefit or welfare plan shall not include the amount of any Compensation deferrals under this Plan, unless otherwise specifically provided in such other plan.

ARTICLE VI

Participant Accounts

6.1. Account Established for Each Participant – An individual Account shall be established on the books of the Company or an Affiliate in the name of each Participant, for the purpose of accounting for contributions credited to, and benefits paid to or on behalf of, the Participant, and to account for incremental adjustments pursuant to **Sections 6.3 and 6.4**. Each Account shall be divided into such subaccounts, if any, as the Administrator deems appropriate to properly implement the provisions of the Plan. Notwithstanding the foregoing, an Account may be established for a Participant for each Election Year with respect to which the Participant completes a Compensation Deferral Agreement form in accordance with Section 3.2. At such time, as applicable, the Participant shall designate the time and form of payment of such Account from among the available options set forth in Section 8.3.4.

6.2. No Funding Requirement –

6.2.1 General – Neither the Company nor any Affiliate shall be required to purchase, hold or dispose of any investments with respect to amounts credited to the Account, their only obligation being to make payments as described in ARTICLE **VIII**. Should the Company or an Affiliate elect to make contributions to a trust (hereinafter referred to as a "Trust") to assist the Company or Affiliate in paying the benefits which may accrue hereunder, the amounts contributed shall be used to purchase the deemed investments under **Section 6.3**, subject to application of the provisions of this **Section 6.2.1** to the actual investments. However, contributions to a Trust shall not reduce or otherwise affect the Company's or Affiliate's liability to pay benefits under the Plan (which benefits may be paid from a Trust or from the Company's or Affiliate's general assets, in the discretion of the Administrator), except that the Company's or Affiliate's liability shall be reduced by actual benefit payments from a Trust (and the Account shall be appropriately adjusted

to reflect such payments). If any such investments, or any contributions to a Trust, are made by the Company or an Affiliate, such investments shall have been made solely for the purpose of aiding the Company or Affiliate in meeting its obligations under the Plan. To the extent that the Company or Affiliate does, in its discretion, purchase or hold any such investments (other than through contributions to the Trust), the Company or Affiliate will be named sole owner of all such investments and of all rights and privileges conferred by the terms of the instruments or certificates evidencing such investments. Nothing stated herein will cause such investments, or a Trust, to form part of the Account, or to be treated as anything but the general assets of the Company or Affiliate, subject to the claims of its general creditors, nor will anything stated herein cause such investments, or a Trust, to represent the vested, secured or preferred interest of the Participant or their Beneficiaries. The Company or Affiliate shall have the right at any time to use such investments not held in the Trust in the ordinary course of its business. Neither the Participant nor any of their Beneficiaries shall at any time have any interest in the Account or a Trust or in any such investments, except as a general, unsecured creditor of the Company or any Affiliate to the extent of the deferred compensation arrangement which is the subject of the Plan.

6.2.2 **Off-Shore Prohibition** – To the extent that the Company or an Affiliate actually makes contributions to a Trust, or otherwise directly or indirectly sets aside assets to assist in paying any benefits which may accrue hereunder, then, except as otherwise permitted by regulations or other guidance issued by the Internal Revenue Service under Section 409A(b), neither such assets, nor a Trust itself, shall be located or transferred outside of the United States (except to a foreign jurisdiction in which substantially all of the services giving rise to the benefits accruing hereunder are performed).

6.3. **FT Funds** – A Participant's Account shall be deemed to be invested in the FT Funds designated or deemed designated by the Participant in accordance with this **Section 6.3** or **Section 6.5** for the purpose of determining the Account's Value, which shall be the amount of contributions credited to the Account, together with the Return (positive or negative) on the Account, less any distributions or forfeitures from the Account. A Participant's Account does not represent the Participant's ownership of, or any ownership interest in, any FT Fund. Except as the Administrator shall otherwise determine, the FT Funds available for designation for deemed investment by Participants under the Plan shall be the same as those FT Funds in the FT 401(k) Plan as of any relevant time. However, the Administrator may, in its sole discretion, alter, modify, or eliminate any FT Fund option that is used to calculate the Return on any of the Participant's Accounts under the Plan in accordance with changes made under the FT 401(k) Plan or otherwise. In the event the Administrator so alters, modifies or eliminates any FT Fund option, the Administrator shall, in its sole discretion, determine the appropriate reallocation of the FT Funds or substitution of another FT Fund that shall be used to calculate the Return on the affected Participant's Accounts; provided that, except as the Administrator shall otherwise determine, if such alteration, modification or elimination of an FT Fund option occurs as a result of a similar action taken under the FT 401(k) Plan, any reallocation of the FT Funds or substitution of another FT Fund hereunder shall track such reallocation or substitution under the FT 401(k) Plan. The FT Funds resulting from such reallocation or substitution shall be deemed to have been designated by the Participant until such time as a different designation of FT Funds by the Participant as to the respective amounts in the Participant's Account takes effect.

6.4. **Return** – Each Participant's Account will be adjusted from time to time (at least monthly) to reflect the gains and losses that would be ascribed to the Account if the amounts credited to the Account were actually invested in the FT Funds designated or deemed designated by the Participant. In the event an FT Fund designated or deemed designated by a Participant pays dividends, distributes capital gains, or makes other distributions, the amount of such dividends and distributions shall be credited to the Participant's Account as of the time of such adjustments and treated as part of the Return.

6.5. **Participant Investment Designations** – The Administrator may establish uniform rules and procedures to be followed with respect to the deemed investment of Participants' Accounts in FT Funds. Participant investment designations shall be governed by the following provisions:

6.5.1 The Administrator shall determine the manner, period, and frequency of investment designations (*e.g.*, daily, weekly, monthly, quarterly or annually). Different terms and conditions may be specified for different FT Funds (*e.g.*, monthly designations for one FT Fund and quarterly designations for another FT Fund). Any term or condition imposed by the Administrator may apply to a Participant's entire Account or may be applied separately to different investment media or to different types of contributions (*e.g.*, future contributions versus the current balance of the Account).

6.5.2 Except as the Administrator shall otherwise determine, any initial or subsequent investment designation shall be in writing or filed electronically, on a form or in a format supplied or approved by the Administrator or its designee, and filed with the Administrator or its designee, and shall be effective on such date as may be specified by the Administrator or its designee. The Administrator may arrange for telephone, internet or other electronic investment designations, and may establish (and thereafter change) a limit on the number of investment designations that may be made by any Participant during a specified period.

6.5.3 All contributions (except for the Return on an FT Fund) shall be allocated among the separate FT Funds available in accordance with the then effective investment designation or deemed designation. Except as the Administrator shall otherwise determine, any distributions hereunder shall be taken proportionately from each separate FT Fund to which the Account is allocated at the time of the distribution. Any new investment designation may designate that, as of the date the new designation takes effect, the entire balance of the Participant's Account at that date shall be reallocated among the designated FT Funds according to the percentages specified in the investment designations and/or future contributions shall be allocated in accordance with such new investment designation. No reallocations of the Participant's Account are to be made merely to adjust for disproportionate investment growth among such FT Funds (other than in response to a subsequent investment designation filed with respect to the Participant's Account).

6.5.4 In the event the Administrator or its designee receives an initial or revised investment designation which it deems to be incomplete, unclear, not in accordance with procedures established pursuant to this **Section 6.5.4** or otherwise improper, the Participant's investment designation then in effect shall remain in effect (or, in the case of a deficiency in an initial designation, the Participant shall be considered to have filed no investment designation)

until a complete investment designation is filed in accordance with the rules and procedures established by the Administrator.

6.5.5 The Administrator may determine at any time to vary the rules provided above to accord with the requirements of any FT Fund, for ease in administration or for any other reason.

6.5.6 It is intended that all Participants be required to direct the deemed investment of their Accounts to the extent set forth in this **Section 6.5.6**. In the event that the Administrator possesses at any time instructions as to the deemed investment of less than all of a Participant's Account, the Participant shall be deemed to have designated that the non-directed portion of their Account be deemed invested in a money market fund (or if a money market fund does not then exist, in the separate FT Fund which most closely resembles a money market fund or that is otherwise selected by the Administrator).

6.5.7 Notwithstanding anything contained herein to the contrary, neither the Administrator, the Company, any Affiliate nor any other person shall have any liability for any loss arising from or as a result of any investment designation or deemed designation by a Participant pursuant to **Section 6.3** or this **Section 6.5.7** or the performance of any of the FT Funds. In addition, such persons or entities shall have no responsibility to determine the appropriateness of any individual Participant's investment designation or of the particular FT Funds made available for Participant designation under the Plan.

ARTICLE VII

Entitlement to Benefits

7.1. **Separation from Service** – In the event of a Participant's Separation from Service for any reason other than death, he or she shall become entitled to the full amount of the balance of their Account, payable in the manner and at the time according to the provisions of **ARTICLE VIII**.

7.2. **Death** – In the event of the death of a Participant prior to their Separation from Service, the full amount of the balance of their Account shall become payable, in the manner and at the time according to the provisions of **ARTICLE VIII**, to the Participant's designated Beneficiary.

7.3. **In-Service Distribution** – Notwithstanding **Sections 7.1 and 7.2** above, in the event of an election for an in-service distribution under **Section 8.3** with respect to the Compensation Deferral Contributions allocated for an Election Year, the Value of the portions of the Account attributable to such contributions shall be distributed as provided in such section.

7.4. **Vesting** – A Participant shall at all times be fully vested in their Account, but shall not be entitled to a distribution of any portion of the Account until payable according to, and in such manner and at such time or times provided under, the provisions of **ARTICLE VIII**.

7.5. **Clawbacks** – Subject to the last sentence of this **Section 7.5**, and notwithstanding any other provision of the Plan to the contrary, any portion of a Participant's Account attributable

to deferrals of cash incentive or bonus compensation shall be subject to potential forfeiture, cancellation, recoupment, rescission, payback or other action in accordance with the terms of any written compensation clawback policy or terms of any member of the Employer Group applicable to Participant, as may be amended from time to time (the "Policy"). As a condition of participation in the Plan, the Participant agrees and consents to the Employer Group's application, implementation and enforcement of (a) the Policy or any similar policy established by the Company that may apply to the Participant and (b) any provision of applicable law relating to forfeiture, cancellation, rescission, payback or recoupment of compensation, and expressly agrees that the Company may take such actions as are necessary to effectuate the Policy, any similar policy (as applicable to the Participant) or applicable law without further consent or action being required by the Participant.

ARTICLE VIII

Distribution of Benefits

8.1. Benefits Payable in-Service or upon Separation from Service – If a Participant makes an irrevocable election under **Section 8.3** for an in-service distribution, the portion of the Participant's Account subject to such election will be distributed as provided in such section. Upon a Participant's Separation from Service with the Company or an Affiliate for any reason other than death, distribution of the balance of the Participant's Account (which is not subject to an election for an in-service distribution under **Section 8.3**) shall be made (or begun) on such date as may be irrevocably elected by the Participant in the Participant's Payment Option Election under **Sections 8.3.4.1 and 8.3.4.2**, or such later date as may be applicable by reason of **Section 8.1.2 or 8.4.2**. If the Participant does not complete and file with the Administrator a valid and timely Payment Option Election with respect to any deferrals, then the balance of the Participant's Account attributable to deferrals for which a Payment Option Election has not been completed shall be distributed in a single lump sum on (i) the first (1st) business day of the month following the Separation from Service, or (ii) such later date as may be applicable by reason of **Section 8.1.2 or 8.4.2**. Each date on which a distribution is actually made pursuant to this **Section 8.1** is referred to as the Participant's Distribution Date, and the distribution shall be determined and valued in accordance with **Sections 6.3 and 6.4** as of such Distribution Date.

8.1.1 Cash Out – Notwithstanding the foregoing, and without regard to any Payment Option Election the Participant may have filed with the Administrator, if, on the date of the Participant's Separation from Service, the portion of their Account has a Value of less than **$22,500** (or such higher "applicable dollar amount" under Sections 402(g)(1)(B) and 402(g)(4) of the Code), the entire portion of their Account shall be distributed in a single lump sum on (i) the first (1st) business day of the month following the Separation from Service, or (ii) such later date as may be applicable by reason of **Section 8.1.2 or 8.4.2**.

8.1.2 Six-Month Delay for Specified Employees – Notwithstanding any provision in the Plan to the contrary, no distribution to a "Specified Employee" (as defined below) by reason of their Separation from Service, for any reason other than their death, may be made prior to the date that is the earlier of: (i) their date of death, or (ii) six (6) months after the date of their Separation from Service; in that event, their Distribution Date shall become the first (1st) day of the month following whichever of those two dates is applicable. This provision shall continue

to apply during any period in which any stock of any member of the Employer Group is publicly traded on an established securities market (within the meaning of § 1.897-1(m) of the Regulations) or otherwise.

A "Specified Employee" is any Participant who, as of the date of their Separation from Service with the Employer Group, is a "key employee" (within the meaning of Section 416(i)(1)(A)(i), (ii) or (iii) of the Code, applied in accordance with the regulations issued thereunder and disregarding Section 416(i)(5)) who meets the definition of a "Specified Employee" as determined under § 1.409A-1(i) of the Regulations. The Participant will be deemed to be a key employee as of the date of their Separation from Service with the Employer Group if he or she met the key employee requirement at any time during the twelve (12)-month period described in the aforesaid Regulations.

8.2. Death Benefits – In the event of the death of a Participant who has an undistributed balance in their Account:

8.2.1 Effect of Payment Option Election – Distribution of the balance of the Participant's Account shall be made (or begun) to the Participant's Beneficiary on the date specified in the Participant's Payment Option Election completed in accordance with the provisions of **Section 8.3** or as of any other date determined in accordance with the terms of the Plan and consistent with the provisions of Section 409A. If the Participant does not complete a Payment Option Election with respect to any deferrals, the portion of the Participant's Account attributable to deferrals for which a Payment Option Election has not been completed shall be distributed to the Participant's Beneficiary in a single lump sum on (i) the first (1st) business day of the month following the Separation from Service by reason of death, or (ii) such later date as may be applicable by reason of **Section 8.4.2**. Each date on which a distribution is actually made pursuant hereto is referred to as the Beneficiary's Distribution Date, and the distribution shall be determined and valued in accordance with **Sections 6.3 and 6.4** as of the Distribution Date.

8.2.2 Beneficiary Designation – Each Participant from time to time may designate any person or persons (who may be named contingently or successively) to receive such benefits as may be payable under the Plan upon or after their death, and such designation may be changed from time to time by the Participant by filing a new designation. Each designation will revoke all prior designations by the same Participant, shall be in form prescribed by the Administrator, and will be effective only when filed in writing or electronically with the Administrator during the Participant's lifetime.

8.2.3 Failure to Designate Beneficiary – In the absence of a valid Beneficiary designation, or if, at the time any benefit payment is due to a Beneficiary, there is no living Beneficiary eligible to receive the payment, validly named by the Participant, the Company or an Affiliate shall distribute any such benefit payment to the person or persons designated to receive the Participant's accrued benefit from the FT 401(k) Plan. In the absence of a valid designation to a living person under the FT 401(k) Plan, the Company or an Affiliate shall distribute the benefit payment to the Participant's estate. In determining the existence or identity of anyone entitled to a benefit payment, the Administrator may rely conclusively upon information supplied by the personal representative of the Participant's estate. In the event of a lack of adequate information having been supplied to the Administrator, or in the event that any question arises as to the

existence or identity of anyone entitled to receive a benefit payment as aforesaid, or in the event that a dispute arises with respect to any such payment, or in the event that a Beneficiary designation conflicts with applicable law, or in the event the Administrator is in doubt for any other reason as to the right of any person to receive a payment as Beneficiary then, notwithstanding the foregoing, the Company or an Affiliate, in the sole discretion of the Administrator, may, in complete discharge, and without liability to the Administrator, the Company, any Affiliate or any other person for any tax or other consequences which might flow therefrom: (i) distribute the payment to the Participant's estate, (ii) retain such payment, without liability for interest, until the rights thereto are determined, or (iii) deposit the payment into any court of competent jurisdiction.

8.3. Payment Option Elections – Payment elections, and changes therein, shall be made (and may only be made) by a Participant by the filing of a completed Payment Option Election with the Administrator, and in accordance with the provisions of this **Section 8.3**.

8.3.1 Initial Election – Simultaneously with the filing of his or her Compensation Deferral Agreement, or as a part thereof, but in no event later than the Compensation Deferral Agreement Deadline applicable thereto, a Participant shall complete and file with the Administrator a Payment Option Election. The Payment Option Election may be changed at any time prior to, but it becomes irrevocable on, the applicable Compensation Deferral Agreement Deadline. If the Participant does not complete a Payment Option Election with respect to any deferrals, the portion of the Participant's Account attributable to deferrals for which a Payment Option Election has not been completed shall be distributed in a single lump sum on (i) the first (1st) business day of the month following the Participant's Separation from Service, or (ii) such later date as may be applicable by reason of **Section 8.1.2 or 8.4.2**.

8.3.2 Subsequent Elections – Following the Compensation Deferral Agreement Deadline for the filing of their initial Compensation Deferral Agreement pursuant to **Section 8.3.1**, the Participant shall have no further right to file a revised Payment Option Election, or to alter any election set forth in a Payment Option Election filed with the Administrator, but the Participant shall have the right to make new elections from time to time. However, a new Payment Option Election may not be filed until the previous Payment Option Election (or a "default" payment distribution option under the last sentence of **Section 8.3.1**) has been in effect for at least one (1) Election Year. A new Payment Option Election shall be applicable only to deferrals in Election Years beginning after the filing of the new Payment Option Election, and all pre-existing elections shall remain in effect with respect to deferrals for the periods for which such elections were applicable, subject to Section 8.3.3.

8.3.3 Subsequent Changes in Time of Payment and Form of Distribution - Subject to such rules and limitations as the Administrator may establish, and during such times during an Election Year as the Administrator may establish, in each case in the Administrator's sole discretion, a Participant may be permitted to elect to delay a payment of the Account or to change the form of distribution of the Account provided that the following conditions are met:

8.3.3.1 Any election under this Section 8.3.3 shall not take effect until a date that is at least twelve (12) months after the date on which the election is made.

8.3.3.2 The payment with respect to which an election under this Section 8.3.3 is made shall be deferred for a period of not less than five (5) years from the date such payment would otherwise have been paid.

8.3.3.3 Any election under this Section 8.3.3 shall be made on a date that is not less than twelve (12) months prior to the date the payment is originally scheduled to be made.

A Participant's election under this Section 8.3.3 shall only apply to the Account that is specifically identified by the Participant in the election. The election will apply to all payment events elected for the applicable Account, unless the election, as may be permitted by the Administrator, specifies otherwise.

8.3.4 Available Options for Payment Option Elections – The Payment Option Election shall provide each Participant with the following choices:

8.3.4.1 Form of Distribution following a Separation from Service – The Participant may elect to have their distribution paid following a Separation from Service in either of the following forms:

8.3.4.1.1 an immediate lump sum distribution on the date elected pursuant to **Section 8.3.4.2**; or

8.3.4.1.2 subject to **Section 8.1.1**, in five (5) annual installments commencing on the date elected pursuant to **Section 8.3.4.2** and thereafter on each of the next four anniversaries of that date. The first (1st) installment shall equal one-fifth of the balance of the Account, the second (2nd) installment shall equal one-fourth of the remaining balance of the Account, the third (3rd) installment shall equal one-third of the remaining balance of the Account, the fourth (4th) installment shall equal one-half of the remaining balance of the Account, the fifth (5th) installment shall equal the entire remaining balance of the Account; or

8.3.4.1.3 for Election Years beginning on or after **January 1, 2024**, subject to **Section 8.1.1**, in ten (10) annual installments commencing on the date elected pursuant to **Section 8.3.4.2** and thereafter on each of the next nine anniversaries of that date. The first (1st) installment shall equal one-tenth of the balance of the Account, the second (2nd) installment shall equal one-ninth of the remaining balance of the Account, the third (3rd) installment shall equal one-eighth of the remaining balance of the Account, the fourth (4th) installment shall equal one-seventh of the remaining balance of the Account, the fifth (5th) installment shall equal one-sixth of the remaining balance of the Account, the sixth (6th) installment shall equal one-fifth of the remaining balance of the Account, the seventh (7th) installment shall equal one-fourth of the remaining balance of the Account, the eighth (8th) installment shall equal one-third of the remaining balance of the Account, the ninth (9th) installment shall equal one-half of the remaining balance of the Account, the tenth (10th) installment shall equal the entire remaining balance of the Account.

8.3.4.1.4 For Election Years beginning on or after **January 1, 2027**, subject to **Section 8.1.1**, in substantially equal annual installments commencing on the date

elected pursuant to **Section 8.3.4.2** and thereafter on each of the applicable anniversaries of that date for a period not to exceed ten (10) years. The amount of such substantially equal payments shall be determined by multiplying the Participant's balance of the Account on the applicable payment installment date by a fraction, the numerator of which is one (1), and the denominator of which equals the number of years (in the first year of payment) or the number of remaining years (in succeeding years of payment) over which the Participant's balance of the Account is to be paid.

8.3.4.2 Timing of Distribution following a Separation from Service – The Participant may elect to have his or her distribution paid (or begun) on either of the first (1st) business day of the month after the (i) date of the Participant's Separation from Service; or (ii) the first (1st) anniversary of the Participant's Separation from Service (or, in either case, such later date as may be applicable by reason of **Section 8.1.2 or 8.4.2**).

8.3.4.3 Form of Death Benefit Distribution – Upon the death of a Participant who, pursuant to **Section 8.3.4.1.2, 8.3.3.1.3 or 8.3.3.1.4**, had elected installments for their lifetime distribution, the balance of the Participant's Account shall be paid in accordance with the form of death benefit the Participant had elected in his or her Payment Option Election pursuant to **Section *8.2.1***.

8.3.4.4 In-Service Distributions – A Participant may elect to have the Value of the Participant's Account (including the Return thereon) credited for an Election Year, distributed in a lump sum distribution on August 1st of either the fifth (5th) calendar year or, for Election Years beginning on or after **January 1, 2024**, the tenth (10th) calendar year following the end of the Election Year for which such contributions were credited (or such later date as may be applicable by reason of **Section 8.4.2**). The lump sum distribution under this **Section 8.3.3.4** shall be in such form as is determined under **Section 8.4.1**. If a Participant elects an in-service distribution in his or her Payment Option Election under this **Section 8.3.4.4**, the Participant shall also make an election under the same Payment Option Election in accordance with **Sections 8.3.4.1 and 8.3.4.2** with respect to portion of the Participant's Account subject to such in-service distribution election to be effective in the event the Participant has a Separation from Service prior to the date the respective in-service distribution is made. If a Participant elects an in-service distribution under this **Section 8.3.4.4** but fails to make an election in accordance with the preceding sentence and has a Separation from Service prior to the date the respective in-service distribution is made, the portion of the Participant's Account subject to such election shall be distributed in a lump sum distribution on the first (1st) business day of the month following the Participant's Separation from Service (or such later date as may be applicable by reason of **Section *8.1.2* or 8.4.2**).

8.3.5 Invalid Election – If a Payment Option Election does not conform to the requirements of Section 409A, then such Payment Option Election shall be void and the Participant shall be deemed not to have filed a Payment Option Election with respect to the portion of the Participant's Account to which such invalid Payment Option Election relates.

8.4. Administration of Distributions –

8.4.1 Mode of Distribution – The Company or an Affiliate shall make all distributions from each Participant's Account in cash based on the Value calculated in accordance

with **Sections 6.3 and 6.4** of the portion of the Participant's Account (except as to distributions under **Section 8.3.4.4**, which, in the sole discretion of the Administrator, may be made in cash or in-kind in shares of the FT Funds to which the portion of the Participant's Account being distributed was deemed invested).

8.4.2 Administrative Delay – All distributions made pursuant to this **ARTICLE VIII** shall be made on or as soon as administratively practicable after the stated date of distribution provided in this **ARTICLE VIII**, without regard to this **Section 8.4.2**, but in no event later than the end of the Participant's taxable year which includes such stated date of distribution or, if later, two and one-half (2½) months after such stated date of distribution, provided that the Participant is not permitted directly or indirectly to designate the taxable year of the payment, or

8.4.3 Deductions – Any amounts payable under the Plan shall be subject to such deductions or withholdings, including, without limitation, any federal and state income taxes and FICA taxes as may be required by law, but shall not be deemed to be salary or other compensation for the purpose of computing benefits to which the Participant may be entitled under any retirement plan or other arrangement of the Company or any Affiliate for the benefit of its employees generally. With respect to distributions which are made in-kind in shares of FT Funds under **Section 8.3.4.4**, in lieu of such tax withholding, the Participant may pay to the Company or an Affiliate on or before the Distribution Date the amount the Company or Affiliate would otherwise deposit as federal and state income taxes and FICA taxes with respect to the distribution and thus avoid having to have the distribution reduced by such tax withholding; otherwise, the Participant shall be required to pay to the Company or Affiliate the amount the Company or Affiliate is required to deposit as tax withholding on or before the due date of the deposit.

8.4.4 Payment to Minor or Incompetent – If any person to whom a payment is due under the Plan is a minor, or is found by the Administrator to be incompetent by reason of physical or mental Disability, the Administrator shall have the right to cause the payments becoming due to such person to be made to another for their benefit, without responsibility of the Administrator to see to the application of such payments, and such payments will constitute a complete discharge of the liabilities of the Company or Affiliate with respect thereto.

8.4.5 Domestic Relations Order – To the extent permitted by and consistent with the provisions of Section 409A, payments shall be made to an alternate payee of the Participant to the extent required under a Domestic Relations Order (a "DRO") as defined by Section 414(p)(1)(B) of the Code, that is applicable to the Plan. Any amount payable under the Plan to an alternate payee under a DRO shall be paid to the alternate payee designated in such DRO rather than to the Participant; provided, however, that such payment: (i) shall be reported for income tax purposes as a payment to the Participant, and (ii) shall only be paid to the alternate payee in such form, and at such time, as it would have been paid to the Participant but for the DRO.

8.4.6 Location of Participants and Beneficiaries – Any communication, statement or notice addressed to a Participant (or Beneficiary) at their last post office address filed with the Company or an Affiliate, or if no such address was filed with the Company or an Affiliate then at their last post office address as shown on the Company's or Affiliate's records, shall be binding on the Participant (or Beneficiary) for all purposes of the Plan. Except for the sending of

a registered letter to the last known address, the Administrator shall not be obliged to search for any Participant (or Beneficiary). If the Administrator notifies any Participant (or Beneficiary) that he or she is entitled to an amount under the Plan and the Participant (or Beneficiary) fails to claim such amount or make their location known to the Administrator within three (3) years, then, except as otherwise required by law, the Administrator shall have the right to treat the amount payable as a forfeiture.

8.4.7 Compliance with Section 409A – Notwithstanding anything herein to the contrary, all distributions hereunder are intended to be made in accordance with the provisions of Section 409A (to the extent applicable), and to the extent that Section 409A applies to any provision of the Plan and such provision is subject to more than one interpretation or construction, such ambiguity shall be resolved in favor of that interpretation or construction which is consistent with the provision complying with the applicable provisions of Section 409A. Each payment under the Plan shall be treated as a separate payment for purposes of Section 409A.

8.5. Limitation on Payment Liability – The Company's or Affiliate's obligation to make any benefit distribution payment pursuant to this ARTICLE **VIII** (or otherwise under the Plan) shall be limited to the amount credited to the Participant's Account as of the valuation date pertaining to such payment. Neither the Plan nor any action taken pursuant thereto guarantees any fixed dollar amount of payments to the Participant or their Beneficiary, estate or representative. The amount of payment under the Plan shall vary in accordance with the provisions of **ARTICLE VI**, and neither the Company, any Affiliate or the Administrator, nor any of their representatives, shall be responsible for any decrease in value of the Account by reason of investment performance reflected therein.

ARTICLE IX

Payments Due to Unforeseeable Emergency

9.1. Request for Payment – If a Participant suffers an Unforeseeable Emergency, he or she may submit a written request to the Administrator for payment of his or her Account.

9.2. No Payment If Other Relief Available – The Administrator will evaluate the Participant's request for payment due to an Unforeseeable Emergency taking into account the Participant's circumstances and the requirements of Section 409A. In no event will payments be made pursuant to this **ARTICLE IX** to the extent that the Participant's hardship can be relieved: (a) through reimbursement or compensation by insurance or otherwise; (b) by liquidation of the Participant's assets, to the extent that liquidation of the Participant's assets would not itself cause severe financial hardship; or (c) by the cessation of deferrals under the Plan.

9.3. Limitation on Payment Amount – The amount of any payment made on account of an Unforeseeable Emergency shall not exceed the amount reasonably necessary to satisfy the Participant's financial need, including amounts necessary to pay any Federal, state or local income taxes or penalties reasonably anticipated to result from the payment, as determined by the Administrator.

9.4. **Timing of Payment** – Payments made pursuant to this **ARTICLE IX** from a Participant's Account shall be made as soon as practicable following the Administrator's determination that an Unforeseeable Emergency has occurred, but in no event later than the end of the Participant's taxable year in which such determination is made by the Administrator.

ARTICLE X

Administration

10.1. **Administrative Authority** – Except as otherwise specifically provided herein, the Company shall have the sole responsibility for and the sole control of the operation and administration of the Plan, and shall have the power and authority to take all action and to make all decisions and interpretations which may be necessary or appropriate in order to administer and operate the Plan, including, without limiting the generality of the foregoing, the power, duty and responsibility to: (i) resolve and determine all disputes or questions arising under the Plan, including the power to determine the rights of Employees, Participants and Beneficiaries, and their respective benefits, and to remedy any ambiguities, inconsistencies or omissions; (ii) adopt such rules of procedure and regulations as in its opinion may be necessary for the proper and efficient administration of the Plan and as are consistent with the Plan; (iii) implement the Plan in accordance with its terms and such rules and regulations; (iv) notify the Participants of any amendment or termination of, or of a change in any benefits available under, the Plan; and (v) prescribe such forms as may be required for Employees to make elections under, and otherwise participate in, the Plan. The power and authority of the Company under the Plan shall be delegated in the manner described in **Section 10.2**.

10.2. **Plan Administration** – The Plan shall be operated and administered on behalf of the Company by an Administrator. The Administrator shall be governed by the following:

10.2.1 FT Sub shall be the Administrator in the absence of any designation to the contrary by the Company. Alternatively, FT Sub may establish an Administrative Committee pursuant to **Section 10.3** to act as the Administrator. Except as the Company shall otherwise expressly determine, the Administrator shall have full authority to act for the Company before all persons in any matter directly pertaining to the Plan, including the exercise of any power or discretion otherwise granted to the Company pursuant to the terms of the Plan. However, the following powers shall be reserved to the Company and/or FT Sub, as applicable, even if an Administrative Committee is appointed as Administrator: (i) the power to amend or terminate the Plan (including exercise of the discretion described in **Section 11.3**) and (ii) the power to appoint the membership of the Administrative Committee pursuant to **Section 10.3.1**.

10.2.2 The Administrator may appoint any persons or firms, or otherwise act to secure specialized advice or assistance, as it deems necessary or desirable in connection with the administration and operation of the Plan; and the Administrator shall be entitled to rely conclusively upon, and shall be fully protected in any action or omission taken by it in good faith reliance upon, the advice or opinion of such firms or persons. The Administrator shall have the power and authority to delegate from time to time all or any part of its duties, powers or responsibilities under the Plan, both ministerial and discretionary, as it deems appropriate, to any person, and in the same manner to revoke any such delegation of duties, powers or responsibilities.

Any action of such person in the exercise of such delegated duties, powers or responsibilities shall have the same force and effect for all purposes hereunder as if such action had been taken by the Administrator.

Further, the Administrator may authorize one or more persons to execute any certificate or document on behalf of the Administrator, in which event any person notified by the Administrator of such authorization shall be entitled to accept and conclusively rely upon any such certificate or document executed by such person as representing action by the Administrator until such third person shall have been notified of the revocation of such authority. The Administrator shall not be liable for any act or omission of any person to whom the Administrator's duties, powers or responsibilities have been delegated, nor shall any person to whom any duties, powers or responsibilities have been delegated have any liabilities with respect to any duties, powers or responsibilities not delegated to him.

10.2.3 All representatives of the Company and FT Sub and/or members of the Administrative Committee shall use ordinary care and diligence in the performance of their duties pertaining to the Plan, but no such individual shall incur any liability: (i) by virtue of any contract, agreement, bond or other instrument made or executed by him or on their behalf in their official capacity with respect to the Plan, (ii) for any act or failure to act, or any mistake or judgment made, in their official capacity with respect to the Plan, unless resulting from their gross negligence or willful misconduct, or (iii) for the neglect, omission or wrongdoing of any other person involved with the Plan. The Company shall indemnify and hold harmless each such individual who is an Employee from the effects and consequences of their acts, omissions and conduct in their official capacity with respect to the Plan, except to the extent that such effects and consequences shall result from their own willful misconduct or gross negligence. If any matter arises as to which an individual is entitled to indemnity hereunder, the indemnitee shall give the Company prompt written notice thereof. The Company, at its own expense, shall then take charge of the disposition of the asserted liability, including compromise or the conduct of litigation. The indemnitee may, at their own expense, retain their own counsel and share in the conduct of any such litigation, but the failure to do so shall not adversely affect their right to indemnity.

10.2.4 Nothing in the Plan shall be construed so as to prevent any person involved in administration of the Plan from receiving any benefit to which he or she may be entitled as a Participant.

10.2.5 Expenses incurred in the administration and operation of the Plan (including the cost of any Returns and the functioning of the Administrative Committee) shall be paid by the Company or the Affiliates in proportion to the level of participation for their employees in the Plan for the respective Election Year, determined by the Administrator in such manner as it determines in its sole discretion. Notwithstanding anything to the contrary herein, distributions under the Plan may be made by the Company or any Affiliate as authorized by the Administrator.

10.3. **Administrative Committee** – FT Sub may designate and appoint a committee, to be known as the Administrative Committee, as Administrator. If an Administrative Committee is not appointed, the officers of FT Sub shall comprise the Administrative Committee. Except to the extent that the Company or FT Sub has retained any power or authority, or allocated duties and responsibilities to another, the Administrative Committee shall have full power and authority to

administer and operate the Plan in accordance with its terms and in particular the authority contained in this **ARTICLE X**, and, in acting pursuant thereto, shall have full power and authority to deal with all persons in any matter directly connected with the Plan, in accordance with the following provisions:

10.3.1 The Administrative Committee shall consist of one or more individuals designated by FT Sub. Subject to their right to resign at any time, each member of the Administrative Committee shall serve (without compensation, unless otherwise determined by FT Sub) at the pleasure of FT Sub, and FT Sub may appoint, and may revoke the appointment of, additional members to serve with the Administrative Committee as may be determined to be necessary or desirable from time to time. Each member of the Administrative Committee, by accepting their appointment to the Administrative Committee, shall thereby be deemed to have accepted all of the duties and responsibilities of such appointment, and to have agreed to the faithful performance of their duties thereunder.

10.3.2 The Administrative Committee shall adopt such formal organization and method of operation as it shall deem desirable for the conduct of its affairs. The Administrative Committee shall act as a body, and the individual members of the Administrative Committee shall have no powers and duties as such, except as provided herein; the Administrative Committee shall act by vote of a majority of its members at the time in office, either at a meeting or in writing without a meeting.

10.3.3 Subject to **Section 10.5**, the determination of the Administrative Committee on any matter pertaining to the Plan within the powers and discretion granted to it shall be final and conclusive on all Participants and all other persons dealing in any way or capacity with the Plan.

10.4. **Third Party Services** – The Company, FT Sub or the Administrator may contract with any third party to provide services under the Plan for the convenience of the Company, FT Sub or the Administrator, including, but not limited to, the enrollment of Covered Employees as Participants, the maintenance of individual or other accounts and other records, the making of periodic reports and the disbursement of benefits to Participants and Beneficiaries.

10.5. **Claims Procedure** – A claims procedure (including a procedure for review of an adverse claim determination) that is intended to meet the requirements of Section 503 of ERISA and DOL Regs. § 2560.503-1, is annexed to the Plan as Appendix A.

ARTICLE XI

Amendment and Termination

11.1. **Right to Amend** – Subject to **Sections 11.5 and 11.6**, the Company and/or FT Sub shall have the right to amend the Plan in writing, at any time, and with respect to any provisions hereof, and all parties hereto or claiming any interest hereunder shall be bound thereby. The Company and/or FT Sub shall generally act through the Administrator in actions under this **ARTICLE XI**.

11.2. Amendment Required by Federal Law – Notwithstanding the provisions of **Section 11.5**, the Plan may be amended at any time, retroactively if required, by the Company or FT Sub if found necessary in order to conform to the provisions and requirements of the Code (including, without limitation, Section 409A) or ERISA, or any similar act or any amendments thereto or regulations promulgated thereunder.

11.3. Right to Freeze or Terminate Plan – Subject to **Sections11.5 and 11.6** and the remainder of this section, the Company, FT Sub and, as to its own Participants, each Affiliate, reserves the right, at any time, and in its sole discretion, to freeze contributions and/or terminate the Plan, as follows:

11.3.1 Contribution Freeze – The Company or FT Sub may, at any time and from time to time, terminate **Section 5.2** Compensation Deferral Contributions, or suspend such contributions for a fixed or indeterminate period of time. As to its own Participants, an Affiliate may, at any time, and from time to time, terminate **Section 5.2** Compensation Deferral Contributions, or suspend such contributions, for a fixed or indeterminate period of time. In connection therewith, the Company, FT Sub or Affiliate, as applicable, may, but need not, suspend or terminate the ability of new Participants to enter the Plan (as otherwise provided for in ARTICLE **III**).

11.3.1.1 Impact of Contribution Freeze – In the event of action by the Company, FT Sub or an Affiliate to freeze (*i.e.*, suspend or terminate) contributions, as described in this section, all affected contributions shall immediately cease, except as described in **Section 11.3.1.2**, but all other aspects of the Plan shall be continued, in which event distributions shall be made in accordance with **ARTICLE VII and ARTICLE VIII**, unless and until the Company, FT Sub or the Affiliate (if it is unrelated), as applicable, terminates the Plan in accordance with **Section 11.3.2**.

11.3.1.2 Potential Deferral of Contribution Freeze – Notwithstanding the provisions of **Section 11.3.1.1**, unless circumstances exist that would permit termination of the Plan pursuant to **Section 11.3.2**, **Section 5.2** Compensation Deferral Contributions may not be terminated during their period of irrevocability. Accordingly, unless such circumstances are extant at the time the Company or FT Sub acts to freeze **Section 5.2** Compensation Deferral Contributions, cessation of such contributions shall be deferred until, as described in **ARTICLE IV**, the affected Participants' Compensation Deferral Agreements would lapse by their terms.

11.3.2 Plan Termination – The Company, FT Sub or, as to its own Participants, an unrelated Affiliate may terminate the Plan at any time, but only if the conditions described in **Section 11.3.2.1** are extant at the time at which the Company, FT Sub or the unrelated Affiliate acts to terminate the Plan (or such later date as of which the termination is to be effective).

11.3.2.1 Circumstances Under Which Plan May Terminate – Unless otherwise permitted under Section 409A, the Plan may terminate only if one or more of the following sets of circumstances exist on the date such termination is to be effective:

11.3.2.1.1 Dissolution or Bankruptcy – Termination and

liquidation of the Plan: (i) within twelve (12) months of a corporate dissolution taxed under Section 331 of the Code, or (ii) with the appointment of a bankruptcy court pursuant to 11 U.S.C. § 503(b)(1)(A), in either case under conditions described in § 1.409A-3(j)(4)(ix)(A) of the Regulations.

11.3.2.1.2 **Change in Control** – Termination and liquidation of the Plan pursuant to irrevocable action taken by the Company, FT Sub or, as to its own Participants, an unrelated Affiliate within the thirty (30) days preceding or the twelve (12) months following a Change in Control Event under conditions described in § 1.409A-3(j)(4)(ix)(B) of the Regulations. For this purpose, a "Change in Control Event" is any one of the following (to the extent that it qualifies as such under § 1.409A-3(i)(5) of the Regulations): (i) a change in ownership within the meaning of § 1.409A-3(i)(5)(v) of the Regulations, (ii) a change in effective control within the meaning of § 1.409A-3(i)(5)(vi) of the Regulations, or (iii) a change in the ownership of assets within the meaning of § 1.409A-3(i)(5)(vii) of the Regulations.

11.3.2.1.3 **Other Plan Termination** – Termination and liquidation of the Plan under the conditions described in § 1.409A-3(j)(4)(ix)(C) of the Regulations.

11.3.2.1.4 **Other Circumstances** – Termination and liquidation of the Plan under such circumstances as may be prescribed in generally applicable guidance published by the Internal Revenue Service.

11.3.2.2 **Impact of Plan Termination** – Upon termination of the Plan: (i) eligibility of new Participants to enter the Plan pursuant to **ARTICLE III** shall cease, (ii) all contributions to the Plan shall cease, and (iii) the entire Account of each affected Participant (or Beneficiary) shall be distributed in a single lump sum (notwithstanding any continuing elections by the affected Participants as to form or timing of distributions), such distribution to occur as soon as administratively practicable, but, where applicable, only within the time parameters set forth in **Section 11.3.2.1**.

11.3.2.3 **Pre-Existing Distribution Rights** – Termination of the Plan shall not affect the form or timing of benefits to any Participant who becomes entitled thereto pursuant to ARTICLE **VII** and ARTICLE **VIII** without regard to the Plan termination, but only to the extent that such payments would have been made prior to the date on which the lump sum distribution of all distributions upon Plan termination, pursuant to **Section 11.3.2.2**, is to be made.

11.4. **Employer-Level Change** – Subject to **Section 11.6**:

11.4.1 **Cessation of Business** – Notwithstanding any other provision of the Plan to the contrary, in the event the Company ceases to actively carry on the trade or business in which a Participant was employed and if the cessation is not pursuant to a transaction whereby a successor entity assumes the obligations under the Plan (including the sale of all of the stock of an Affiliate), the entire value of the Account of an affected Participant shall be distributed in a single lump sum to the Participant (or, in the event the Participant is not then living, to the Beneficiary designated in accordance with **Section 8.2**) on such Distribution Date permitted by applicable Regulations, but only if, in connection with the cessation of business: (i) the cessation is in conjunction with an

event that constitutes a permissible payment event described in **Section 11.3.2**, or (ii) the distribution is otherwise permitted under regulations or other guidance issued by the Internal Revenue Service under Section 409A on the basis that a Change in Control Event as defined in **Section 11.3.2.1** has occurred.

11.4.2 Successor to Company – In the event of the merger, consolidation, sale of all or substantially all the assets, or reorganization, of the Company:

11.4.2.1 Provision may be made by which the Plan will be continued by the successor employer, in which case such successor shall be substituted for the Company under the Plan and **Section 11.4.1** shall not apply to the transaction. The substitution of the successor shall constitute an assumption of Plan liabilities by the successor and the successor shall have all of the powers, duties and responsibilities of the Company under the Plan.

11.4.2.2 If the action described in **Section 11.4.2.1** has not been taken within ninety (90) days from the effective date of the transaction, the Plan shall be deemed to have been terminated as of the effective date of the transaction, but not earlier than the earliest date permitted under **Section 11.3.2.1**, and the provisions of **Section 11.3.2** shall be applicable thereto.

11.4.2.3 In the event of a transaction described in this section which applies to a portion of the Company, the provisions of this section shall apply only to the employees transferred in connection therewith.

11.5. Preservation of Rights – Amendment or termination of the Plan shall not affect the rights of any Participant (or Beneficiary) to payment of the amount in their Account, to the extent that such amount was payable under the terms of the Plan prior to the effective date of such amendment or termination. However, no action taken in accordance with **Section 11.2 or 11.3** shall be deemed prejudicial to any interest of any Employee or Participant.

11.6. Section 409A Compliance – The Plan may not be amended or terminated in any way that results in a violation of Section 409A. In particular, except to the extent permitted by § 1.409A-3(j) of the Regulations, no amendment or termination of the Plan shall in any way (including a change in form of distribution) result in acceleration of the timing or amount of any payment (or any portion thereof) due under the Plan. An amendment that permits acceleration for any one or more of the reasons that constitute exceptions to the prohibition on acceleration of payments, pursuant to § 1.409A-3(j)(4) of the Regulations, shall not be deemed to be in violation of this section.

ARTICLE XII

Miscellaneous

12.1. Limitations on Liability of Company – Neither the establishment of the Plan nor any modification thereof, nor the creation of any Account, nor the payment of any benefits, shall be construed as giving to any Participant or other person any legal or equitable right against the Company or any Affiliate (or any person connected therewith), except as provided by law or by any Plan provision. Nothing contained in the Plan, and no action taken pursuant to its provisions, shall create or be construed to create a fiduciary relationship between the Company or any Affiliate

(or any person connected therewith) and any Participant, Beneficiary or other person. In no event shall the Company or any Affiliate (or any person connected therewith) be liable to any person for the failure of any Participant, Beneficiary or other person to be entitled to any particular tax consequences with respect to the Plan or any contribution thereto or distribution therefrom.

12.2. Construction – The Plan is intended to be exempt from ERISA (other than reporting and disclosure requirements and claims procedures, as to which no exemption is available) and, if any provision of the Plan is subject to more than one interpretation or construction, such ambiguity shall be resolved in favor of that interpretation or construction which is consistent with the Plan being so exempted. In case any provision of the Plan shall be held to be illegal or void, such illegality or invalidity shall not affect the remaining provisions of the Plan, but shall be fully severable, and the Plan shall be construed and enforced as if said illegal or invalid provisions had never been inserted herein. For all purposes of the Plan, where the context admits, words in the masculine gender shall include the feminine and neuter genders, the singular shall include the plural, and the plural shall include the singular. Headings of articles and sections are inserted only for convenience of reference and are not to be considered in the construction of the Plan. Except to the extent preempted by the laws of the United States of America, the laws of Maryland shall govern, control and determine all questions arising with respect to the Plan and the interpretation and validity of its respective provisions. Participation under the Plan will not give any Participant the right to be retained in the service of the Company or an Affiliate or any right or claim to any benefit under the Plan unless such right or claim has specifically accrued hereunder. The Plan shall be construed in such manner as to comply with Section 409A.

12.3. Spendthrift Provision – No amount payable under the Plan will, except as otherwise specifically provided by law, be subject in any manner to anticipation, alienation, attachment, garnishment, sale, transfer, assignment (either at law or in equity), levy, execution, pledge, encumbrance, charge or any other legal or equitable process, and any attempt to do so will be void; nor will any benefit be in any manner liable for or subject to the debts, contracts, liabilities, engagements or torts of the person entitled thereto. The foregoing shall not preclude any arrangement for: (i) the withholding of taxes from Plan benefit payments, (ii) the recovery by the Plan of overpayments of benefits previously made to a Participant, or (iii) the direct deposit of benefit payments to an account in a banking institution (if not part of an arrangement constituting an assignment or alienation).

In the event that any Participant's benefits are garnished or attached by order of any court, the Company may bring an action for a declaratory judgment in a court of competent jurisdiction to determine the proper recipient of the benefits to be paid by the Plan. During the pendency of said action, any benefits that become payable shall be paid into the court as they become payable, to be distributed by the court to the recipient it deems proper at the close of said action.

12.4. Tax Consequences of Payments – The Company does not make any representations as to the tax consequences of any compensation or benefits provided hereunder (including, without limitation, under Section 409A). The Participant is solely responsible for any and all income, excise or other taxes imposed on Participant with respect to any and all compensation or other benefits provided to Participant.

12.5. Limitation of Rights: No Contract of Employment – The terms of the Plan shall not be deemed to constitute a contract of employment between any member of the Employer Group and the Participant, and the Participant (or their Beneficiary) shall have no rights against any member of the Employer Group except as may be specifically provided herein. Moreover, nothing in the Plan shall be deemed to limit in any way the right of the Company or an Affiliate to terminate a Participant's employment at any time or be evidence of any agreement or understanding, express or implied, that the Company or an Affiliate will employ a Participant in any particular position or at any particular rate of remuneration.

* * *

IN WITNESS WHEREOF, the Plan is executed effective as of the Effective Date.

FRANKLIN TEMPLETON, INC.

By: /s/ Lindsey H. Oshita
Lindsey H. Oshita
Chief Accounting Officer

APPENDIX A

FRANKLIN TEMPLETON, INC.
DEFERRED COMPENSATION FUND PLAN

CLAIMS PROCEDURE

Initial Claim

If you dispute any issue regarding the Plan, you may file a written claim under the Plan's claims procedure. Your claim must state the specific reason(s) why you believe you are entitled to the benefit for which you are applying or the issue for which you are filing a claim, and must be delivered to the Administrator (at the normal Company address, unless the Administrator provides a different address).

You will be provided a written or electronic notice of the determination of your claim. If your claim is denied, the Administrator will provide you with a notice of the adverse determination, setting forth: (i) the specific reason(s) for the denial, (ii) specific reference to pertinent Plan provisions on which the denial is based, (iii) a description of any additional material or information necessary for you to perfect your claim and an explanation of why such material or information is necessary, and (iv) an explanation of the Plan's appeal procedure (including applicable time limits and a statement that, if your claim is adversely decided on appeal, you may bring a civil action under Section 502(a) of ERISA).

The adverse determination notice will be provided to you within ninety (90) days after your claim has been received. However, in special circumstances requiring an extension, the ninety (90)-day period may be extended (for not more than an additional ninety (90) days unless you agree), if the Administrator gives you written notice, before the end of the initial ninety (90)-day period, setting forth the reason(s) for the extension and the estimated decision date. If the extension notice indicates that the extension is needed because you have not provided information necessary to decide your claim, and the notice asks for that information, the time limit on the extension does not begin to run until you have provided the requested information.

Appeal

If you have received an adverse determination notice, you are entitled to an appeal. You must submit your written appeal to the Administrator within sixty (60) days following the date on which you received the adverse determination notice. You may submit written comments, documents, records and other information relating to your claim (regardless of whether such information was submitted or considered in arriving at the initial adverse determination). Upon request, you will be provided (free of charge) with reasonable access to, and copies of, all documents, records and other information *relevant* to your claim. For these purposes, an item is relevant if: (i) it was relied upon in making the initial claim determination, or (ii) it was submitted, considered or generated in the course of actually making the initial claim determination, or (iii) it demonstrates compliance with the requirement that claim determinations be made in accordance with the applicable Plan provisions consistently applied.

Your appeal will be given full and fair consideration. You will be provided a written or electronic notice of the determination of your appeal. If your appeal is denied, the Administrator will provide you with a notice of the adverse determination, setting forth: (i) the specific reason(s) for the adverse determination, (ii) reference to the specific Plan provisions on which the determination is based, (iii) notice of your right to bring a civil action under Section 502(a) of ERISA, and (iv) a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your claim.

Notice of the decision on your appeal will be provided to you within sixty (60) days after your appeal has been received. However, in special circumstances requiring an extension, the sixty (60)-day period may be extended (for not more than an additional sixty (60) days unless you agree), if the Administrator gives you written notice, before the end of the initial sixty (60)-day period, setting forth the reason(s) for the extension and the estimated decision date. If the extension notice indicates that the extension is needed because you have not provided information necessary to decide your appeal, and the notice asks for that information, the time limit on the extension does not begin to run until you have provided the requested information.

General

You are required to complete both the initial claim procedure and the appeal procedure before you may exercise any right to bring a civil action under Section 502(a) of ERISA (*i.e.*, to file suit in a federal or state court). During the claim and appeal process, you must raise all issues and legal theories you wish to have considered at any time during the review process or any subsequent lawsuit. At any point in the claims procedure, you may designate someone to act as your duly authorized representative. However, you may be required to provide the Administrator with a written power of attorney or other evidence that the person is authorized to act for you.

No legal action, including a lawsuit, may be brought more than one (1) year after a final decision is rendered on an appeal. In addition to the one (1)-year deadline that applies to filing a lawsuit after the claim and appeal procedures are exhausted, there is a general time

limitation that applies to all lawsuits involving all types of Plan issues. You must commence any such lawsuit involving Plan claims no later than two (2) years after you first receive information that constitutes a clear repudiation of the rights you are seeking to assert (*i.e.*, the underlying event or issues that should have triggered your awareness that your rights under the Plan may have been violated). Any period of time when your claim is in the claim and appeal procedure described above (*i.e.*, the time between when you file your claim and the time you receive a final determination letter) does not count against the two (2)-year period.

The Administrator (or its delegate) has absolute authority and sole discretion to interpret and apply Plan provisions and determine facts, benefits and eligibility. All interpretations, decisions and determinations of the Administrator are intended to be final, conclusive and binding on all parties having an interest in the Plan.

EXHIBIT A
TO
FRANKLIN TEMPLETON, INC.
AWARD AGREEMENT

RESTRICTIVE COVENANTS

This **Exhibit A** to the Franklin Templeton, Inc. Award Agreement (the "Agreement") shall apply if so indicated in the 2002 Universal Stock Incentive Plan, Notice of Restricted Stock Unit Award. Capitalized terms that are used but not defined herein shall have the meanings ascribed to them in the Agreement. References to national, federal, state or tribal law include, in countries other than the US, applicable local laws and collective bargaining agreements, and the provisions below will apply to the extent permitted by such applicable local laws and collective bargaining agreements.

1. Confidentiality.

(a) Confidential Information Obligations and Restrictions. Participant shall keep confidential and, except as Franklin Templeton, Inc. (the "Company" and, together with its subsidiaries, the "Company Group") may otherwise consent to in writing, shall not divulge, communicate, disclose, or use to the detriment of the Company Group or for the benefit of any other person or persons, misuse in any way, or make any use of, except for the benefit of the Company Group, at any time either between the Award Date and the applicable Vesting Date or at any time thereafter, any Confidential Information. Participant shall not disclose, deliver, reproduce, or in any way allow any such Confidential Information to be disclosed, delivered to or used by any third parties without the specific direction or consent of a duly authorized representative of the Company, except in connection with the discharge of Participant's duties. Any Confidential Information now or hereafter acquired by Participant with respect to the business of the Company Group shall be deemed a valuable, special and unique asset of the Company Group that is received by Participant in confidence and as a fiduciary, and Participant shall remain a fiduciary to the Company Group with respect to all of such information. Notwithstanding anything to the contrary herein, Participant shall not have any obligation to keep confidential any information (and the term "Confidential Information" shall not be deemed to include any information) that (i) is generally available to the public through no fault or wrongful act of Participant in breach of the terms hereof, or (ii) is disseminated by the Company Group publicly without requiring confidentiality.

(b) Permissible Disclosure of Confidential Information.

(i) Participant Rights Protected. Nothing in this Exhibit A, or any other agreement Participant has with the Company Group shall limit or interfere with Participant's right to: (1) voluntarily communicate with an attorney retained by Participant; (2) file a charge or complaint with any Government Agency, voluntarily communicate with any Government Agency, or initiate, assist, participate, cooperate, provide information (including documents) or testify in any inquiry, investigation, proceeding or action that may be conducted by any Government Agency, in each case, regarding possible violations of law and without advance notice to or authorization from the Company, (3) seek and obtain payment or an award from the SEC or similar local equivalent, pursuant to Section 21F of the Securities Exchange Act of 1934, as amended, or obtaining any other "whistleblower" award, to the extent such right cannot by law be waived, (4) disclose any information (including, without limitation, Confidential Information) to a Government Agency in response to any subpoena, court order or written request, provided that with respect to any subpoena, court order or written request on behalf of any non-governmental person, in connection with any private litigation or arbitration, Participant uses commercially reasonable efforts to cooperate with any effort by the Company Group to seek to challenge the subpoena, court order or written request on behalf of such non-governmental person or obtain a protective order limiting its disclosure, or other appropriate remedy, and Participant shall

provide prompt prior written notice to the Company's General Counsel of such disclosure to a non-governmental person, (5) file or disclose any facts necessary to receive unemployment insurance, Medicaid or other public benefits to which Participant is entitled, (6) disclose the underlying facts or circumstances relating to claims of discrimination, in violation of laws prohibiting discrimination, against the Company Group or making truthful statements or disclosures related to unlawful discrimination, harassment or retaliation, or otherwise discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Participant has reason to believe is unlawful, or (7) disclose or discuss conduct, or the existence of a settlement involving conduct, relating to a dispute: (i) involving a nonconsensual sexual act or sexual contact, as such terms are defined in § 2246 of title 18, United States Code, or similar applicable national, tribal or state law, including when the victim lacks capacity to consent; or (ii) relating to conduct that is alleged to constitute sexual harassment under applicable national, federal, tribal or state law.

(ii) Defend Trade Secrets Act. Participant will not be held criminally or civilly liable under any U.S. federal or state trade secret law, including the Defend Trade Secrets Act of 2016 (as amended from time to time) (or applicable law in jurisdictions other than the U.S. that afford equivalent disclosure protections) for the disclosure of any Confidential Information or other trade secret that is made in confidence to a Government Agency (or, in jurisdictions other than the U.S., to equivalent governmental agencies) or to an attorney solely for the purpose of reporting or investigating a suspected violation of law. Participant will also not be held criminally or civilly liable under any U.S. federal or state trade secret law (or applicable law in jurisdictions other than the U.S. that afford equivalent disclosure protections) for the disclosure of any Confidential Information or other trade secret that is made in a complaint or other document filed in a legal proceeding, if such filing is made under seal (or, in the case of jurisdictions other than the U.S., in any manner that has equivalent effect). If Participant files a claim against the Company or any member of the Company Group alleging that the Company (or any member of the Company Group) retaliated against Participant for reporting a suspected violation of law, Participant may disclose the Confidential Information or other trade secret to Participant's attorney and use the Confidential Information or other trade secret information in such legal proceeding provided Participant (i) files any document containing the Confidential Information or other trade secret under seal (if such facility exists in the relevant jurisdiction) or otherwise ensures that any such document containing Confidential Information is not accessible by the public, and (ii) does not otherwise disclose the Confidential Information or other trade secret, except pursuant to an order issued by the tribunal with jurisdiction over Participant's claim.

2. Return of Confidential Material. Upon the completion or other termination of Participant's services for the Company Group, or sooner if requested, Participant shall promptly surrender and deliver to the Company Group all records, materials, equipment, drawings, documents, notes and books and data of any nature pertaining to any Confidential Information of the Company Group or to Participant's services, and Participant will not take any documents containing or pertaining to any Confidential Information or data of the Company Group which Participant may produce or obtain during the course of Participant's services.

3. Restrictive Covenants. Participant agrees that the Company Group has invested substantial time, effort and expense in compiling its Confidential Information, protecting its trade secrets, building its goodwill, assembling its present staff of personnel and attracting and/or contracting with its current clients and customers and its prospective clients and customers. In consideration of the Company Group granting access to trade secrets and Confidential Information, and in order to protect the confidentiality of trade secrets and Confidential Information, the goodwill of the Company Group, and the Company Group's connections with staff, clients and customers and prospective clients and customers, Participant further agrees in good faith that the provisions of Section 3 (including, as may be modified in Appendix 1) are reasonable and are not more restrictive than necessary to protect the legitimate business interests of the Company Group and the Affiliated Investment Vehicles. Further, Participant and the Company Group acknowledge and agree that the restrictions contained herein are not intended to and will not prevent Participant from earning a livelihood.

(a) Protected Personnel Non-Solicit and Non-Interference. Without limiting Participant's obligations under applicable law, during the Restricted Period, Participant shall not, directly or indirectly (A) Solicit for employment or Solicit to hire or engage, or employ, hire or engage (whether as an employee, contractor, consultant or on any other basis), any Protected Personnel, (B) interfere with or harm the relationship between any Protected Personnel and the Company Group, or (C) form or seek to form a new or recombined entity or fund with any Protected Personnel.

(b) Protected Relations Non-Solicit and Non-Interference. Without limiting Participant's obligations under applicable law, during the Restricted Period, Participant shall not, directly or indirectly (A) Solicit, induce, direct or attempt to Solicit, induce or direct any Protected Relation to cease doing business, reduce or otherwise limit its business with the Company Group or the Affiliated Investment Vehicles, or (B) take any action that may interfere with or adversely affect the relationship of the Company Group or the Affiliated Investment Vehicles with any Protected Relation.

4. Modification; Severability. If a court determines that a restriction set forth in this Exhibit A (including, as may be modified in Appendix 1) cannot be enforced as written because it is overbroad in part (such as time, scope of activity, or geography), or if a restriction is unenforceable under the laws, rules or regulations of the jurisdiction in which Participant resides, the parties agree that the restrictions shall be enforced and/or a court shall enforce the restrictions in each case to such lesser extent as is allowed by law and/or reform the overbroad part of the restriction to make it enforceable to the fullest extent allowed by any specifically applicable state or provincial law, regulation, rule, or public policy. If, despite the foregoing, any provision contained in this Exhibit A (including, as may be modified in Appendix 1) is determined to be void, illegal or unenforceable, in whole or in part, then such provision shall be severed from this Exhibit A and the other provisions contained herein shall remain in full force and effect.

5. Consideration. The Award shall be in consideration for Participant's execution of the Agreement and the covenants contained therein and herein, which include the aforementioned restrictions and, in particular, the non-interference and non-solicitation obligations set out in Section 3 of this Exhibit A (including, as may be modified in Appendix 1).

6. Award Agreement Restrictive Covenants. Participant expressly acknowledges that the restrictive covenants contained in this Exhibit A to the Award Agreement (including, as may be modified in Appendix 1) do not replace and/or supersede any other restrictive covenants agreed between Participant and the Company Group. Restrictive covenants contained in this Exhibit A (including, as may be modified in Appendix 1) are in addition to any other restrictive covenants agreed and may be enforced separately and independently.

7. Definitions. For purposes of this Exhibit A, the capitalized terms used herein shall have the following meanings:

(a) "Affiliated Investment Vehicle" means any investment fund or investment vehicle sponsored by or affiliated with the Company Group (but excluding any portfolio company of any such Affiliated Investment Vehicle).

(b) "Company Group" means, jointly and severally, the Company and each of its current and former subsidiaries, predecessors, acquired or merged entities.

(c) "Confidential Information" means, without limitation, non-public corporate and mutual fund and other product: financial information, including cost and performance data, debt arrangements, equity structure, investors and holdings, purchasing and sales data, and pricing lists or schedules; client and business prospect identities and information (including, but not limited to, financial advisors and consultants and sales information); marketing strategies and methods; market analyses or projections; products, services, and the pricing for same; business plans, strategies, methods, templates, models, policies, and procedures; software, databases, hardware configurations, or other technology or tools created, developed, or compiled by the Company Group; formulas, discoveries, inventions, designs, improvements, concepts, and ideas; client, supplier, or other third party confidential

and/or proprietary information received in confidence by the Company Group and any information that may be subject to non-disclosure or confidentiality agreements between the Company Group and said parties; any confidential and privileged legal advice given to the Company Group, which legal privilege belongs to the Company Group; applicant and employee private or otherwise protected information or data obtained by Participant in connection with Participant's employment with the Company, including, but not limited to, personal information contained in applications and resumes submitted to the Company Group and in performance evaluations, termination information and agreements not otherwise available outside of the Company Group; the Company Group's internal reporting or organizational structure information and personnel lists; and the Company Group's compensation structure and formula information (except with respect to Participant's own compensation amount).

(d) "Garden Leave" means any applicable period during which the Company Group requires Participant to not come to the Company Group's offices and/or not continue to work and to refrain from performing any or all of Participant's duties and responsibilities, as determined by the Company Group or any authorized member thereof.

(e) "Government Agency" includes any U.S. or non-U.S. national, federal, provincial, regional, state, or local law enforcement or governmental agency, commission or legislative body, or self-regulatory organization, including, by way of representative example only, any securities, financial, employment and labor regulators, including the Securities and Exchange Commission ("SEC"), the National Labor Relations Board ("NLRB"), the United States Department of Labor, any Attorney General, and the Equal Employment Opportunity Commission.

(f) "Protected Personnel" means any employee of the Company Group in the Restricted Area with whom Participant had business dealings during the Relevant Period and who either: (i) had direct business contact with clients or customers or prospective clients or customers as part of such employee's day to day work or (ii) with whom Participant had direct contact during Participant's employment with the Company Group.

(g) "Protected Relations" means any person or business entity or organization, of whatever form, in the Restricted Area who or which is or was (i) an investor, business partner, client, customer, prospective client, prospective customer or other business partner or relationship, of the Company Group during the Relevant Period, or (ii) actively seeking to form a business relationship with the Company Group during the Relevant Period, provided that, in each case, Participant had contact with, actively participated in any attempt to Solicit the business of, or learned Confidential Information about such person or business entity or organization, as a result of Participant's employment with the Company Group.

(h) "Relevant Period" means the then-immediately preceding 12-month period ending no later than the date of Participant's termination of service with the Company Group for any or no reason (or, where Participant is placed on Garden Leave, the then-immediately preceding 12-month period ending no later than the date of the commencement of such period of Garden Leave).

(i) "Restricted Area" means any country or state in which any member of the Company Group operated during the Relevant Period and where Participant is or was engaged to provide services or materially involved in providing services.

(j) "Restricted Period" means during Participant's service to the Company Group and the 12-month period after the date of Participant's termination of service with the Company Group (whether initiated by Participant or by the Company Group). The Restricted Period shall be reduced by any period spent on Garden Leave.

(k) "Solicit" means to directly or indirectly contact or respond to any Protected Personnel or Protected Relations, using any form of oral, written, or electronic communication, including, but not limited to, email, regular mail, express mail, telephone, fax, instant messenger, text message, or social media, including, but not limited to Facebook, LinkedIn, Instagram or Twitter, or any other social media platform, whether or not in existence at the time of entering into this Exhibit A,

or meet with any person, whether in person or virtually, via Zoom, Microsoft Teams, WebEx or other video conference platform.

8. Survival. This Exhibit A shall survive the expiration or termination of Participant's service and shall survive the expiration or termination of the Agreement.

9. Governing Law. This Exhibit A is governed by, and all disputes arising under or in connection with this Exhibit A shall be resolved in accordance with, the laws of the state of Delaware, without regard to its conflict of laws rules, to the extent not pre-empted by the federal laws of the United States of America.

10. Remedies. Participant acknowledges that Participant will have access to client confidential data, trade secrets, business-related information and business sensitive data and the Company Group will suffer irreparable harm as a result of a breach by Participant of the restrictive covenants contained within this Exhibit A for which an adequate monetary remedy does not exist and a remedy at law may prove to be inadequate. Accordingly, in the event of any actual or threatened breach by Participant of any provision of this Exhibit A, the Company Group will, in addition to any other remedies permitted by law, be entitled to obtain remedies in equity, including, without limitation, specific performance, injunctive relief, a temporary restraining order, and/or a permanent injunction in any court of competent jurisdiction, to prevent or otherwise restrain a breach of this Exhibit A. Such relief will be in addition to and not in substitution of any other remedies available to the Company Group.

APPENDIX 1
TO
EXHIBIT A TO THE FRANKLIN TEMPLETON, INC. AWARD AGREEMENT

In addition to the terms and conditions set forth in the Agreement, Exhibit A, and the Notice of Award, the Award is subject to the terms and conditions set forth in this appendix (this "Appendix 1"). All defined terms contained in this Appendix 1 shall have the same meaning as set forth in Exhibit A or defined in this Appendix 1, as applicable. If Participant is assigned to an office in a jurisdiction identified in this Appendix 1, including, if on secondment, the office to which Participant is seconded, the law of the jurisdiction of such office will apply unless Participant resides in a jurisdiction identified in this Appendix 1 that requires application of such jurisdiction's law, in which case, the law of such residence will apply. If Participant transfers assigned offices to a jurisdiction identified in this Appendix 1, the terms and conditions for such jurisdiction shall apply to the extent the Company Group determines, in its sole discretion (and notifies Participant of such determination), that the application of such terms and conditions is necessary or advisable to comply with local law, rules and regulations or to facilitate the operation and administration of the Award (or the Company Group may establish alternative terms and conditions as may be necessary or advisable to accommodate the Participant's transfer).

California

- *The following replaces Section 3(b) of Exhibit A:*

  (b) Protected Relations Non-Solicit and Non-Interference. Without limiting Participant's obligations under applicable law, during Participant's service to the Company Group, Participant shall not, directly or indirectly (A) Solicit, induce, direct or attempt to Solicit, induce or direct any Protected Relation to cease doing business, reduce or otherwise limit its business with the Company Group or the Affiliated Investment Vehicles, or (B) take any action that may interfere with or adversely affect the relationship of the Company Group or the Affiliated Investment Vehicles with any Protected Relation.

- *The following replaces Section 9 of Exhibit A:*

  9. Governing Law. This Exhibit A is governed by, and all disputes arising under or in connection with this Exhibit A shall be resolved in accordance with, the laws of the state of California, without regard to its conflict of laws rules, to the extent not pre-empted by the federal laws of the United States of America.

Florida

- *The following replaces Section 3(b) of Exhibit A:*

(b) Protected Relations Non-Solicit and Non-Interference. Without limiting Participant's obligations under applicable law, during the Restricted Period, Participant shall not, directly or indirectly (A) Solicit, induce, direct or attempt to Solicit, induce or direct any Protected Relation to cease doing business, reduce or otherwise limit its business with the Company Group or the Affiliated Investment Vehicles, or (B) take any action that may interfere with or adversely affect the relationship of the Company Group or the Affiliated Investment Vehicles with any Protected Relation; provided, that nothing contained in this Section 3(b) shall be deemed to prohibit Participant from providing services to any Protected Relation who seeks the services of Participant without any contact initiated by Participant.

Georgia

- *The following replaces Section 7(f) of Exhibit A:*

(f) "Protected Personnel" means any employee of the Company Group in the Restricted Area with whom Participant had business dealings during the Relevant Period and who had access to Confidential Information during their employment with the Company Group.

Illinois

- *The following replaces Section 5 of Exhibit A:*

> 5. Consideration. The Award shall be in consideration for Participant's execution of the Agreement and the covenants contained therein and herein, which include the aforementioned restrictions and, in particular, the non-interference and non-solicitation obligations set out in Section 3 of this Exhibit A (including, as may be modified in Appendix 1). Participant agrees and acknowledges that the Award constitutes adequate consideration for purposes of the Illinois Freedom to Work Act, 820 ILCS 90/15.

- *The following shall be added as a new Section 11 of Exhibit A:*

> 11. Right to Counsel; Review Period. Participant hereby acknowledges that Participant has been advised to consult with an attorney of Participant's choosing prior to signing Exhibit A, including with respect to the non-solicitation covenants set forth in Section 3. Participant further acknowledges that Participant has been given at least fourteen (14) calendar days to consider Exhibit A, including the non-solicitation covenants in Section 3; provided, that Participant may sign Exhibit A sooner if Participant wishes.

New York

- *The following replaces Section 3(b) of Exhibit A:*

  (b) Protected Relations Non-Solicit and Non-Interference. Without limiting Participant's obligations under applicable law, during the Restricted Period, Participant shall not, directly or indirectly (A) Solicit, induce, direct or attempt to Solicit, induce or direct any Protected Relation to cease doing business, reduce or otherwise limit its business with the Company Group or the Affiliated Investment Vehicles, or (B) take any action that may interfere with or adversely affect the relationship of the Company Group or the Affiliated Investment Vehicles with any Protected Relation; provided, that nothing contained in this Section 3(b) shall be deemed to prohibit Participant from Soliciting the business of or performing any services for any Protected Relations with whom or which the Participant had initial contact prior to the commencement of Participant's employment or service relationship with the Company Group.

- *The following replaces Section 7(e) of Exhibit A:*

  (e) "Government Agency" includes any U.S. or non-U.S. national, federal, provincial, regional, state, or local law enforcement or governmental agency, commission or legislative body, or self-regulatory organization, including, by way of representative example only, any securities, financial, employment and labor regulators, including the Securities and Exchange Commission ("SEC"), the National Labor Relations Board ("NLRB"), the United States Department of Labor, any Attorney General, the Equal Employment Opportunity Commission, the New York State Division of Human Rights and the New York City Commission on Human Rights.

- *The following replaces Section 7(f) of Exhibit A:*

  (f) "Protected Personnel" means any employee of the Company Group in the Restricted Area with whom Participant had business dealings during the Relevant Period and who had access to Confidential Information during their employment with the Company Group.

- *The following replaces Section 7(g) of Exhibit A:*

  (g) "Protected Relations" means any person or business entity or organization, of whatever form, in the Restricted Area who or which is or was (i) an investor, business partner, client, customer, prospective client, prospective customer or other business partner or relationship, of the Company Group during the Relevant Period, or (ii) actively seeking to form a business relationship with the Company Group during the Relevant Period, provided that, in each case, Participant first had contact with, first actively participated in any attempt to Solicit the business of, or first learned Confidential Information about such person or business entity or organization, as a result of Participant's employment with the Company Group.

Texas

- *The following replaces Section 3(a) of Exhibit A:*

(a) Protected Personnel Non-Solicit and Non-Interference. Without limiting Participant's obligations under applicable law, during the Restricted Period, Participant shall not, directly or indirectly (A) Solicit for employment or Solicit to hire or engage, or employ, hire or engage (whether as an employee, contractor, consultant or on any other basis), any Protected Personnel, (B) interfere with or harm the relationship between any Protected Personnel and the Company Group, or (C) form or seek to form a new or recombined entity or fund with any Protected Personnel; in each case, for the purposes of providing (x) any business activity or development, investor relations, fundraising, marketing or related advisory services, at an investment management firm, or (y) any other businesses, or any component thereof, which the Company Group or any Affiliated Investment Vehicle is engaged in, and in which the Participant was involved or about which the Participant learned Confidential Information during Participant's service to the Company Group, in each case, on Participant's own behalf or on behalf of or for the benefit of any person or business entity or organization, of whatever form, other than the Company Group or any Affiliated Investment Vehicle.

FRANKLIN RESOURCES, INC.
2002 UNIVERSAL STOCK INCENTIVE PLAN
NOTICE OF RESTRICTED STOCK UNIT AWARD

PLEASE NOTE: Where indicated below, certain of your award terms are set forth in your www.BenefitsOnline.ml.com electronic account ("BenefitsOnline"). Such award terms are incorporated herein by this reference.

Name of Participant: DANIEL GAMBA

In accordance with the Franklin Resources, Inc. 2002 Universal Stock Incentive Plan, as amended (the "Plan"), as an incentive for increased efforts and successful achievements, Franklin Resources, Inc. (the "Company") has awarded Participant Restricted Stock Units ("Units") over common stock of the Company subject to the terms and conditions of the accompanying Restricted Stock Unit Award Agreement (the "Award Agreement"), this Notice of Restricted Stock Unit Award (this "Notice of Award" and together with the Award Agreement, the "Award") and the Plan, as follows (capitalized terms used but not defined in this Notice of Award have the same meaning as set forth in the Plan):

Award Date:	**See BenefitsOnline**
Total Number of Units Awarded:	**See BenefitsOnline**
Vesting Schedule:	**See BenefitsOnline**
Restrictive Covenants Apply:	**YES – See Exhibit A attached hereto, which is incorporated herein by reference.**

Additional Definitions:

For purposes of the Award, the following additional definitions apply:

"Consultant" means an individual consultant with the Company or any Subsidiary, as applicable, who continues to receive compensation directly from the Company or any Subsidiary in connection with such consulting.

"Continuous Status as an Employee or Consultant" means the absence of any interruption or termination of the Service relationship by the Company or any Subsidiary. Continuous Status as an Employee or Consultant shall not be considered interrupted in the case of: (i) sick leave, military leave or any other leave of absence approved by the Committee, provided that such leave is for a period of not more than ninety (90) days, unless reemployment or Service upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Company policy adopted from time to time; or (ii) transfers between locations of the Company or between the Company, its Subsidiaries or its successor.

"Management" means one or more of the executive officers or other appropriate senior leader(s) of the Company who are involved in the administration of the Plan or Award or otherwise authorized, other than Participant.

Additional Vesting Schedule Terms:

Subject to Participant's Continuous Status as an Employee or Consultant and other limitations set forth in the Award and the Plan, the Units shall vest on the dates (each, a "Vesting Date") in

accordance with the applicable Vesting Schedule set forth in BenefitsOnline (subject to the determination of Fair Market Value in accordance with the terms of the Plan as appropriate).

For purposes of the Award, the term "vest" shall mean, with respect to any Units granted hereunder, that such Units are no longer subject to forfeiture to the Company (other than pursuant to Section 16 of the Award Agreement).

Except as otherwise set forth in the Award or the Plan, the Units subject to this Award shall vest only by Participant's Continuous Status as an Employee or Consultant and such status is at the will of the Company or the applicable Subsidiary (not through any act of being hired or contracted, being granted this Award or acquiring Units hereunder). Nothing in this Award, or in the Plan, which is incorporated herein by this reference, affects the Company's, or a Subsidiary's, right to terminate, or to change the terms of, Participant's Service at any time, with or without cause.

Any portion(s) of the Units that do not vest by the applicable Vesting Date shall be forfeited and deemed reconveyed to the Company as of the applicable Vesting Date, if not sooner forfeited, and the Company shall thereafter be the legal and beneficial owner of such reconveyed Units and shall have all rights and interest in or related thereto without further action by Participant.

Where a fraction of a Unit would vest pursuant to the schedule indicated above, the number of vested Units shall be rounded upwards to the next highest whole number of Units; provided, however, that the aggregate number of Units that become vested shall not exceed the Total Number of Units awarded hereunder.

Additional Notice Terms:

From time to time, the Company may be in a "Blackout Period" and/or subject to applicable securities laws that could subject Participant to liability for engaging in any transaction involving the sale of the Shares. Prior to the sale of any Shares acquired under this Award, it is Participant's responsibility to determine whether or not such sale of Shares will subject Participant to liability under insider trading rules or other applicable securities laws.

The Award is subject to the Plan Documents which may be accessed in electronic form through the Company's intranet, the website of the third-party stock administration provider used by the Company, or another form of electronic communication (*e.g.*, email) or similar methods of access (the "Electronic Access Methods"), as determined by the Company.

In receiving the Award, Participant is hereby notified, and Participant agrees, that the following constitute certain of the terms, conditions and obligations of receiving, holding and potentially vesting in, and settlement of the Award:

(i) Participant may receive the Plan prospectus in connection with the Form S-8 registration statement for the Plan, any updates thereto, the Plan, the Award Agreement and this Notice of Award (collectively, the "Plan Documents") in electronic form either through the Company's intranet, the website of the third-party stock administration provider used by the Company, or another form of electronic communication (*e.g.*, e-mail), as determined by the Company;

(ii) Participant has access to the Company's intranet and the internet;

(iii) Participant may be required to acknowledge receipt of electronic or paper copies of the Plan Documents and the Company's most recent annual report to stockholders; and

(iv) Participant has familiarized himself or herself with, and has acknowledged the contents of and accepted the Award subject to, the terms and provisions of the Plan Documents.

Participant may receive, without charge, upon written or oral request, paper copies of any or all of the Plan Documents, documents incorporated by reference in the Form S-8 registration statement for the Plan, and the Company's most recent annual report to stockholders by requesting them from Stock

Administration at the Company, One Franklin Parkway, San Mateo, CA 94403-1906. Telephone +1 (650) 312-2000. Email [_____]. Participant may also withdraw Participant's consent to receive any or all documents electronically by notifying Stock Administration at the above address in writing.

Unless Participant shall be required to accept the Award by electronic or other means, as determined by the Company and as may be indicated in connection with the delivery of the Award, the terms, conditions, obligations and requirements of this Notice of Award shall apply as a condition of receiving and holding the Award without the need for any manual or other execution of this Notice of Award by Participant or the Company, and Participant shall be deemed for all purposes to have accepted the Award in the absence of any written notice from Participant to the contrary. Notwithstanding the foregoing, however, as a condition to holding the Award and/or the vesting or settlement of the Award, upon the Company's request at any time, the Company may require Participant to sign this Notice of Award either manually or electronically.

FRANKLIN RESOURCES, INC.
2002 UNIVERSAL STOCK INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

This Restricted Stock Unit Award Agreement, together with any Exhibits or Appendix(es) attached hereto (hereinafter, collectively, the "Agreement"), is made as of the Award Date set forth in the Notice of Restricted Stock Unit Award (the "Notice of Award") between Franklin Resources, Inc. (the "Company") and Participant named therein ("Participant").

WITNESSETH:

WHEREAS, the Board and stockholders of the Company have adopted the Franklin Resources, Inc. 2002 Universal Stock Incentive Plan, as amended (the "Plan"), authorizing the grant of Restricted Stock Units ("Units") to eligible individuals as an incentive in connection with the performance of services for the Company and its Subsidiaries, as defined in the Plan, which is incorporated herein by this reference (capitalized terms used but not defined in this Agreement have the same meaning as set forth in the Plan or the Notice of Award, as applicable); and

WHEREAS, the Company recognizes the efforts of Participant on behalf of the Company and its Subsidiaries and desires to motivate Participant in Participant's work and provide an inducement to remain in the service of the Company and its Subsidiaries; and

WHEREAS, the Company has determined that it would be to the advantage and in the interest of the Company and its stockholders to award Units provided for in this Agreement and the Notice of Award to Participant, subject to certain restrictions, as an incentive for increased efforts and successful achievements;

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Restricted Stock Unit Award. The Company is awarding to Participant Units as set forth in the Notice of Award, subject to the rights of and limitations on Participant as owner thereof as set forth in this Agreement. The Award shall be in consideration of Participant's execution of this Agreement and the covenants herein.

2. Transfer Restriction. Units may not be transferred by Participant in any manner except that Units may be transferred by will or by the laws of descent and distribution if Participant dies while an employee or Consultant of the Company or any of its Subsidiaries, and holds vested Units as of the date of such death.

3. Vesting.

(a) Units shall become vested in accordance with the Vesting Schedule in the Notice of Award so long as Participant maintains a Continuous Status as an Employee or Consultant, subject to Section 16 below.

(b) If Participant ceases to maintain a Continuous Status as an Employee or Consultant for any reason except as otherwise provided in this Section 3, then all Units to the extent not yet vested under Section 3(a) on the date Participant ceases to maintain a Continuous Status as an Employee or Consultant shall be forfeited by Participant without payment of any consideration to Participant therefor. Any Units so forfeited shall be cancelled and any Shares considered issuable pursuant to such Units, if applicable, shall be returned to the status of authorized but unissued Shares, to be held for future distributions under the Plan.

(c) Death or Disability. If Participant dies or in the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of Disability (as defined below) while an employee or Consultant of the Company or any of its Subsidiaries, Participant's interest in all Units

awarded hereunder shall become fully vested as of the date of death or termination of Service on account of such Disability, in which case such date shall be deemed the Vesting Date.

(d) Termination without Cause, Resignation for Good Reason or Reduction in Workforce. In the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of a termination without Cause (as defined below), a resignation for Good Reason (as defined below) or a Reduction in Workforce (as defined below) while an employee or Consultant of the Company or any of its Subsidiaries, Participant's interest in all Units awarded hereunder shall become fully vested as of the date of such termination of Service, in which case such date shall be deemed the Vesting Date, provided in each case that the Participant complies with all Company policies, including, without limitation, the return of all Company property and confidential information and the execution of the Company's release agreement as in effect at the time of separation

(e) Discretionary Approved Leaver Termination. In the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of an Approved Leaver Termination (as defined below) while an employee or Consultant of the Company or any of its Subsidiaries, and subject to Participant's continued compliance with all applicable conditions and criteria, Participant's interest in all such Units awarded hereunder shall vest (to the extent then unvested) and be eligible to be settled during the Short-Term Deferral Period (as defined below) in accordance with Section 4. Any dividends paid on any of the Shares considered issuable pursuant to such Units (including rights to dividend equivalent payments) shall be paid in accordance with Section 4. If Participant engages in Competitive Activity (as defined below) prior to the settlement of the Award, then the portion of the Units awarded hereunder that have not yet been settled at the time Participant engages in such Competitive Activity shall be immediately forfeited by Participant (notwithstanding the prior vesting) without payment of any consideration to Participant therefor and any Shares considered issuable pursuant to such Units, if applicable, shall be returned to the status of authorized but unissued Shares to be held for future distributions under the Plan.

(f) Termination of Service Due to Retirement. In the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of Retirement (as defined below) while an employee or Consultant of the Company or any of its Subsidiaries, and subject to Participant's continued compliance with all applicable conditions and criteria, Participant's interest in all such Units awarded hereunder shall vest (to the extent then unvested) and be eligible to be settled during the Short-Term Deferral Period in accordance with Section 4. Any dividends paid on any of the Shares considered issuable pursuant to such Units (including rights to dividend equivalent payments) shall be paid in accordance with Section 4. If Participant engages in Competitive Activity prior to the settlement of the Award, then the portion of the Units awarded hereunder that have not yet been settled at the time Participant engages in such Competitive Activity shall be immediately forfeited by Participant (notwithstanding the prior vesting) without payment of any consideration to Participant therefor and any Shares considered issuable pursuant to such Units, if applicable, shall be returned to the status of authorized but unissued Shares to be held for future distributions under the Plan.

(g) Definitions. Unless changed by the Committee:

"Approved Leaver Termination" means that Participant ceases to be an employee or Consultant of the Company or its Subsidiaries on account of a voluntary termination of Service by Participant that meets the following requirements: (i) Participant provides Management with at least ninety (90) days prior written notice of such termination and requests in writing that such termination be treated as an Approved Leaver Termination, (ii) Management approves the treatment of such termination as an Approved Leaver Termination, (iii) no Cause exists at the time of such termination, (iv) Participant timely submits a written attestation to Management that Participant is not joining a competitor or otherwise engaging in Competitive Activity, and (v) Participant satisfies such other conditions as may be required by Management in its discretion.

"Cause" means termination of employment if Participant: (i) repeatedly fails, following instruction or opportunity to cure within ten business days of notice of such failure, or refuses to comply

with the reasonable requirements and legal obligations required of Participant as Co-President and Chief Commercial Officer; (ii) engages in any conduct that the Company deems to materially violate the written policies made available and established by the Company or the Board of Directors of the Company from time to time; (iii) commits an act of misappropriation, dishonesty or misrepresentation, breach of fiduciary duty, fraud, or other willful misconduct or gross negligence with regard to the Company or any of its assets, customers, or employees; (iv) commits any act of unlawful discrimination or harassment or engages in any action which the Company reasonably considers could be determined to be an act of discrimination or harassment; (v) is the subject of any action taken against Participant by a regulatory body or a self-regulatory organization ("SRO") which the Company determines would impair Participant's ability to perform Participant's duties; (vi) violates of any law, rule, regulation, memorandum of understanding, cease and desist order, or agreement with any agency that has jurisdiction over the Company or Participant violates an SRO's constitution, by-laws, rules or regulations; (vii) is convicted of, or plea of nolo contendere with regard to, a misdemeanor or felony (other than a traffic violation), or is arrested and the arrest interferes with the performance of Participant's job duties; or (viii) made any material factual representation during Participant's hiring process which was incorrect or inaccurate when made.

"Competitive Activity" means Participant's engagement in any activity that competes with any of the business operations of the Company and/or its Subsidiaries, as determined by Management, in its sole discretion, and shall include, without limitation, representing in any capacity, other than as an outside director, a company that competes with the Company and its Subsidiaries.

"Disability" means termination of employment if Participant is unable, by reason of bona fide physical or mental injury, illness or other similar cause, to perform Participant's primary duties for a period of ninety (90) consecutive days or any one hundred and eighty days (180) days during any twelve (12) month period, and where such injury, illness or other similar cause would reasonably be expected to prevent Participant from operating or functioning in a similar capacity in the future. The foregoing determination shall be made by a licensed independent physician reasonably selected by the Company.

"Good Reason" means termination of employment if one or more of the following occurs without Participant's consent: (i) a change in Participant's reporting line such that Participant no longer reports directly to the Company's Chief Executive Officer; (ii) a material diminution by the Company of Participant's responsibilities, such that when Participant's duties are considered, the change in character and prestige associated with Participant's position would be deemed by an objective observer to amount to a constructive discharge; or (iii) a requirement that Participant relocate Participant's place of residence more than 90 miles from the location agreed pursuant to Participant's relocation agreement with the Company. Participant must provide written notice of termination for Good Reason to the Company within thirty (30) days after the event constituting Good Reason. The Company shall have a period of sixty (60) days in which it may correct the act or failure to act that constitutes the grounds for Good Reason as set forth in Participant's notice of termination. If the Company does not correct the act or failure to act, Participant's employment will terminate for Good Reason on the first business day following the Company's sixty (60) day cure period.

"Reduction in Workforce" means that Participant ceases to be an employee or Consultant of the Company or its Subsidiaries on account of an involuntary termination of Service with the Company and its Subsidiaries due to the elimination of a previously required position or previously required services, where such termination is intended to be permanent; or under other circumstances which Management, in accordance with standards uniformly applied with respect to similarly situated employees or Consultants, designates as a Reduction in Workforce.

"Retirement" means Participant ceases to be an employee or Consultant of the Company or its Subsidiaries on account of a voluntary termination of Service by Participant that meets the following requirements: (i) Participant provides Management with at least ninety (90) days prior written notice (or, if shorter, the maximum notice period permitted under applicable law) of such termination and requests in writing that such termination be treated as a Retirement, (ii) Management approves the treatment of such termination as a Retirement, (iii) such termination occurs on or after Participant

reaches age sixty (60) and has completed at least ten (10) full years of Service with the Company or its Subsidiaries, (iv) no Cause exists at the time of such termination, and (v) Participant timely submits a written attestation to Management that Participant is not joining a competitor or otherwise engaging in Competitive Activity.

(h) Management may adopt such policies and/or procedures as it determines is necessary or advisable from time to time to carry out Management's duties under this Agreement. Except as may otherwise be determined by Management, any notice or other information to be provided to Management may be sent to Stock Administration using the contact information in the Notice of Award.

4. Vesting of Units and Issuance of Shares; Deferred Dividends.

(a) Upon each Vesting Date, one Share shall be issuable for each such Unit that vests on such date, subject to the terms and provisions of the Plan, the Notice of Award and this Agreement, and subject to applicable law.

(b) Upon satisfaction of any required tax or other withholding obligations as set forth in Section 6 of this Agreement, the Shares and cash amount (if any) will be issued to Participant (as evidenced by the appropriate entry in the books of the Company or a duly authorized transfer agent of the Company) as soon as practicable after the applicable Vesting Date, but in any event, within the period ending on the later to occur of the date that is two and a half (2½) months from the end of (i) Participant's tax year (which shall be deemed the calendar year for a Participant not subject to taxation in the United States) that includes the applicable Vesting Date, or (ii) the Company's tax year that includes the applicable Vesting Date (such period, the "Short-Term Deferral Period").

(c) With respect to Units vesting in connection with an Approved Leaver Termination or termination of Service due to Retirement, (i) the termination date shall be considered the Vesting Date for purposes of this Section 4, (ii) there shall be no requirement that the Company issue Shares and cash amount (if any) prior to the last day of the Short-Term Deferral Period (however, if Units would have otherwise vested on a regularly scheduled Vesting Date during the Short-Term Deferral Period, the Company will issue Shares and cash amount (if any) with respect to such Units as soon as practicable following such date, subject to the other terms and conditions herein), and (iii) if any cash dividends are paid after Participant's termination date and prior to the issuance of Shares settled during the Short-Term Deferral Period with respect to such Shares, then amounts in cash (or Shares) equal to such cash dividends shall be paid, less any tax or other withholding obligations, prior to the end of the Short-Term Deferral Period. For the avoidance of doubt, if Shares are not settled because Participant engages in Competitive Activity, and the applicable Units are forfeited, amounts in respect of dividends shall not be payable under clause (iii).

(d) Any fractional Unit remaining after all Units under this Award are fully vested shall be discarded and neither a fractional Share nor any dividends issued with respect to such fractional Share shall be issued at vesting of the fractional Unit.

(e) Notwithstanding the above, the Company may, in its discretion, pay to Participant all or a portion of any vested Units in cash in an amount equal to the Fair Market Value of the relevant number of Shares on the applicable Vesting Date, or on such other date or dates within the Short-Term Deferral Period which the Company may at its absolute discretion prescribe, less any tax or other withholding obligations set forth in Section 6 of this Agreement.

5. Right to Shares; Periodic Dividends.

(a) Except as otherwise provided herein and/or determined by the Committee, in its discretion, and as provided in Section 4 and Section 5(b) of this Agreement, Participant shall not have any right in, to or with respect to any of the Shares (including any voting rights or rights with respect to dividends paid on the Shares, including rights to dividend equivalent payments) issuable for a Unit under the Award until the Award is settled by the issuance of such Shares to Participant.

(b) Upon satisfaction of any required tax or other withholding obligations as set forth in Section 6 of this Agreement and subject to Participant's Continuous Status as an Employee or Consultant and subject to applicable law, each Unit shall entitle Participant (excluding, for the avoidance of doubt, any Participant who has terminated Service due to an Approved Leaver Termination or termination of Service due to Retirement) to amount(s) in cash (or Shares) equal to the cash dividends, if any, paid with respect to one Share between the Award Date and the Vesting Date of such Unit, payable at the time and in the manner any such cash dividends are paid to the Company's stockholders; provided, however, that any such amount shall be settled no later than March 15th of the calendar year following the calendar year in which the corresponding dividend record date occurs.

6. Withholding of Taxes.

(a) General. Participant is ultimately liable and responsible for all taxes owed by Participant in connection with the Plan including, without limitation, the award of Units, vesting of Units, issue and sale of Shares regardless of any action the Company or any of its Subsidiaries takes with respect to any tax withholding obligations that arise in connection with the Plan. Neither the Company nor any of its Subsidiaries makes any representation or undertaking regarding the treatment of any tax withholding in connection with the grant or vesting of Units awarded or the subsequent sale of any of the Shares. The Company and its Subsidiaries do not commit, and are under no obligation to structure the Award, to reduce or eliminate Participant's tax liability.

(b) Payment of Withholding Taxes. Prior to any event in connection with Units awarded (*e.g.*, vesting) that the Company determines may result in any tax withholding obligation, whether United States federal, state or local taxes or any applicable foreign taxes and including without limitation any employment tax obligation (the "Tax Withholding Obligation"), Participant must agree to the satisfaction of such Tax Withholding Obligation in a manner acceptable to the Company, including by one of the following methods:

(i) *By Share Withholding*. Unless the Company permits Participant to satisfy the Tax Withholding Obligation by some other means in accordance with clause (iii) below, Participant authorizes the Company (in the exercise of its sole discretion) to withhold from those Shares issuable to Participant the whole number of Shares sufficient to satisfy the Tax Withholding Obligation. Share withholding will generally be used to satisfy the tax liability of individuals subject to the short swing profit restrictions of Section 16(b) of the Securities Exchange Act of 1934, as amended.

(ii) *By Sale of Shares*. Unless the Company permits Participant to satisfy the Tax Withholding Obligation by some other means in accordance with clause (iii) below, and provided that the terms of this clause (ii) do not violate Section 13(k) of the Securities Exchange Act of 1934, as amended, Participant's acceptance of the Award constitutes Participant's instruction and authorization to the Company and any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of Shares otherwise issuable to Participant as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the applicable Tax Withholding Obligation. Such Shares will be sold on the day such Tax Withholding Obligation arises (*e.g.*, a Vesting Date) or as soon thereafter as practicable. Participant will be responsible for all brokers' fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale. To the extent the proceeds of such sale exceed the Tax Withholding Obligation, the Company agrees to pay such excess in cash to Participant. Participant acknowledges that the Company is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the Tax Withholding Obligation. Accordingly, Participant agrees to pay to the Company or any of its Subsidiaries as soon as practicable, including through additional payroll withholding, any amount of the Tax Withholding Obligation that is not satisfied by the sale of Shares described above.

(iii) *By Check, Wire Transfer or Other Means*. At any time not less than five (5) business days (or such fewer number of days as determined by the Committee or its designee) before any Tax Withholding Obligation arises (*e.g.*, a Vesting Date), Participant may request permission to satisfy the

Tax Withholding Obligation by check, wire transfer or other means, by submitting such request, in writing, to the Company. Alternatively, the Company may require that Participant satisfy any Tax Withholding Obligation in any such manner. If the Company approves Participant's request, or so requires, within five (5) business days of the relevant Vesting Date (or such fewer number of days as determined by the Committee or its designee) Participant must deliver to the Company the amount that the Company determines is sufficient to satisfy the Tax Withholding Obligation by (x) wire transfer to such account as the Company may direct, (y) delivery of a certified check payable to the Company, or (z) such other means as specified from time to time by the Committee or its designee.

7. Successors. This Agreement shall (a) inure to the benefit of, and be enforceable by, the Company's successors and assigns, and (b) be binding on Participant's executors, administrators, heirs and successors, in the event that Participant dies and Section 2 of this Agreement applies. Nothing contained in the Plan, the Notice of Award or this Agreement shall be interpreted as imposing any liability on the Company or the Committee in favor of Participant or any purchaser or other transferee of Units or Shares with respect to any loss, cost or expense which such Participant, purchaser or other transferee may incur in connection with, or arising out of any transaction involving, any Units or Shares subject to the Plan, the Notice of Award or this Agreement.

8. No Compensation Deferrals. This Agreement, the Notice of Award and the Plan are intended to be exempt from or to comply with Section 409A ("Section 409A") of the United States Internal Revenue Code of 1986, as amended, and shall be administered and construed in accordance with such intent. The Company reserves the right, to the extent the Company deems necessary or advisable in its sole discretion, unilaterally to amend or modify, or to take any other actions, as the Committee determines are necessary or appropriate with respect to, the Plan, the Notice of Award and/or this Agreement to ensure that no awards (including, without limitation, the Units) become subject to the requirements of Section 409A, provided, however, that the Company makes no representation that the Units are not subject to Section 409A nor makes any undertaking to preclude Section 409A from applying to the Units. In furtherance, and not in limitation, of the foregoing: (a) in no event may Participant designate, directly or indirectly, the calendar year of any payment to be made hereunder; and (b) notwithstanding any other provision of this Agreement to the contrary, a termination of Service hereunder shall mean and be interpreted consistent with a "separation from service" within the meaning of Section 409A with respect to any payment hereunder that constitutes a "deferral of compensation" under Section 409A that becomes due on account of such separation from service. Nothing in this Agreement, the Plan or the Notice of Award shall be interpreted or construed to transfer any liability for any tax (including a tax or penalty due as a result of a failure to comply with Section 409A) from Participant to the Company or to any other individual or entity.

9. Integration. The terms of the Plan, the Notice of Award and this Agreement are intended by the Company and Participant to be the final expression of their agreement with respect to Units and may not be contradicted by evidence of any prior or contemporaneous agreement. The Company and Participant further intend that the Plan, the Notice of Award and this Agreement shall constitute the complete and exclusive statement of their terms and that no extrinsic evidence whatsoever may be introduced in any arbitration, judicial, administrative or other legal proceeding involving the Plan, the Notice of Award or this Agreement. Accordingly, the Plan, the Notice of Award and this Agreement contain the entire understanding between the parties and supersede all prior oral, written and implied agreements, understandings, commitments and practices among the parties.

10. Waivers. Any failure to enforce any terms or conditions of the Plan, the Notice of Award or this Agreement by the Company or by Participant shall not be deemed a waiver of that term or condition, nor shall any waiver or relinquishment of any right or power for all or any other times.

11. Severability of Provisions. If any provision of the Plan, the Notice of Award or this Agreement shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision thereof; and the Plan, the Notice of Award and this Agreement shall be construed and enforced as if none of them included such provision.

12. Committee Decisions Conclusive. This Agreement and the Notice of Award are administered and interpreted by the Committee and the Committee has full and exclusive discretion to interpret and administer this Agreement and the Notice of Award. All actions, interpretations and decisions of the Committee are conclusive and binding on all persons, and will be given the maximum possible deference allowed by law.

13. Mandatory Direct Discussion, Mediation, and Arbitration. To the extent permitted by law, any claim, disagreement, or dispute arising out of or relating to the Plan, the Notice of Award, and/or this Agreement, including the meaning or interpretation thereof (a "Dispute"), shall be resolved solely and exclusively by direct discussion and mandatory mediation followed, if necessary, by final and binding arbitration in accordance with the terms and procedures specified in this Section 13. These terms and procedures apply solely to the resolution of a Dispute as defined in this Agreement. Any other claim, issue, or complaint raised by Participant who is subject to the Franklin Templeton Alternative Dispute Resolution Policy and Agreement or such other alternative dispute resolution provision that is set forth in a separate written agreement with the Company or any affiliate thereof (collectively, the "ADR Agreement"), which claims, issues or complaints are not covered by this Agreement will be resolved according to the terms and procedures of the ADR Agreement. With regard to any Dispute as defined in this Agreement, if there is a difference between the terms or procedures defined in the ADR Agreement, and the terms and procedures defined in this Agreement, this Agreement's terms and procedures shall control. Participant and the Company specifically agree to waive the right to pursue any Dispute before a court or jury.

(a) Direct Discussion. Upon written notice of any Dispute, Participant and the Company (each referred to as a "party" and together as the "parties") shall first attempt to resolve the Dispute by direct discussion.

(b) Mediation. If a Dispute is not resolved by direct discussion then either party may request mediation of the Dispute by sending a written notice requesting mediation to the other party. The parties will mutually agree to the selection of a mediator, whose compensation will be borne by the Company.

(c) Arbitration. If a Dispute is not resolved by direct discussion and mandatory mediation, then either party may request final and binding arbitration of the Dispute by sending a written notice requesting arbitration to the other party. The Dispute will be heard by a single arbitrator unless, within 45 days of receiving the initial written demand for arbitration, either party elects by written notice to the other party for the arbitration to be heard by a panel of three arbitrators. If a single arbitrator is used, the parties will mutually agree to the selection of the arbitrator. If either party elects for the arbitration to be heard by a panel of three arbitrators, each party will select one arbitrator, and the arbitrators selected by the parties will, within a reasonable period of time, then appoint a third arbitrator to serve as chair of the panel.

The arbitration will be conducted in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association ("AAA") as amended and effective November 1, 2009 (the "AAA Rules") but without necessarily retaining AAA or any other third party to administer the arbitration. The parties will determine whether a third-party administration service is necessary and, if jointly deemed necessary, agree to a mutually acceptable arbitration administration service, whether AAA or otherwise, within 45 days of receipt of the initial written demand for arbitration. If the parties do not agree about whether a third party is needed to administer the arbitration, or if the parties cannot reach agreement as to which administration service to use within 45 days, any arbitration will be administered by AAA. The location for the arbitration shall be in the county or comparable jurisdiction of Participant's Service. Judgment on the award rendered may be entered in any court having jurisdiction.

The Company will pay all of the costs of arbitration that are attributable to the employer pursuant to the AAA Rules, unless applicable law requires the Company to pay a greater share or all of the costs. In addition, if a single arbitrator is used, or if the Company elects for the arbitration to be

heard by a panel of three arbitrators, the compensation and expenses of the arbitrator(s) will be paid by the Company. If Participant elects for the arbitration to be heard by a panel of three arbitrators, Participant will be responsible for paying one-half of the arbitrators' compensation and expenses.

All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding under this Section. To the extent permitted by law, Participant waives the right to participate in a class, representative or collective action, as a class representative, class member, as an opt-in party, or private attorney general or join or consolidate claims with claims of any other person or entity, with respect to any Dispute, whether before a court or jury or in arbitration. Nothing in this Agreement, however, is intended or understood to limit, contradict, or preclude the rights reserved by law for Participant to initiate any administrative claim, or to excuse Participant from bringing an administrative claim before any agency in order to fulfill any obligation by Participant to exhaust administrative remedies. The provisions of this Section are intended by Participant and the Company to be exclusive for all purposes and applicable to any and all Disputes.

Except as otherwise provided in this Agreement, or as otherwise mutually agreed by the parties, the arbitrator(s) will conduct the arbitration pursuant to the AAA Rules, the U.S. Federal Arbitration Act, 9 U.S.C. section 1, et seq., and the U.S. Federal Rules of Evidence. The arbitrator(s) shall have jurisdiction and authority only to award Participant an amount equal to or less than the amount of the Award challenged in the Dispute, subject to the same terms and conditions as the Notice of Award in Dispute, and shall not have jurisdiction or authority to make any other award of any type, including, without limitation, punitive damages, unforeseeable economic damages, damages for pain, suffering or emotional distress, or any other kind or form of damages (the "Arbitrator Authority"). Thus, the arbitrator(s) shall not have jurisdiction or authority to grant preliminary or final injunctive relief or specific performance. The remedy, if any, awarded by the arbitrator(s) within the Arbitrator Authority shall be the sole and exclusive remedy for any Dispute that is subject to arbitration under this Section.

If Participant is an Associated Person employed by a Member Firm (as each such term is defined by the rules of the Financial Industry Regulatory Authority ("FINRA")), nothing in this Agreement prohibits or restricts Participant or the Member Firm from filing an arbitration claim involving a Dispute in the FINRA arbitration forum as specified in FINRA rules. In such a case, the parties each reserve the right to elect to have the arbitration heard by a panel of three arbitrators regardless of the dollar amount of the claim. The parties further agree that the authority of the arbitrator(s) in any FINRA arbitration of a Dispute is limited to the Arbitrator Authority defined above. Unless otherwise mutually agreed by the parties, the arbitrator(s) will conduct the arbitration pursuant to the FINRA Code of Arbitration Procedure for Industry Disputes (the "FINRA Code") and the Federal Rules of Evidence. All fees, costs, and expenses of FINRA arbitration, whether a single arbitrator or a panel of arbitrators is selected, including any hearing session fees, arbitration fees, surcharges, and filing fees, will be allocated as specified in the FINRA Code.

14. Delaware Law. The Plan, the Notice of Award and this Agreement are governed by, and all Disputes arising under or in connection with the Plan, the Notice of Award and this Agreement shall be resolved in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules, to the extent not pre-empted by the federal laws of the United States of America.

15. Country Appendices. If Participant relocates to a country outside the United States: (i) any special terms and conditions that may apply to Units granted to Participants in such country under Appendices to this Agreement will apply to Participant; or (ii) if the Company has not previously granted Restricted Stock Units to employees or Consultants in such country, any other special terms and conditions will apply to Participant, in each case to the extent the Company determines that the application of such terms and conditions is necessary or advisable to comply with local law or facilitate the administration of the Plan, and provided the imposition of the term or condition will not result in any adverse accounting expense with respect to the Units (unless the Company specifically determines to incur such expense).

16. Forfeiture.

(a) Forfeiture Pursuant to Restatement of Financial Results. Notwithstanding anything in the Award to the contrary, in the event that (i) the Company issues a restatement of financial results to correct a material error; (ii) the Committee determines, in good faith, that fraud or willful misconduct by Participant was a significant contributing factor to the need to issue such restatement; and (iii) some or all of the Units that were granted and/or Shares and/or other property earned prior to such restatement by Participant would not have been granted and/or earned, as applicable, based upon the restated financial results, Participant shall immediately return to the Company all Shares and other property received with respect to those Units, including any cash dividends paid with respect to the Units or such Shares, any pre-tax- income derived from ownership and any gross proceeds from disposition of such Shares and property, that would not have been granted and/or earned based upon the restated financial results (the "Repayment Obligation"), and all such Units (whether or not vested) shall immediately be forfeited. The Company shall be able to enforce the Repayment Obligation by all legal means available, including, without limitation, by withholding such amount from other sums and property owed by the Company to Participant.

(b) Forfeiture Pursuant to Fraud or Breach of Securities Law. Notwithstanding anything in the Award to the contrary, in the event that Participant:

(i) is convicted by any court for fraud;

(ii) is finally adjudicated by any court or is otherwise finally determined by a Regulatory Agency to be in violation of any Securities Law where the violation related to a period of time during which Participant was an employee or Consultant; or

(iii) enters into a settlement agreement with a Regulatory Agency, with or without admission of any liability, in relation to or in connection with an allegation concerning a violation of any Securities Law by Participant where the violation or alleged violation related to a period of time during which Participant was an employee or Consultant, and the terms of the settlement agreement result in (x) Participant making, or being required to make, payment of any penalty or a payment in lieu of any penalty or redress in respect of such violation, or alleged violation; (y) the publication of any statement of reprimand or censure; or (z) Participant suffering any other penalty including (without limitation) suspension or termination of Participant's status for the purposes of any Securities Law, all of Participant's Units that have not vested shall immediately be forfeited without any payment to Participant therefor. Any Units so forfeited shall be cancelled.

Notwithstanding the foregoing, the Committee may determine, in its sole discretion, that only a portion of Participant's Units specified by the Committee (or no Units) shall be forfeited.

For the purposes of this Section 16(b), the following words shall have the following meanings:

"Regulatory Agency" shall mean in any jurisdiction any department of government, independent agency, authority appointed by statute or by government in connection with the supervision and/or enforcement of any Securities Law including, but not limited to, the U.S. Securities and Exchange Commission;

"Securities Law" shall mean any enactment, law, statute, rule, requirement or regulation in any jurisdiction relating to Securities that is or was applicable to the Company or that is or was applicable to Participant; and

"Securities" shall mean any shares, bonds, derivatives or other financial instruments or financial assets or any interest therein.

(c) Other Repayment/Forfeiture. Any benefits Participant may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with (i) any applicable listing standards of a national securities exchange adopted in accordance with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules and regulations of the U.S. Securities and Exchange Commission adopted thereunder, (ii) similar laws, and implementing rules and regulations, of the European Union (as

implemented by its member states and by the European Securities and Markets Authority) and of any other jurisdiction and (iii) any policies adopted by the Company to implement such requirements, all to the extent determined by the Company in its discretion to be applicable to Participant.

END OF AGREEMENT

FRANKLIN RESOURCES, INC.
2002 UNIVERSAL STOCK INCENTIVE PLAN
NOTICE OF RESTRICTED STOCK UNIT AWARD

PLEASE NOTE: Where indicated below, certain of your award terms are set forth in your www.BenefitsOnline.ml.com electronic account ("BenefitsOnline"). Such award terms are incorporated herein by this reference.

Name of Participant: **See BenefitsOnline**

In accordance with the Franklin Resources, Inc. 2002 Universal Stock Incentive Plan, as amended (the "Plan"), as an incentive for increased efforts and successful achievements, Franklin Resources, Inc. (the "Company") has awarded Participant Restricted Stock Units ("Units") over common stock of the Company subject to the terms and conditions of the accompanying Restricted Stock Unit Award Agreement (the "Award Agreement"), this Notice of Restricted Stock Unit Award (this "Notice of Award" and together with the Award Agreement, the "Award") and the Plan, as follows (capitalized terms used but not defined in this Notice of Award have the same meaning as set forth in the Plan):

Award Date:	**See BenefitsOnline**
Total Number of Units Awarded:	**See BenefitsOnline**
Vesting Schedule:	**Subject to the terms, conditions and limitations of the Award, 100% of the Units shall vest on AUGUST 31, 2031**
Dividends:	**Issuable Upon the Vesting Date, subject to the terms of the Award**
Restrictive Covenants Apply:	**YES**

Additional Definitions:

For purposes of the Award, the following additional definitions apply:

"Consultant" means an individual consultant with the Company or any Subsidiary, as applicable, who continues to receive compensation directly from the Company or any Subsidiary in connection with such consulting.

"Continuous Status as an Employee or Consultant" means the absence of any interruption or termination of the Service relationship by the Company or any Subsidiary. Continuous Status as an Employee or Consultant shall not be considered interrupted in the case of: (i) sick leave, military leave or any other leave of absence approved by the Committee, provided that such leave is for a period of not more than ninety (90) days, unless reemployment or Service upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Company policy adopted from time to time; or (ii) transfers between locations of the Company or between the Company, its Subsidiaries or its successor.

Additional Vesting Schedule Terms:

Subject to Participant's Continuous Status as an Employee or Consultant through the Vesting Date of the Award and other limitations set forth in the Award and the Plan, the Units shall vest on the date (the "Vesting Date") in accordance with the Vesting Schedule indicated above.

For purposes of the Award, the term "vest" shall mean, with respect to any Units granted hereunder, that such Units are no longer subject to forfeiture to the Company (other than pursuant to Section 16 of the Award Agreement).

Except as otherwise set forth in the Award or the Plan, the Units subject to this Award shall vest only by Participant's Continuous Status as an Employee or Consultant through the Vesting Date of the Award and such status is at the will of the Company or the applicable Subsidiary (not through any act of being hired or contracted, being granted this Award or acquiring Units hereunder). Nothing in this Award, or in the Plan, which is incorporated herein by this reference, affects the Company's, or a Subsidiary's, right to terminate, or to change the terms of, Participant's Service at any time, with or without cause.

Any portion(s) of the Units that do not vest by the applicable Vesting Date shall be forfeited and deemed reconveyed to the Company as of the applicable Vesting Date, if not sooner forfeited, and the Company shall thereafter be the legal and beneficial owner of such reconveyed Units and shall have all rights and interest in or related thereto without further action by Participant.

Where a fraction of a Unit would vest pursuant to the schedule indicated above, the number of vested Units shall be rounded upwards to the next highest whole number of Units; provided, however, that the aggregate number of Units that become vested shall not exceed the Total Number of Units awarded hereunder.

Additional Notice Terms:

From time to time, the Company may be in a "Blackout Period" and/or subject to applicable securities laws that could subject Participant to liability for engaging in any transaction involving the sale of the Shares. Prior to the sale of any Shares acquired under this Award, it is Participant's responsibility to determine whether or not such sale of Shares will subject Participant to liability under insider trading rules or other applicable securities laws.

The Award is subject to the Plan Documents which may be accessed in electronic form through the Company's intranet, the website of the third-party stock administration provider used by the Company, or another form of electronic communication (*e.g.*, email) or similar methods of access (the "Electronic Access Methods"), as determined by the Company.

In receiving the Award, Participant is hereby notified, and Participant agrees, that the following constitute certain of the terms, conditions and obligations of receiving, holding and potentially vesting in, and settlement of the Award:

(i) Participant may receive the Plan prospectus in connection with the Form S-8 registration statement for the Plan, any updates thereto, the Plan, the Award Agreement and this Notice of Award (collectively, the "Plan Documents") in electronic form either through the Company's intranet, the website of the third-party stock administration provider used by the Company, or another form of electronic communication (*e.g.*, e-mail), as determined by the Company;

(ii) Participant has access to the Company's intranet and the internet;

(iii) Participant may be required to acknowledge receipt of electronic or paper copies of the Plan Documents and the Company's most recent annual report to stockholders; and

(iv) Participant has familiarized himself or herself with, and has acknowledged the contents of and accepted the Award subject to, the terms and provisions of the Plan Documents.

Participant may receive, without charge, upon written or oral request, paper copies of any or all of the Plan Documents, documents incorporated by reference in the Form S-8 registration statement for the Plan, and the Company's most recent annual report to stockholders by requesting them from Stock Administration at the Company, One Franklin Parkway, San Mateo, CA 94403-1906. Telephone +1 (650) 312-2000. Email [_____]. Participant may also withdraw Participant's consent to receive any or all documents electronically by notifying Stock Administration at the above address in writing.

Unless Participant shall be required to accept the Award by electronic or other means, as determined by the Company and as may be indicated in connection with the delivery of the Award, the terms, conditions, obligations and requirements of this Notice of Award shall apply as a condition of receiving and holding the Award without the need for any manual or other execution of this Notice of Award by Participant or the Company, and Participant shall be deemed for all purposes to have accepted the Award in the absence of any written notice from Participant to the contrary. Notwithstanding the foregoing, however, as a condition to holding the Award and/or the vesting or settlement of the Award, upon the Company's request at any time, the Company may require Participant to sign this Notice of Award either manually or electronically.

FRANKLIN RESOURCES, INC.
2002 UNIVERSAL STOCK INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

This Restricted Stock Unit Award Agreement, together with any Exhibits or Appendix(es) attached hereto (hereinafter, collectively, the "Agreement"), is made as of the Award Date set forth in the Notice of Restricted Stock Unit Award (the "Notice of Award") between Franklin Resources, Inc. (the "Company") and Participant named therein ("Participant").

WITNESSETH:

WHEREAS, the Board and stockholders of the Company have adopted the Franklin Resources, Inc. 2002 Universal Stock Incentive Plan, as amended (the "Plan"), authorizing the grant of Restricted Stock Units ("Units") to eligible individuals as an incentive in connection with the performance of services for the Company and its Subsidiaries, as defined in the Plan, which is incorporated herein by this reference (capitalized terms used but not defined in this Agreement have the same meaning as set forth in the Plan or the Notice of Award, as applicable); and

WHEREAS, the Company recognizes the efforts of Participant on behalf of the Company and its Subsidiaries and desires to motivate Participant in Participant's work and provide an inducement to remain in the service of the Company and its Subsidiaries; and

WHEREAS, the Company has determined that it would be to the advantage and in the interest of the Company and its stockholders to award Units provided for in this Agreement and the Notice of Award to Participant, subject to certain restrictions, as an incentive for increased efforts and successful achievements on behalf of the Company and its Subsidiaries;

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Restricted Stock Unit Award. The Company is awarding to Participant Units as set forth in the Notice of Award, subject to the rights of and limitations on Participant as owner thereof as set forth in this Agreement. The Award shall be in consideration of Participant's execution of this Agreement and the covenants herein.

2. Transfer Restriction. Units may not be transferred by Participant in any manner except that Units may be transferred by will or by the laws of descent and distribution if Participant dies while an employee or Consultant of the Company or any of its Subsidiaries, and holds vested Units as of the date of such death (including by operation of the terms of this Agreement).

3. Vesting.

(a) Units shall become vested in accordance with the Vesting Schedule in the Notice of Award so long as Participant maintains a Continuous Status as an Employee or Consultant through the Vesting Date of the Award, subject to Section 16 below.

(b) If, prior to the Vesting Date, Participant ceases to maintain a Continuous Status as an Employee or Consultant for any reason except as otherwise provided in this Section 3, then all unvested Units on the date Participant ceases to maintain a Continuous Status as an Employee or Consultant shall be forfeited by Participant without payment of any consideration to Participant therefor. Any Units so forfeited shall be cancelled and any Shares considered issuable pursuant to such Units, if applicable, shall be returned to the status of authorized but unissued Shares, to be held for future distributions under the Plan.

(c) Death or Disability. If Participant dies or in the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of Disability (as defined below) while an employee or Consultant of the Company or any of its Subsidiaries, Participant's interest in all Units

awarded hereunder shall become fully vested as of the date of death or termination of Service on account of such Disability, in which case such date shall be deemed the Vesting Date.

(d) Termination without Cause or Reduction in Workforce. In the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of an involuntary termination without Cause (as defined below) or a Reduction in Workforce (as defined below) while an employee or Consultant of the Company or any of its Subsidiaries, Participant's interest in all Units awarded hereunder shall become fully vested as of the date of such termination of Service, in which case such date shall be deemed the Vesting Date, provided in each case that the Participant complies with all Company policies and the Restrictive Covenants attached as **Exhibit A** hereto, including, without limitation, the return of all Company property and confidential information and the execution of the Company's release agreement as in effect at the time of separation.

(e) Discretionary Approved Leaver Termination. In the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of an Approved Leaver Termination (as defined below) while an employee or Consultant of the Company or any of its Subsidiaries, and subject to Participant's continued compliance with all applicable conditions and criteria, Participant's interest in all such Units awarded hereunder shall vest (to the extent then unvested) and be eligible to be settled during the Short-Term Deferral Period (as defined below) in accordance with Section 4. Any dividends paid on any of the Shares considered issuable pursuant to such Units (including rights to dividend equivalent payments) shall be paid in accordance with Section 4. If Participant engages in Competitive Activity (as defined below) prior to the settlement of the Award, then the portion of the Units awarded hereunder that have not yet been settled at the time Participant engages in such Competitive Activity shall be immediately forfeited by Participant (notwithstanding the prior vesting) without payment of any consideration to Participant therefor and any Shares considered issuable pursuant to such Units, if applicable, shall be returned to the status of authorized but unissued Shares to be held for future distributions under the Plan.

(f) Definitions. Unless changed by the Committee:

"Approved Leaver Termination" means that Participant ceases to be an employee or Consultant of the Company or its Subsidiaries on account of a voluntary termination of Service by Participant that meets the following requirements: (i) Participant provides the Committee with at least ninety (90) days prior written notice of such termination and requests in writing that such termination be treated as an Approved Leaver Termination, (ii) the Committee approves the treatment of such termination as an Approved Leaver Termination, (iii) no Cause exists at the time of such termination, (iv) Participant timely submits a written attestation to the Committee that Participant is not joining a competitor or otherwise engaging in Competitive Activity, and (v) Participant satisfies such other conditions as may be required by the Committee in its discretion.

"Cause" means any one or more of the following types of behaviour by Participant which the Company in its sole discretion finds to be sufficient reason to terminate the Participant's Service with the Company or any of its Subsidiaries: (i) any conduct (a) that constitutes Competitive Activity, (b) that breaches any obligation to the Company or its Subsidiaries or Participant's duty of loyalty to the Company or its Subsidiaries, or (c) that is materially injurious to the Company or its Subsidiaries, monetarily or otherwise; (ii) material violation of, or an act taken or the failure to act which causes the Company or its Subsidiaries to be in violation of any government statue or regulation, or of the constitution, by-laws, rules or regulations of any securities or commodities exchange or a self-regulatory organization to which Participant or the Company or any of its Subsidiaries is subject, or of the policies of the Company or its Subsidiaries; (iii) the entering of an order or decree or the taking of any similar action with respect to Participant which substantially impairs such Participant from performing their duties or makes Participant ineligible from being associated with the Company pursuant to Section 9 of the Investment Company Act of 1940, as amended, or Section 203(f) of the Investment Advisors Act of 1940, as amended, in each case to the extent applicable; (iv) malfeasance, disloyalty or dishonesty in any material respect; (v) any conviction for a felony; (vi) any failure to devote all professional time to assigned duties and to the business of the Company or its Subsidiaries;

(vii) failure to satisfactorily perform duties, as determined by the Committee in its sole discretion, or gross misconduct or gross negligence in the performance of duties; or (viii) failure to remain licensed to perform duties or other act, conduct or circumstance which renders the Participant ineligible for Service with the Company or its Subsidiaries, as applicable.

"Competitive Activity" means Participant's engagement in any activity that competes with any of the business operations of the Company and/or its Subsidiaries, as determined by the Committee, in its sole discretion, and shall include, without limitation, representing in any capacity, other than as an outside director, a company that competes with the Company and its Subsidiaries. However, the following provisions of this Agreement shall not apply to Participants who reside and/or work in California: (i) the last sentence of Section 3(e), (ii) clause (iv) of the definition of "Approved Leaver Termination," and (iii) clause (i)(a) of the definition of "Cause".

"Disability" means that Participant ceases to be an employee or Consultant of the Company or its Subsidiaries on account of disability as a result of which Participant is determined to be disabled by the determining authority under the long-term or total permanent disability policy, or government social security or other similar benefit program, of the country or location in which Participant is an employee or Consultant and, in the absence of such determining authority, as determined by the Committee in accordance with the applicable policies of the Company.

"Reduction in Workforce" means that Participant ceases to be an employee or Consultant of the Company or its Subsidiaries on account of an involuntary termination of Service with the Company and its Subsidiaries due to the elimination of a previously required position or previously required services, where such termination is intended to be permanent; or under other circumstances which the Committee, in accordance with standards uniformly applied with respect to similarly situated employees or Consultants, designates as a Reduction in Workforce.

(g) The Committee may adopt such policies and/or procedures as it determines is necessary or advisable from time to time to carry out the Committee's duties under this Agreement. Except as may otherwise be determined by the Committee, any notice or other information to be provided to the Committee may be sent to Stock Administration using the contact information in the Notice of Award.

4. Vesting of Units and Issuance of Shares; Dividends.

(a) Upon the Vesting Date, (i) one Share and (ii) amount(s) in cash (or Shares) equal to the cash dividends, if any, paid with respect to such Share between the Award Date and the Vesting Date of such Unit, shall be issuable for each such Unit that vests on such date, subject to the terms and provisions of the Plan, the Notice of Award and this Agreement, and subject to applicable law.

(b) Upon satisfaction of any required tax or other withholding obligations as set forth in Section 6 of this Agreement, the Shares and cash amount (if any) will be issued to Participant (as evidenced by the appropriate entry in the books of the Company or a duly authorized transfer agent of the Company) as soon as practicable after the applicable Vesting Date, but in any event, within the period ending on the later to occur of the date that is two and a half (2½) months from the end of (i) Participant's tax year (which shall be deemed the calendar year for a Participant not subject to taxation in the United States) that includes the applicable Vesting Date, or (ii) the Company's tax year that includes the applicable Vesting Date (such period, the "Short-Term Deferral Period").

(c) With respect to Units vesting in connection with an Approved Leaver Termination, (i) the termination date shall be considered the Vesting Date for purposes of this Section 4, (ii) there shall be no requirement that the Company issue Shares and cash amount (if any) prior to the last day of the Short-Term Deferral Period (however, if Units would have otherwise vested on a regularly scheduled Vesting Date during the Short-Term Deferral Period, the Company will issue Shares and cash amount (if any) with respect to such Units as soon as practicable following such date, subject to the other terms and conditions herein), and (iii) if any cash dividends are paid after Participant's termination date and prior to the issuance of Shares settled during the Short-Term Deferral Period with respect to such Shares, then amounts in cash (or Shares) equal to such cash dividends shall be paid, less any tax or other

withholding obligations, prior to the end of the Short-Term Deferral Period. For the avoidance of doubt, if Shares are not settled because Participant engages in Competitive Activity, and the applicable Units are forfeited, amounts in respect of dividends shall not be payable under clause (iii).

(d) Any fractional Unit remaining after all Units under this Award are fully vested shall be discarded and neither a fractional Share nor any dividends issued with respect to such fractional Share shall be issued at vesting of the fractional Unit.

(e) Notwithstanding the above, the Company may, in its discretion, pay to Participant all or a portion of any vested Units in cash in an amount equal to the Fair Market Value of the relevant number of Shares on the applicable Vesting Date, or on such other date or dates within the Short-Term Deferral Period which the Company may at its absolute discretion prescribe, less any tax or other withholding obligations set forth in Section 6 of this Agreement.

5. Right to Shares.

(a) Except as otherwise provided herein and/or determined by the Committee, in its discretion, and as provided in Section 4 of this Agreement, Participant shall not have any right in, to or with respect to any of the Shares (including any voting rights or rights with respect to dividends paid on the Shares, including rights to dividend equivalent payments) issuable for a Unit under the Award until the Award is settled by the issuance of such Shares to Participant.

6. Withholding of Taxes.

(a) General. Participant is ultimately liable and responsible for all taxes owed by Participant in connection with the Plan including, without limitation, the award of Units, vesting of Units, issue and sale of Shares regardless of any action the Company or any of its Subsidiaries takes with respect to any tax withholding obligations that arise in connection with the Plan. Neither the Company nor any of its Subsidiaries makes any representation or undertaking regarding the treatment of any tax withholding in connection with the grant or vesting of Units awarded or the subsequent sale of any of the Shares. The Company and its Subsidiaries do not commit, and are under no obligation to structure the Award, to reduce or eliminate Participant's tax liability.

(b) Payment of Withholding Taxes. Prior to any event in connection with Units awarded (*e.g.*, vesting or settlement) that the Company determines may result in any tax withholding obligation, whether United States federal, state or local taxes or any applicable foreign taxes and including without limitation any employment tax obligation (the "Tax Withholding Obligation"), Participant must agree to the satisfaction of such Tax Withholding Obligation in a manner acceptable to the Company, including by one of the following methods:

(i) *By Share Withholding*. Unless the Company permits Participant to satisfy the Tax Withholding Obligation by some other means in accordance with clause (iii) below, Participant authorizes the Company (in the exercise of its sole discretion) to withhold from those Shares issuable to Participant the whole number of Shares sufficient to satisfy the Tax Withholding Obligation. Unless otherwise determined by the Committee, Share withholding will be used to satisfy the tax liability of individuals subject to the short swing profit restrictions of Section 16(b) of the Securities Exchange Act of 1934, as amended.

(ii) *By Sale of Shares*. Unless the Company permits Participant to satisfy the Tax Withholding Obligation by some other means in accordance with clause (iii) below, and provided that the terms of this clause (ii) do not violate Section 13(k) of the Securities Exchange Act of 1934, as amended, Participant's acceptance of the Award constitutes Participant's instruction and authorization to the Company and any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of Shares otherwise issuable to Participant as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the applicable Tax Withholding Obligation. Such Shares will be sold on the day such Tax Withholding Obligation arises (*e.g.*, vesting on or settlement following the Vesting Date) or as soon thereafter as practicable.

Participant will be responsible for all brokers' fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale. To the extent the proceeds of such sale exceed the Tax Withholding Obligation, the Company agrees to pay such excess in cash to Participant. Participant acknowledges that the Company is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the Tax Withholding Obligation. Accordingly, Participant agrees to pay to the Company or any of its Subsidiaries as soon as practicable, including through additional payroll withholding, any amount of the Tax Withholding Obligation that is not satisfied by the sale of Shares described above.

(iii) *By Check, Wire Transfer or Other Means*. At any time not less than five (5) business days (or such fewer number of days as determined by the Committee or its designee) before any Tax Withholding Obligation may arise (*e.g.*, the Vesting Date), Participant may request permission to satisfy the Tax Withholding Obligation by check, wire transfer or other means, by submitting such request, in writing, to the Company. Alternatively, the Company may require that Participant satisfy any Tax Withholding Obligation in any such manner. If the Company approves Participant's request, or so requires, within five (5) business days of the relevant Vesting Date (or such fewer number of days as determined by the Committee or its designee) Participant must deliver to the Company the amount that the Company determines is sufficient to satisfy the Tax Withholding Obligation by (x) wire transfer to such account as the Company may direct, (y) delivery of a certified check payable to the Company, or (z) such other means as specified from time to time by the Committee or its designee.

7. Successors. This Agreement shall (a) inure to the benefit of, and be enforceable by, the Company's successors and assigns, and (b) be binding on Participant's executors, administrators, heirs and successors, in the event that Participant dies and Section 2 of this Agreement applies. Nothing contained in the Plan, the Notice of Award or this Agreement shall be interpreted as imposing any liability on the Company or the Committee in favor of Participant or any purchaser or other transferee of Units or Shares with respect to any loss, cost or expense which such Participant, purchaser or other transferee may incur in connection with, or arising out of any transaction involving, any Units or Shares subject to the Plan, the Notice of Award or this Agreement.

8. No Compensation Deferrals. This Agreement, the Notice of Award and the Plan are intended to be exempt from or to comply with Section 409A ("Section 409A") of the United States Internal Revenue Code of 1986, as amended, and shall be administered and construed in accordance with such intent. The Company reserves the right, to the extent the Company deems necessary or advisable in its sole discretion, unilaterally to amend or modify, or to take any other actions, as the Committee determines are necessary or appropriate with respect to, the Plan, the Notice of Award and/or this Agreement to ensure that no awards (including, without limitation, the Units) become subject to the requirements of Section 409A, provided, however, that the Company makes no representation that the Units are not subject to Section 409A nor makes any undertaking to preclude Section 409A from applying to the Units. In furtherance, and not in limitation, of the foregoing: (a) in no event may Participant designate, directly or indirectly, the calendar year of any payment to be made hereunder; and (b) notwithstanding any other provision of this Agreement to the contrary, a termination of Service hereunder shall mean and be interpreted consistent with a "separation from service" within the meaning of Section 409A with respect to any payment hereunder that constitutes a "deferral of compensation" under Section 409A that becomes due on account of such separation from service. Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate identified payment for purposes of Section 409A. Without limiting the foregoing and notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement or any other arrangement between the Participant and the Company or any of its Subsidiaries during the six-month period immediately following the Participant's separation from service shall instead be paid on the first business day after the date that is six months following the Participant's separation from service (or, if earlier, the Participant's date of death). Nothing in this Agreement, the Plan or the Notice of Award shall be interpreted or construed to transfer

any liability for any tax (including a tax or penalty due as a result of a failure to comply with Section 409A) from Participant to the Company or to any other individual or entity.

9. Integration. The terms of the Plan, the Notice of Award and this Agreement are intended by the Company and Participant to be the final expression of their agreement with respect to Units and may not be contradicted by evidence of any prior or contemporaneous agreement. The Company and Participant further intend that the Plan, the Notice of Award and this Agreement shall constitute the complete and exclusive statement of their terms and that no extrinsic evidence whatsoever may be introduced in any arbitration, judicial, administrative or other legal proceeding involving the Plan, the Notice of Award or this Agreement. Accordingly, the Plan, the Notice of Award and this Agreement contain the entire understanding between the parties and supersede all prior oral, written and implied agreements, understandings, commitments and practices among the parties.

10. Waivers. Any failure to enforce any terms or conditions of the Plan, the Notice of Award or this Agreement by the Company or by Participant shall not be deemed a waiver of that term or condition, nor shall any waiver or relinquishment of any right or power for all or any other times.

11. Severability of Provisions. If any provision of the Plan, the Notice of Award or this Agreement shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision thereof; and the Plan, the Notice of Award and this Agreement shall be construed and enforced as if none of them included such provision.

12. Committee Decisions Conclusive. This Agreement and the Notice of Award are administered and interpreted by the Committee and the Committee has full and exclusive discretion to interpret and administer this Agreement and the Notice of Award. All actions, interpretations and decisions of the Committee are conclusive and binding on all persons, and will be given the maximum possible deference allowed by law.

13. Mandatory Direct Discussion, Mediation, and Arbitration. To the extent permitted by law, any claim, disagreement, or dispute arising out of or relating to the Plan, the Notice of Award, and/or this Agreement, including the meaning or interpretation thereof (a "Dispute"), shall be resolved solely and exclusively by direct discussion and mandatory mediation followed, if necessary, by final and binding arbitration in accordance with the terms and procedures specified in this Section 13. These terms and procedures apply solely to the resolution of a Dispute as defined in this Agreement. Any other claim, issue, or complaint raised by Participant who is subject to the Franklin Templeton Alternative Dispute Resolution Policy and Agreement or such other alternative dispute resolution provision that is set forth in a separate written agreement with the Company or any affiliate thereof (collectively, the "ADR Agreement"), which claims, issues or complaints are not covered by this Agreement will be resolved according to the terms and procedures of the ADR Agreement. With regard to any Dispute as defined in this Agreement, if there is a difference between the terms or procedures defined in the ADR Agreement, and the terms and procedures defined in this Agreement, this Agreement's terms and procedures shall control. Participant and the Company specifically agree to waive the right to pursue any Dispute before a court or jury.

(a) Direct Discussion. Upon written notice of any Dispute, Participant and the Company (each referred to as a "party" and together as the "parties") shall first attempt to resolve the Dispute by direct discussion.

(b) Mediation. If a Dispute is not resolved by direct discussion then either party may request mediation of the Dispute by sending a written notice requesting mediation to the other party. The parties will mutually agree to the selection of a mediator, whose compensation will be borne by the Company.

(c) Arbitration. If a Dispute is not resolved by direct discussion and mandatory mediation, then either party may request final and binding arbitration of the Dispute by sending a written notice requesting arbitration to the other party. The Dispute will be heard by a single arbitrator unless, within 45 days of receiving the initial written demand for arbitration, either party elects by written notice to

the other party for the arbitration to be heard by a panel of three arbitrators. If a single arbitrator is used, the parties will mutually agree to the selection of the arbitrator. If either party elects for the arbitration to be heard by a panel of three arbitrators, each party will select one arbitrator, and the arbitrators selected by the parties will, within a reasonable period of time, then appoint a third arbitrator to serve as chair of the panel.

The arbitration will be conducted in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association ("AAA") as amended and effective November 1, 2009 (the "AAA Rules") but without necessarily retaining AAA or any other third party to administer the arbitration. The parties will determine whether a third-party administration service is necessary and, if jointly deemed necessary, agree to a mutually acceptable arbitration administration service, whether AAA or otherwise, within 45 days of receipt of the initial written demand for arbitration. If the parties do not agree about whether a third party is needed to administer the arbitration, or if the parties cannot reach agreement as to which administration service to use within 45 days, any arbitration will be administered by AAA. The location for the arbitration shall be in the county or comparable jurisdiction of Participant's Service. Judgment on the award rendered may be entered in any court having jurisdiction.

The Company will pay all of the costs of arbitration that are attributable to the employer pursuant to the AAA Rules, unless applicable law requires the Company to pay a greater share or all of the costs. In addition, if a single arbitrator is used, or if the Company elects for the arbitration to be heard by a panel of three arbitrators, the compensation and expenses of the arbitrator(s) will be paid by the Company. If Participant elects for the arbitration to be heard by a panel of three arbitrators, Participant will be responsible for paying one-half of the arbitrators' compensation and expenses.

All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding under this Section. To the extent permitted by law, Participant waives the right to participate in a class, representative or collective action, as a class representative, class member, as an opt-in party, or private attorney general or join or consolidate claims with claims of any other person or entity, with respect to any Dispute, whether before a court or jury or in arbitration. Nothing in this Agreement, however, is intended or understood to limit, contradict, or preclude the rights reserved by law for Participant to initiate any administrative claim, or to excuse Participant from bringing an administrative claim before any agency in order to fulfill any obligation by Participant to exhaust administrative remedies. The provisions of this Section are intended by Participant and the Company to be exclusive for all purposes and applicable to any and all Disputes.

Except as otherwise provided in this Agreement, or as otherwise mutually agreed by the parties, the arbitrator(s) will conduct the arbitration pursuant to the AAA Rules, the U.S. Federal Arbitration Act, 9 U.S.C. section 1, et seq., and the U.S. Federal Rules of Evidence. The arbitrator(s) shall have jurisdiction and authority only to award Participant an amount equal to or less than the amount of the Award challenged in the Dispute, subject to the same terms and conditions as the Notice of Award in Dispute, and shall not have jurisdiction or authority to make any other award of any type, including, without limitation, punitive damages, unforeseeable economic damages, damages for pain, suffering or emotional distress, or any other kind or form of damages (the "Arbitrator Authority"). Thus, the arbitrator(s) shall not have jurisdiction or authority to grant preliminary or final injunctive relief or specific performance. The remedy, if any, awarded by the arbitrator(s) within the Arbitrator Authority shall be the sole and exclusive remedy for any Dispute that is subject to arbitration under this Section.

If Participant is an Associated Person employed by a Member Firm (as each such term is defined by the rules of the Financial Industry Regulatory Authority ("FINRA")), nothing in this Agreement prohibits or restricts Participant or the Member Firm from filing an arbitration claim involving a Dispute in the FINRA arbitration forum as specified in FINRA rules. In such a case, the parties each reserve the right to elect to have the arbitration heard by a panel of three arbitrators regardless of the dollar amount of the claim. The parties further agree that the authority of the arbitrator(s) in any FINRA arbitration of a Dispute is limited to the Arbitrator Authority defined above. Unless otherwise mutually agreed by the parties, the arbitrator(s) will conduct the arbitration pursuant

to the FINRA Code of Arbitration Procedure for Industry Disputes (the "FINRA Code") and the Federal Rules of Evidence. All fees, costs, and expenses of FINRA arbitration, whether a single arbitrator or a panel of arbitrators is selected, including any hearing session fees, arbitration fees, surcharges, and filing fees, will be allocated as specified in the FINRA Code.

14. Delaware Law. The Plan, the Notice of Award and this Agreement are governed by, and all Disputes arising under or in connection with the Plan, the Notice of Award and this Agreement shall be resolved in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules, to the extent not pre-empted by the federal laws of the United States of America.

15. Country Appendices. If Participant relocates to a country outside the United States: (i) any special terms and conditions that may apply to Units granted to Participants in such country under Appendices to this Agreement will apply to Participant; or (ii) if the Company has not previously granted Restricted Stock Units to employees or Consultants in such country, any other special terms and conditions will apply to Participant, in each case to the extent the Company determines that the application of such terms and conditions is necessary or advisable to comply with local law or facilitate the administration of the Plan, and provided the imposition of the term or condition will not result in any adverse accounting expense with respect to the Units (unless the Company specifically determines to incur such expense).

16. Forfeiture.

(a) Forfeiture Pursuant to Restatement of Financial Results. Notwithstanding anything in the Award to the contrary, in the event that (i) the Company issues a restatement of financial results to correct a material error; (ii) the Committee determines, in good faith, that fraud or willful misconduct by Participant was a significant contributing factor to the need to issue such restatement; and (iii) some or all of the Units that were granted and/or Shares and/or other property earned prior to such restatement by Participant would not have been granted and/or earned, as applicable, based upon the restated financial results, Participant shall immediately return to the Company all Shares and other property received with respect to those Units, including any cash dividends paid with respect to the Units or such Shares, any pre-tax- income derived from ownership and any gross proceeds from disposition of such Shares and property, that would not have been granted and/or earned based upon the restated financial results (the "Repayment Obligation"), and all such Units (whether or not vested) shall immediately be forfeited. The Company shall be able to enforce the Repayment Obligation by all legal means available, including, without limitation, by withholding such amount from other sums and property owed by the Company to Participant.

(b) Forfeiture Pursuant to Fraud or Breach of Securities Law. Notwithstanding anything in the Award to the contrary, in the event that Participant:

(i) is convicted by any court for fraud;

(ii) is finally adjudicated by any court or is otherwise finally determined by a Regulatory Agency to be in violation of any Securities Law where the violation related to a period of time during which Participant was an employee or Consultant; or

(iii) enters into a settlement agreement with a Regulatory Agency, with or without admission of any liability, in relation to or in connection with an allegation concerning a violation of any Securities Law by Participant where the violation or alleged violation related to a period of time during which Participant was an employee or Consultant, and the terms of the settlement agreement result in (x) Participant making, or being required to make, payment of any penalty or a payment in lieu of any penalty or redress in respect of such violation, or alleged violation; (y) the publication of any statement of reprimand or censure; or (z) Participant suffering any other penalty including (without limitation) suspension or termination of Participant's status for the purposes of any Securities Law, all of Participant's Units that have not vested shall immediately be forfeited without any payment to Participant therefor. Any Units so forfeited shall be cancelled.

Notwithstanding the foregoing, the Committee may determine, in its sole discretion, that only a portion of Participant's Units specified by the Committee (or no Units) shall be forfeited.

For the purposes of this Section 16(b), the following words shall have the following meanings:

"Regulatory Agency" shall mean in any jurisdiction any department of government, independent agency, authority appointed by statute or by government in connection with the supervision and/or enforcement of any Securities Law including, but not limited to, the U.S. Securities and Exchange Commission;

"Securities Law" shall mean any enactment, law, statute, rule, requirement or regulation in any jurisdiction relating to Securities that is or was applicable to the Company or that is or was applicable to Participant; and

"Securities" shall mean any shares, bonds, derivatives or other financial instruments or financial assets or any interest therein.

(c) Other Repayment/Forfeiture. Any benefits Participant may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with (i) any applicable listing standards of a national securities exchange adopted in accordance with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules and regulations of the U.S. Securities and Exchange Commission adopted thereunder, (ii) similar laws, and implementing rules and regulations, of the European Union (as implemented by its member states and by the European Securities and Markets Authority) and of any other jurisdiction and (iii) any policies adopted by the Company to implement such requirements, all to the extent determined by the Company in its discretion to be applicable to Participant.

END OF AGREEMENT

FRANKLIN RESOURCES, INC.
2002 UNIVERSAL STOCK INCENTIVE PLAN
NOTICE OF RESTRICTED STOCK UNIT AWARD

PLEASE NOTE: Where indicated below, certain of your award terms are set forth in your www.BenefitsOnline.ml.com electronic account ("BenefitsOnline"). Such award terms are incorporated herein by this reference.

Name of Participant: See BenefitsOnline

In accordance with the Franklin Resources, Inc. 2002 Universal Stock Incentive Plan, as amended (the "Plan"), as an incentive for increased efforts and successful achievements, Franklin Resources, Inc. (the "Company") has awarded Participant Restricted Stock Units ("Units") over common stock of the Company subject to the terms and conditions of the accompanying Restricted Stock Unit Award Agreement (the "Award Agreement"), this Notice of Restricted Stock Unit Award (this "Notice of Award" and together with the Award Agreement, the "Award") and the Plan, as follows (capitalized terms used but not defined in this Notice of Award have the same meaning as set forth in the Plan):

Award Date:	**See BenefitsOnline**
Total Number of Units Awarded:	**See BenefitsOnline**
Performance Vesting Schedule:	**See the Performance Vesting Schedule set forth in Appendix 1 to the Award, subject to the terms of the Award**
Dividends:	**Issuable Upon the Vesting Date, subject to the terms of the Award**
Restrictive Covenants Apply:	**YES**

Additional Definitions:

For purposes of the Award, the following additional definitions apply:

"Consultant" means an individual consultant with the Company or any Subsidiary, as applicable, who continues to receive compensation directly from the Company or any Subsidiary in connection with such consulting.

"Continuous Status as an Employee or Consultant" means the absence of any interruption or termination of the Service relationship by the Company or any Subsidiary. Continuous Status as an Employee or Consultant shall not be considered interrupted in the case of: (i) sick leave, military leave or any other leave of absence approved by the Committee, provided that such leave is for a period of not more than ninety (90) days, unless reemployment or Service upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Company policy adopted from time to time; or (ii) transfers between locations of the Company or between the Company, its Subsidiaries or its successor.

Performance Verification:

Notwithstanding the Performance Vesting Schedule indicated in **Appendix 1** to the Award and in **BenefitsOnline**, the Units shall not vest unless and until the Committee has verified that the terms of this Notice of Award and the Award Agreement have been satisfied and the extent to which any of the vesting criteria has been achieved. In the event that the verification of the extent to which the vesting criteria for a given Fiscal Year have been achieved is completed after the Vesting Date, the Vesting Date shall be delayed until the date the verification specifies as the new Vesting Date; provided, that any new Vesting Date shall be in the same Fiscal Year as the original Vesting Date.

Additional Performance Vesting Schedule Terms:

Subject to Participant's Continuous Status as an Employee or Consultant through the Vesting Date of the Award and other limitations set forth in the Award and the Plan, including without limitation completion of the performance verification as indicated above, the Units shall vest on the date (the "Vesting Date") in accordance with the Performance Vesting Schedule indicated above and in **Appendix 1** to the Award.

For purposes of the Award, the term "vest" shall mean, with respect to any Units granted hereunder, that such Units are no longer subject to forfeiture to the Company (other than pursuant to Section 16 of the Award Agreement).

Except as otherwise set forth in the Award or the Plan, the Units subject to this Award shall vest only by Participant's Continuous Status as an Employee or Consultant through the Vesting Date of the Award and such status is at the will of the Company or the applicable Subsidiary (not through any act of being hired or contracted, being granted this Award or acquiring Units hereunder). Nothing in this Award, or in the Plan, which is incorporated herein by this reference, affects the Company's, or a Subsidiary's, right to terminate, or to change the terms of, Participant's Service at any time, with or without cause.

Any portion(s) of the Units that do not vest by the Vesting Date shall be forfeited and deemed reconveyed to the Company as of the Vesting Date, if not sooner forfeited, and the Company shall thereafter be the legal and beneficial owner of such reconveyed Units and shall have all rights and interest in or related thereto without further action by Participant.

Where a fraction of a Unit would vest pursuant to the schedule indicated above, the number of vested Units shall be rounded upwards to the next highest whole number of Units; provided, however, that the aggregate number of Units that become vested shall not exceed the Total Number of Units awarded hereunder.

Additional Notice Terms:

From time to time, the Company may be in a "Blackout Period" and/or subject to applicable securities laws that could subject Participant to liability for engaging in any transaction involving the sale of the Shares. Prior to the sale of any Shares acquired under this Award, it is Participant's responsibility to determine whether or not such sale of Shares will subject Participant to liability under insider trading rules or other applicable securities laws.

The Award is subject to the Plan Documents which may be accessed in electronic form through the Company's intranet, the website of the third-party stock administration provider used by the Company, or another form of electronic communication (*e.g.*, email) or similar methods of access (the "Electronic Access Methods"), as determined by the Company.

In receiving the Award, Participant is hereby notified, and Participant agrees, that the following constitute certain of the terms, conditions and obligations of receiving, holding and potentially vesting in, and settlement of the Award:

(i) Participant may receive the Plan prospectus in connection with the Form S-8 registration statement for the Plan, any updates thereto, the Plan, the Award Agreement and this Notice of Award (collectively, the "Plan Documents") in electronic form either through the Company's intranet, the website of the third-party stock administration provider used by the Company, or another form of electronic communication (*e.g.*, e-mail), as determined by the Company;

(ii) Participant has access to the Company's intranet and the internet;

(iii) Participant may be required to acknowledge receipt of electronic or paper copies of the Plan Documents and the Company's most recent annual report to stockholders; and

(iv) Participant has familiarized himself or herself with, and has acknowledged the contents of and accepted the Award subject to, the terms and provisions of the Plan Documents.

Participant may receive, without charge, upon written or oral request, paper copies of any or all of the Plan Documents, documents incorporated by reference in the Form S-8 registration statement for the Plan, and the Company's most recent annual report to stockholders by requesting them from Stock Administration at the Company, One Franklin Parkway, San Mateo, CA 94403-1906. Telephone +1 (650) 312-2000. Email [_____]. Participant may also withdraw Participant's consent to receive any or all documents electronically by notifying Stock Administration at the above address in writing.

Unless Participant shall be required to accept the Award by electronic or other means, as determined by the Company and as may be indicated in connection with the delivery of the Award, the terms, conditions, obligations and requirements of this Notice of Award shall apply as a condition of receiving and holding the Award without the need for any manual or other execution of this Notice of Award by Participant or the Company, and Participant shall be deemed for all purposes to have accepted the Award in the absence of any written notice from Participant to the contrary. Notwithstanding the foregoing, however, as a condition to holding the Award and/or the vesting or settlement of the Award, upon the Company's request at any time, the Company may require Participant to sign this Notice of Award either manually or electronically.

FRANKLIN RESOURCES, INC.
2002 UNIVERSAL STOCK INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

This Restricted Stock Unit Award Agreement, together with any Exhibits or Appendix(es) attached hereto (hereinafter, collectively, the "Agreement"), is made as of the Award Date set forth in the Notice of Restricted Stock Unit Award (the "Notice of Award") between Franklin Resources, Inc. (the "Company") and Participant named therein ("Participant").

WITNESSETH:

WHEREAS, the Board and stockholders of the Company have adopted the Franklin Resources, Inc. 2002 Universal Stock Incentive Plan, as amended (the "Plan"), authorizing the grant of Restricted Stock Units ("Units") to eligible individuals as an incentive in connection with the performance of services for the Company and its Subsidiaries, as defined in the Plan, which is incorporated herein by this reference (capitalized terms used but not defined in this Agreement have the same meaning as set forth in the Plan or the Notice of Award, as applicable); and

WHEREAS, the Company recognizes the efforts of Participant on behalf of the Company and its Subsidiaries and desires to motivate Participant in Participant's work and provide an inducement to remain in the service of the Company and its Subsidiaries; and

WHEREAS, the Company has determined that it would be to the advantage and in the interest of the Company and its stockholders to award Units provided for in this Agreement and the Notice of Award to Participant, subject to certain restrictions, as an incentive for increased efforts and successful achievements on behalf of the Company and its Subsidiaries;

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Restricted Stock Unit Award. The Company is awarding to Participant Units as set forth in the Notice of Award, subject to the rights of and limitations on Participant as owner thereof as set forth in this Agreement. The Award shall be in consideration of Participant's execution of this Agreement and the covenants herein.

2. Transfer Restriction. Units may not be transferred by Participant in any manner except that Units may be transferred by will or by the laws of descent and distribution if Participant dies while an employee or Consultant of the Company or any of its Subsidiaries, and holds vested Units as of the date of such death (including by operation of the terms of this Agreement).

3. Vesting.

(a) Units shall become vested in accordance with the Performance Vesting Schedule in the Notice of Award and **Appendix 1** hereto so long as Participant maintains a Continuous Status as an Employee or Consultant through the Vesting Date of the Award, subject to Section 16 below.

(b) If, prior to the Vesting Date, Participant ceases to maintain a Continuous Status as an Employee or Consultant for any reason except as otherwise provided in this Section 3, then all unvested Units on the date Participant ceases to maintain a Continuous Status as an Employee or Consultant shall be forfeited by Participant without payment of any consideration to Participant therefor. Any Units so forfeited shall be cancelled and any Shares considered issuable pursuant to such Units, if applicable, shall be returned to the status of authorized but unissued Shares, to be held for future distributions under the Plan.

(c) Death or Disability. If Participant dies or in the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of Disability (as defined below) while an employee or Consultant of the Company or any of its Subsidiaries, a pro rata portion of the Units awarded hereunder to the extent not yet vested shall vest based on the actual performance level under

the Award measured for the shortened performance period through the date of death or termination of Service due to Disability as determined by the Committee, and any then remaining unvested Units hereunder shall be forfeited to the Company, in each case as of the date of death or termination of Service on account of such Disability. Unless changed by the Committee, "Disability" means that Participant ceases to be an employee or Consultant of the Company or its Subsidiaries on account of disability as a result of which Participant is determined to be disabled by the determining authority under the long-term or total permanent disability policy, or government social security or other similar benefit program, of the country or location in which Participant is an employee or Consultant and, in the absence of such determining authority, as determined by the Committee in accordance with the applicable policies of the Company. As used herein, "pro rata portion" means the amount determined by the Committee in their sole discretion. The Committee may adopt such policies and/or procedures as it determines is necessary or advisable from time to time to carry out the Committee's duties under this Agreement. Except as may otherwise be determined by the Committee, any notice or other information to be provided to the Committee may be sent to Stock Administration using the contact information in the Notice of Award.

4. Vesting of Units and Issuance of Shares; Dividends. Upon the Vesting Date, (i) one Share and (ii) amount(s) in cash (or Shares) equal to the cash dividends, if any, paid with respect to such Share between the Award Date and the Vesting Date of such Unit, shall be issuable for each such Unit that vests on such date, subject to the terms and provisions of the Plan, the Notice of Award and this Agreement, and subject to applicable law. Upon satisfaction of any required tax or other withholding obligations as set forth in Section 6 of this Agreement, the Shares and cash amount (if any) will be issued to Participant (as evidenced by the appropriate entry in the books of the Company or a duly authorized transfer agent of the Company) as soon as practicable after the Vesting Date, but in any event, within the period ending on the later to occur of the date that is two and a half (2½) months from the end of (i) Participant's tax year (which shall be deemed the calendar year for a Participant not subject to taxation in the United States) that includes the Vesting Date, or (ii) the Company's tax year that includes the Vesting Date (such period, the "Short-Term Deferral Period"). Any fractional Unit remaining after all Units under this Award are fully vested shall be discarded and neither a fractional Share nor any dividends issued with respect to such fractional Share shall be issued at vesting of the fractional Unit. Notwithstanding the above, the Company may, in its discretion, pay to Participant all or a portion of any vested Units in cash in an amount equal to the Fair Market Value of the relevant number of Shares on the Vesting Date, or on such other date or dates within the Short-Term Deferral Period which the Company may at its absolute discretion prescribe, less any tax or other withholding obligations set forth in Section 6 of this Agreement.

5. Right to Shares. Except as otherwise provided herein and/or determined by the Committee, in its discretion, and as provided in Section 4 of this Agreement, Participant shall not have any right in, to or with respect to any of the Shares (including any voting rights or rights with respect to dividends paid on the Shares, including rights to dividend equivalent payments) issuable for a Unit under the Award until the Award is settled by the issuance of such Shares to Participant.

6. Withholding of Taxes.

(a) General. Participant is ultimately liable and responsible for all taxes owed by Participant in connection with the Plan including, without limitation, the award of Units, vesting of Units, issue and sale of Shares regardless of any action the Company or any of its Subsidiaries takes with respect to any tax withholding obligations that arise in connection with the Plan. Neither the Company nor any of its Subsidiaries makes any representation or undertaking regarding the treatment of any tax withholding in connection with the grant or vesting of Units awarded or the subsequent sale of any of the Shares. The Company and its Subsidiaries do not commit, and are under no obligation to structure the Award, to reduce or eliminate Participant's tax liability.

(b) Payment of Withholding Taxes. Prior to any event in connection with Units awarded (*e.g.*, vesting or settlement) that the Company determines may result in any tax withholding obligation, whether United States federal, state or local taxes or any applicable foreign taxes and including without

limitation any employment tax obligation (the "Tax Withholding Obligation"), Participant must agree to the satisfaction of such Tax Withholding Obligation in a manner acceptable to the Company, including by one of the following methods:

(i) *By Share Withholding*. Unless the Company permits Participant to satisfy the Tax Withholding Obligation by some other means in accordance with clause (iii) below, Participant authorizes the Company (in the exercise of its sole discretion) to withhold from those Shares issuable to Participant the whole number of Shares sufficient to satisfy the Tax Withholding Obligation. Unless otherwise determined by the Committee, Share withholding will be used to satisfy the tax liability of individuals subject to the short swing profit restrictions of Section 16(b) of the Securities Exchange Act of 1934, as amended.

(ii) *By Sale of Shares*. Unless the Company permits Participant to satisfy the Tax Withholding Obligation by some other means in accordance with clause (iii) below, and provided that the terms of this clause (ii) do not violate Section 13(k) of the Securities Exchange Act of 1934, as amended, Participant's acceptance of the Award constitutes Participant's instruction and authorization to the Company and any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of Shares otherwise issuable to Participant as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the applicable Tax Withholding Obligation. Such Shares will be sold on the day such Tax Withholding Obligation arises (*e.g.*, vesting on or settlement following the Vesting Date) or as soon thereafter as practicable. Participant will be responsible for all brokers' fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale. To the extent the proceeds of such sale exceed the Tax Withholding Obligation, the Company agrees to pay such excess in cash to Participant. Participant acknowledges that the Company is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the Tax Withholding Obligation. Accordingly, Participant agrees to pay to the Company or any of its Subsidiaries as soon as practicable, including through additional payroll withholding, any amount of the Tax Withholding Obligation that is not satisfied by the sale of Shares described above.

(iii) *By Check, Wire Transfer or Other Means*. At any time not less than five (5) business days (or such fewer number of days as determined by the Committee or its designee) before any Tax Withholding Obligation may arise (*e.g.*, the Vesting Date), Participant may request permission to satisfy the Tax Withholding Obligation by check, wire transfer or other means, by submitting such request, in writing, to the Company. Alternatively, the Company may require that Participant satisfy any Tax Withholding Obligation in any such manner. If the Company approves Participant's request, or so requires, within five (5) business days of the relevant Vesting Date (or such fewer number of days as determined by the Committee or its designee) Participant must deliver to the Company the amount that the Company determines is sufficient to satisfy the Tax Withholding Obligation by (x) wire transfer to such account as the Company may direct, (y) delivery of a certified check payable to the Company, or (z) such other means as specified from time to time by the Committee or its designee.

7. Successors. This Agreement shall (a) inure to the benefit of, and be enforceable by, the Company's successors and assigns, and (b) be binding on Participant's executors, administrators, heirs and successors, in the event that Participant dies and Section 2 of this Agreement applies. Nothing contained in the Plan, the Notice of Award or this Agreement shall be interpreted as imposing any liability on the Company or the Committee in favor of Participant or any purchaser or other transferee of Units or Shares with respect to any loss, cost or expense which such Participant, purchaser or other transferee may incur in connection with, or arising out of any transaction involving, any Units or Shares subject to the Plan, the Notice of Award or this Agreement.

8. No Compensation Deferrals. This Agreement, the Notice of Award and the Plan are intended to be exempt from or to comply with Section 409A ("Section 409A") of the United States Internal Revenue Code of 1986, as amended, and shall be administered and construed in accordance with such intent. The Company reserves the right, to the extent the Company deems necessary or

advisable in its sole discretion, unilaterally to amend or modify, or to take any other actions, as the Committee determines are necessary or appropriate with respect to, the Plan, the Notice of Award and/or this Agreement to ensure that no awards (including, without limitation, the Units) become subject to the requirements of Section 409A, provided, however, that the Company makes no representation that the Units are not subject to Section 409A nor makes any undertaking to preclude Section 409A from applying to the Units. In furtherance, and not in limitation, of the foregoing: (a) in no event may Participant designate, directly or indirectly, the calendar year of any payment to be made hereunder; and (b) notwithstanding any other provision of this Agreement to the contrary, a termination of Service hereunder shall mean and be interpreted consistent with a "separation from service" within the meaning of Section 409A with respect to any payment hereunder that constitutes a "deferral of compensation" under Section 409A that becomes due on account of such separation from service. Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate identified payment for purposes of Section 409A. Without limiting the foregoing and notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement or any other arrangement between the Participant and the Company or any of its Subsidiaries during the six-month period immediately following the Participant's separation from service shall instead be paid on the first business day after the date that is six months following the Participant's separation from service (or, if earlier, the Participant's date of death). Nothing in this Agreement, the Plan or the Notice of Award shall be interpreted or construed to transfer any liability for any tax (including a tax or penalty due as a result of a failure to comply with Section 409A) from Participant to the Company or to any other individual or entity.

9. Integration. The terms of the Plan, the Notice of Award and this Agreement are intended by the Company and Participant to be the final expression of their agreement with respect to Units and may not be contradicted by evidence of any prior or contemporaneous agreement. The Company and Participant further intend that the Plan, the Notice of Award and this Agreement shall constitute the complete and exclusive statement of their terms and that no extrinsic evidence whatsoever may be introduced in any arbitration, judicial, administrative or other legal proceeding involving the Plan, the Notice of Award or this Agreement. Accordingly, the Plan, the Notice of Award and this Agreement contain the entire understanding between the parties and supersede all prior oral, written and implied agreements, understandings, commitments and practices among the parties.

10. Waivers. Any failure to enforce any terms or conditions of the Plan, the Notice of Award or this Agreement by the Company or by Participant shall not be deemed a waiver of that term or condition, nor shall any waiver or relinquishment of any right or power for all or any other times.

11. Severability of Provisions. If any provision of the Plan, the Notice of Award or this Agreement shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision thereof; and the Plan, the Notice of Award and this Agreement shall be construed and enforced as if none of them included such provision.

12. Committee Decisions Conclusive. This Agreement and the Notice of Award are administered and interpreted by the Committee and the Committee has full and exclusive discretion to interpret and administer this Agreement and the Notice of Award. All actions, interpretations and decisions of the Committee are conclusive and binding on all persons, and will be given the maximum possible deference allowed by law.

13. Mandatory Direct Discussion, Mediation, and Arbitration. To the extent permitted by law, any claim, disagreement, or dispute arising out of or relating to the Plan, the Notice of Award, and/or this Agreement, including the meaning or interpretation thereof (a "Dispute"), shall be resolved solely and exclusively by direct discussion and mandatory mediation followed, if necessary, by final and binding arbitration in accordance with the terms and procedures specified in this Section 13. These terms and procedures apply solely to the resolution of a Dispute as defined in this Agreement. Any other claim, issue, or complaint raised by Participant who is subject to the Franklin Templeton Alternative Dispute Resolution Policy and Agreement or such other alternative dispute resolution

provision that is set forth in a separate written agreement with the Company or any affiliate thereof (collectively, the "ADR Agreement"), which claims, issues or complaints are not covered by this Agreement will be resolved according to the terms and procedures of the ADR Agreement. With regard to any Dispute as defined in this Agreement, if there is a difference between the terms or procedures defined in the ADR Agreement, and the terms and procedures defined in this Agreement, this Agreement's terms and procedures shall control. Participant and the Company specifically agree to waive the right to pursue any Dispute before a court or jury.

(a) Direct Discussion. Upon written notice of any Dispute, Participant and the Company (each referred to as a "party" and together as the "parties") shall first attempt to resolve the Dispute by direct discussion.

(b) Mediation. If a Dispute is not resolved by direct discussion then either party may request mediation of the Dispute by sending a written notice requesting mediation to the other party. The parties will mutually agree to the selection of a mediator, whose compensation will be borne by the Company.

(c) Arbitration. If a Dispute is not resolved by direct discussion and mandatory mediation, then either party may request final and binding arbitration of the Dispute by sending a written notice requesting arbitration to the other party. The Dispute will be heard by a single arbitrator unless, within 45 days of receiving the initial written demand for arbitration, either party elects by written notice to the other party for the arbitration to be heard by a panel of three arbitrators. If a single arbitrator is used, the parties will mutually agree to the selection of the arbitrator. If either party elects for the arbitration to be heard by a panel of three arbitrators, each party will select one arbitrator, and the arbitrators selected by the parties will, within a reasonable period of time, then appoint a third arbitrator to serve as chair of the panel.

The arbitration will be conducted in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association ("AAA") as amended and effective November 1, 2009 (the "AAA Rules") but without necessarily retaining AAA or any other third party to administer the arbitration. The parties will determine whether a third-party administration service is necessary and, if jointly deemed necessary, agree to a mutually acceptable arbitration administration service, whether AAA or otherwise, within 45 days of receipt of the initial written demand for arbitration. If the parties do not agree about whether a third party is needed to administer the arbitration, or if the parties cannot reach agreement as to which administration service to use within 45 days, any arbitration will be administered by AAA. The location for the arbitration shall be in the county or comparable jurisdiction of Participant's Service. Judgment on the award rendered may be entered in any court having jurisdiction.

The Company will pay all of the costs of arbitration that are attributable to the employer pursuant to the AAA Rules, unless applicable law requires the Company to pay a greater share or all of the costs. In addition, if a single arbitrator is used, or if the Company elects for the arbitration to be heard by a panel of three arbitrators, the compensation and expenses of the arbitrator(s) will be paid by the Company. If Participant elects for the arbitration to be heard by a panel of three arbitrators, Participant will be responsible for paying one-half of the arbitrators' compensation and expenses.

All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding under this Section. To the extent permitted by law, Participant waives the right to participate in a class, representative or collective action, as a class representative, class member, as an opt-in party, or private attorney general or join or consolidate claims with claims of any other person or entity, with respect to any Dispute, whether before a court or jury or in arbitration. Nothing in this Agreement, however, is intended or understood to limit, contradict, or preclude the rights reserved by law for Participant to initiate any administrative claim, or to excuse Participant from bringing an administrative claim before any agency in order to fulfill any obligation by Participant to exhaust administrative remedies. The provisions of this Section are intended by Participant and the Company to be exclusive for all purposes and applicable to any and all Disputes.

Except as otherwise provided in this Agreement, or as otherwise mutually agreed by the parties, the arbitrator(s) will conduct the arbitration pursuant to the AAA Rules, the U.S. Federal Arbitration Act, 9 U.S.C. section 1, et seq., and the U.S. Federal Rules of Evidence. The arbitrator(s) shall have jurisdiction and authority only to award Participant an amount equal to or less than the amount of the Award challenged in the Dispute, subject to the same terms and conditions as the Notice of Award in Dispute, and shall not have jurisdiction or authority to make any other award of any type, including, without limitation, punitive damages, unforeseeable economic damages, damages for pain, suffering or emotional distress, or any other kind or form of damages (the "Arbitrator Authority"). Thus, the arbitrator(s) shall not have jurisdiction or authority to grant preliminary or final injunctive relief or specific performance. The remedy, if any, awarded by the arbitrator(s) within the Arbitrator Authority shall be the sole and exclusive remedy for any Dispute that is subject to arbitration under this Section.

If Participant is an Associated Person employed by a Member Firm (as each such term is defined by the rules of the Financial Industry Regulatory Authority ("FINRA")), nothing in this Agreement prohibits or restricts Participant or the Member Firm from filing an arbitration claim involving a Dispute in the FINRA arbitration forum as specified in FINRA rules. In such a case, the parties each reserve the right to elect to have the arbitration heard by a panel of three arbitrators regardless of the dollar amount of the claim. The parties further agree that the authority of the arbitrator(s) in any FINRA arbitration of a Dispute is limited to the Arbitrator Authority defined above. Unless otherwise mutually agreed by the parties, the arbitrator(s) will conduct the arbitration pursuant to the FINRA Code of Arbitration Procedure for Industry Disputes (the "FINRA Code") and the Federal Rules of Evidence. All fees, costs, and expenses of FINRA arbitration, whether a single arbitrator or a panel of arbitrators is selected, including any hearing session fees, arbitration fees, surcharges, and filing fees, will be allocated as specified in the FINRA Code.

14. Delaware Law. The Plan, the Notice of Award and this Agreement are governed by, and all Disputes arising under or in connection with the Plan, the Notice of Award and this Agreement shall be resolved in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules, to the extent not pre-empted by the federal laws of the United States of America.

15. Country Appendices. If Participant relocates to a country outside the United States: (i) any special terms and conditions that may apply to Units granted to Participants in such country under Appendices to this Agreement will apply to Participant; or (ii) if the Company has not previously granted Restricted Stock Units to employees or Consultants in such country, any other special terms and conditions will apply to Participant, in each case to the extent the Company determines that the application of such terms and conditions is necessary or advisable to comply with local law or facilitate the administration of the Plan, and provided the imposition of the term or condition will not result in any adverse accounting expense with respect to the Units (unless the Company specifically determines to incur such expense).

16. Forfeiture.

(a) Forfeiture Pursuant to Restatement of Financial Results. Notwithstanding anything in the Award to the contrary, in the event that (i) the Company issues a restatement of financial results to correct a material error; (ii) the Committee determines, in good faith, that fraud or willful misconduct by Participant was a significant contributing factor to the need to issue such restatement; and (iii) some or all of the Units that were granted and/or Shares and/or other property earned prior to such restatement by Participant would not have been granted and/or earned, as applicable, based upon the restated financial results, Participant shall immediately return to the Company all Shares and other property received with respect to those Units, including any cash dividends paid with respect to the Units or such Shares, any pre-tax- income derived from ownership and any gross proceeds from disposition of such Shares and property, that would not have been granted and/or earned based upon the restated financial results (the "Repayment Obligation"), and all such Units (whether or not vested) shall immediately be forfeited. The Company shall be able to enforce the Repayment Obligation by all legal means available, including, without limitation, by withholding such amount from other sums and property owed by the Company to Participant.

(b) Forfeiture Pursuant to Fraud or Breach of Securities Law. Notwithstanding anything in the Award to the contrary, in the event that Participant:

(i) is convicted by any court for fraud;

(ii) is finally adjudicated by any court or is otherwise finally determined by a Regulatory Agency to be in violation of any Securities Law where the violation related to a period of time during which Participant was an employee or Consultant; or

(iii) enters into a settlement agreement with a Regulatory Agency, with or without admission of any liability, in relation to or in connection with an allegation concerning a violation of any Securities Law by Participant where the violation or alleged violation related to a period of time during which Participant was an employee or Consultant, and the terms of the settlement agreement result in (x) Participant making, or being required to make, payment of any penalty or a payment in lieu of any penalty or redress in respect of such violation, or alleged violation; (y) the publication of any statement of reprimand or censure; or (z) Participant suffering any other penalty including (without limitation) suspension or termination of Participant's status for the purposes of any Securities Law, all of Participant's Units that have not vested shall immediately be forfeited without any payment to Participant therefor. Any Units so forfeited shall be cancelled.

Notwithstanding the foregoing, the Committee may determine, in its sole discretion, that only a portion of Participant's Units specified by the Committee (or no Units) shall be forfeited.

For the purposes of this Section 16(b), the following words shall have the following meanings:

"Regulatory Agency" shall mean in any jurisdiction any department of government, independent agency, authority appointed by statute or by government in connection with the supervision and/or enforcement of any Securities Law including, but not limited to, the U.S. Securities and Exchange Commission;

"Securities Law" shall mean any enactment, law, statute, rule, requirement or regulation in any jurisdiction relating to Securities that is or was applicable to the Company or that is or was applicable to Participant; and

"Securities" shall mean any shares, bonds, derivatives or other financial instruments or financial assets or any interest therein.

(c) Other Repayment/Forfeiture. Any benefits Participant may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with (i) any applicable listing standards of a national securities exchange adopted in accordance with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules and regulations of the U.S. Securities and Exchange Commission adopted thereunder, (ii) similar laws, and implementing rules and regulations, of the European Union (as implemented by its member states and by the European Securities and Markets Authority) and of any other jurisdiction and (iii) any policies adopted by the Company to implement such requirements, all to the extent determined by the Company in its discretion to be applicable to Participant.

END OF AGREEMENT

APPENDIX 1

Performance Vesting Schedule:

Subject to the terms of the Award, for purposes of this Performance Vesting Schedule, the terms set forth below shall have the following definitions:

"Fiscal Year" means the Corporation's fiscal year ending September 30 of each applicable year and the same period for Index Peers whether or not an Index Peer's fiscal year.

"FT Average Adjusted Operating Margin" means the average Operating Margin of the Corporation for the Performance Period, adjusted as reported (i) in the consolidated financial statements filed with the SEC at the time of determination, or (ii) if such financial statements are not available for the Corporation, as otherwise disclosed in a press release by the Corporation at the time of determination (collectively, the "Financial Information").

"FT Plan Margin" means the amount of FT Average Adjusted Operating Margin established pursuant to the Corporation's budget regarding the Performance Period as approved by the Board of Directors of the Corporation at the beginning of the applicable Fiscal Year or Performance Period.

"Index Peers" means each of the public companies included in the published S&P US BMI Asset Management and Custody Banks Index or successor thereto, for the applicable Performance Period.

"Operating Margin" means operating income divided by total revenues for the applicable Performance Period, as reported in the Financial Information for the Performance Period. Operating income may be adjusted to exclude the effects of goodwill impairment, certain material one-time, non-recurring expenses, the cumulative effect of changes in accounting policies and principles, and gains and losses from discontinued operations, as reported in the Financial Information.

"Performance Period" means the time period set forth in the tables below.

"Total Shareholder Return" or "TSR" means the Corporation's total shareholder return, as reported by Bloomberg or FactSet Research Systems (or their respective successors), as selected by the Corporation in its sole discretion, relative to the respective total shareholder returns of the Index Peers (also as reported by Bloomberg or FactSet Research Systems, or their respective successors, as selected by the Corporation in its sole discretion).

Vesting. Subject to Participant's Continuous Status as an Employee or Consultant through the Vesting Date and other limitations set forth in the Award and the Plan, including without limitation satisfaction of the applicable performance criteria and conditions indicated in the table below and completion of the performance verification as indicated in the Notice of Award, the Units shall vest in accordance with the following Performance Vesting Schedule, provided that if the actual performance achieved falls between two performance levels, the percentage of Units that shall vest will be determined by linear interpolation between such performance levels on a straight-line basis:

	Performance Period	**Vesting Date**	**Percentage of FT Plan Margin**	**% Vesting**
3-Year FT Average Adjusted Operating Margin	**10/01/2026 to 09/30/2029**	**12/01/2029**	≥ 110% ≥ 90% to ≤ 100% < 80%	150% 100% 0%

Multiplied by the following applicable **multiplier** to determine the final Award performance vesting amount hereunder:

	Performance Period	**Vesting Date**	**Quartile**	**Multiplier**
3-Year Relative TSR Performance vs. Index Peers	**10/01/2026 to 09/30/2029**	**12/01/2029**	$> 75^{th}$ percentile $\geq 25^{th}$ to $\leq 75^{th}$ percentile $< 25^{th}$ percentile	1.25x 1.0x 0.75x

FRANKLIN TEMPLETON, INC.
2002 UNIVERSAL STOCK INCENTIVE PLAN
NOTICE OF RESTRICTED STOCK UNIT AWARD

PLEASE NOTE: Where indicated below, certain of your award terms are set forth in your www.BenefitsOnline.ml.com electronic account ("BenefitsOnline"). Such award terms are incorporated herein by this reference.

Name of Participant: **See BenefitsOnline**

In accordance with the Franklin Templeton, Inc. 2002 Universal Stock Incentive Plan, as amended (the "Plan"), as an incentive for increased efforts and successful achievements, Franklin Templeton, Inc. (the "Company") has awarded Participant Restricted Stock Units ("Units") over common stock of the Company subject to the terms and conditions of the accompanying Restricted Stock Unit Award Agreement (the "Award Agreement"), this Notice of Restricted Stock Unit Award (this "Notice of Award" and together with the Award Agreement, the "Award") and the Plan, as follows (capitalized terms used but not defined in this Notice of Award have the same meaning as set forth in the Plan):

Award Date:	**See BenefitsOnline**
Total Number of Units Awarded:	**See BenefitsOnline**
Vesting Schedule:	**See BenefitsOnline, subject to the terms, conditions and limitations of the Award**
Restrictive Covenants Apply:	**YES**

Additional Definitions:

For purposes of the Award, the following additional definitions apply:

"Consultant" means an individual consultant with the Company or any Subsidiary, as applicable, who continues to receive compensation directly from the Company or any Subsidiary in connection with such consulting.

"Continuous Status as an Employee or Consultant" means the absence of any interruption or termination of the Service relationship with the Company or any Subsidiary. Continuous Status as an Employee or Consultant shall not be considered interrupted in the case of: (i) sick leave, military leave or any other leave of absence approved by the Committee, provided that such leave is for a period of not more than ninety (90) days, unless reemployment or Service upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Company policy adopted from time to time; or (ii) transfers between locations of the Company or between the Company, its Subsidiaries or its successor.

"Management" means one or more of the executive officers or other appropriate senior leader(s) of the Company who are involved in the administration of the Plan or Award or otherwise authorized, other than Participant.

Additional Vesting Schedule Terms:

Subject to Participant's Continuous Status as an Employee or Consultant through the applicable Vesting Date of the Award and other limitations set forth in the Award and the Plan, the Units shall vest on the dates (each, a "Vesting Date") in accordance with the applicable Vesting Schedule set forth in **BenefitsOnline**.

For purposes of the Award, the term "vest" shall mean, with respect to any Units granted hereunder, that such Units are no longer subject to forfeiture to the Company (other than pursuant to Section 16 of the Award Agreement).

Except as otherwise set forth in the Award or the Plan, the Units subject to this Award shall vest only by Participant's Continuous Status as an Employee or Consultant through the applicable Vesting Date of the Award and such status is at the will of the Company or the applicable Subsidiary (not through any act of being hired or contracted, being granted this Award or acquiring Units hereunder). Nothing in this Award, or in the Plan, which is incorporated herein by this reference, affects the Company's, or a Subsidiary's, right to terminate, or to change the terms of, Participant's Service at any time, with or without cause.

Any portion(s) of the Units that do not vest by the applicable Vesting Date shall be forfeited and deemed reconveyed to the Company as of the applicable Vesting Date, if not sooner forfeited, and the Company shall thereafter be the legal and beneficial owner of such reconveyed Units and shall have all rights and interest in or related thereto without further action by Participant.

Where a fraction of a Unit would vest pursuant to the schedule indicated above, the number of vested Units shall be rounded upwards to the next highest whole number of Units; provided, however, that the aggregate number of Units that become vested shall not exceed the Total Number of Units awarded hereunder.

Additional Notice Terms:

From time to time, the Company may be in a "Blackout Period" and/or subject to applicable securities laws that could subject Participant to liability for engaging in any transaction involving the sale of the Shares. Prior to the sale of any Shares acquired under this Award, it is Participant's responsibility to determine whether or not such sale of Shares will subject Participant to liability under insider trading rules or other applicable securities laws.

The Award is subject to the Plan Documents which may be accessed in electronic form through the Company's intranet, the website of the third-party stock administration provider used by the Company, or another form of electronic communication (*e.g.*, email) or similar methods of access (the "Electronic Access Methods"), as determined by the Company.

In receiving the Award, Participant is hereby notified, and Participant agrees, that the following constitute certain of the terms, conditions and obligations of receiving, holding and potentially vesting in, and settlement of the Award:

(i) Participant may receive the Plan prospectus in connection with the Form S-8 registration statement for the Plan, any updates thereto, the Plan, the Award Agreement and this Notice of Award (collectively, the "Plan Documents") in electronic form either through the Company's intranet, the website of the third-party stock administration provider used by the Company, or another form of electronic communication (*e.g.*, e-mail), as determined by the Company;

(ii) Participant has access to the Company's intranet and the internet;

(iii) Participant may be required to acknowledge receipt of electronic or paper copies of the Plan Documents and the Company's most recent annual report to stockholders; and

(iv) Participant has familiarized himself or herself with, and has acknowledged the contents of and accepted the Award subject to, the terms and provisions of the Plan Documents.

Participant may receive, without charge, upon written or oral request, paper copies of any or all of the Plan Documents, documents incorporated by reference in the Form S-8 registration statement for the Plan, and the Company's most recent annual report to stockholders by requesting them from Stock Administration at the Company, One Franklin Parkway, San Mateo, CA 94403-1906. Telephone +1 (650) 312-2000. Email [_____]. Participant may also withdraw Participant's consent to receive any or all documents electronically by notifying Stock Administration at the above address in writing.

Unless Participant shall be required to accept the Award by electronic or other means, as determined by the Company and as may be indicated in connection with the delivery of the Award, the terms, conditions, obligations and requirements of this Notice of Award shall apply as a condition of receiving and holding the Award without the need for any manual or other execution of this Notice of Award by Participant or the Company, and Participant shall be deemed for all purposes to have accepted the Award in the absence of any written notice from Participant to the contrary. Notwithstanding the foregoing, however, as a condition to holding the Award and/or the vesting or settlement of the Award, upon the Company's request at any time, the Company may require Participant to sign this Notice of Award either manually or electronically.

FRANKLIN TEMPLETON, INC.
2002 UNIVERSAL STOCK INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

This Restricted Stock Unit Award Agreement, together with any Exhibits or Appendix(es) attached hereto (hereinafter, collectively, the "Agreement"), is made as of the Award Date set forth in the Notice of Restricted Stock Unit Award (the "Notice of Award") between Franklin Templeton, Inc. (the "Company") and Participant named therein ("Participant").

WITNESSETH:

WHEREAS, the Board and stockholders of the Company have adopted the Franklin Templeton, Inc. 2002 Universal Stock Incentive Plan, as amended (the "Plan"), authorizing the grant of Restricted Stock Units ("Units") to eligible individuals as an incentive in connection with the performance of services for the Company and its Subsidiaries, as defined in the Plan, which is incorporated herein by this reference (capitalized terms used but not defined in this Agreement have the same meaning as set forth in the Plan or the Notice of Award, as applicable); and

WHEREAS, the Company recognizes the efforts and contributions of Participant on behalf of the Company and its Subsidiaries and desires to motivate Participant in Participant's work and provide an inducement to remain in the service of the Company and its Subsidiaries; and

WHEREAS, the Company has determined that it would be to the advantage and in the interest of the Company and its stockholders to award Units provided for in this Agreement and the Notice of Award to Participant, subject to certain restrictions, as an incentive for increased efforts and successful achievements on behalf of the Company and its Subsidiaries;

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Restricted Stock Unit Award. The Company is awarding to Participant Units as set forth in the Notice of Award, subject to the rights of and limitations on Participant as owner thereof as set forth in this Agreement. The Award shall be in consideration of Participant's execution of this Agreement and the covenants herein.

2. Transfer Restriction. Units may not be transferred by Participant in any manner except that Units may be transferred by will or by the laws of descent and distribution if Participant dies while an employee or Consultant of the Company or any of its Subsidiaries, and holds vested Units as of the date of such death (including by operation of the terms of this Agreement).

3. Vesting.

(a) Units shall become vested in accordance with the Vesting Schedule in the Notice of Award so long as Participant maintains a Continuous Status as an Employee or Consultant through the applicable Vesting Date of the Award, subject to Section 16 below.

(b) If, prior to the applicable Vesting Date, Participant ceases to maintain a Continuous Status as an Employee or Consultant for any reason except as otherwise provided in this Section 3, then all unvested Units on the date Participant ceases to maintain a Continuous Status as an Employee or Consultant shall be forfeited by Participant without payment of any consideration to Participant therefor. Any Units so forfeited shall be cancelled and any Shares considered issuable pursuant to such Units, if applicable, shall be returned to the status of authorized but unissued Shares, to be held for future distributions under the Plan.

(c) Death or Disability. If Participant dies or in the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of Disability (as defined below) while an employee or Consultant of the Company or any of its Subsidiaries, Participant's interest in all Units

awarded hereunder shall become fully vested as of the date of death or termination of Service on account of such Disability, in which case such date shall be deemed the Vesting Date.

(d) Termination without Cause or Reduction in Workforce. In the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of an involuntary termination without Cause (as defined below) or a Reduction in Workforce (as defined below) while an employee or Consultant of the Company or any of its Subsidiaries, Participant's interest in all Units awarded hereunder shall become fully vested as of the date of such termination of Service, in which case such date shall be deemed the Vesting Date, provided in each case that the Participant complies with all applicable Company policies and restrictions, including, without limitation, the return of all Company property and confidential information and the execution of the Company's release agreement as in effect at the time of separation.

(e) Discretionary Approved Leaver Termination. In the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of an Approved Leaver Termination (as defined below) while an employee or Consultant of the Company or any of its Subsidiaries, and subject to Participant's continued compliance with all applicable conditions and criteria, Participant's interest in all such Units awarded hereunder shall vest (to the extent then unvested) and be eligible to be settled during the Short-Term Deferral Period (as defined below) in accordance with Section 4. Any dividends paid on any of the Shares considered issuable pursuant to such Units (including rights to dividend equivalent payments) shall be paid in accordance with Section 4. If Participant engages in Competitive Activity (as defined below) prior to the settlement of the Award, then the portion of the Units awarded hereunder that have not yet been settled at the time Participant engages in such Competitive Activity shall be immediately forfeited by Participant (notwithstanding the prior vesting) without payment of any consideration to Participant therefor and any Shares considered issuable pursuant to such Units, if applicable, shall be returned to the status of authorized but unissued Shares to be held for future distributions under the Plan.

(f) Termination of Service Due to Retirement. In the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of Retirement (as defined below) while an employee or Consultant of the Company or any of its Subsidiaries, and subject to Participant's continued compliance with all applicable conditions and criteria, Participant's interest in all such Units awarded hereunder shall vest (to the extent then unvested) and be eligible to be settled during the Short-Term Deferral Period in accordance with Section 4. Any dividends paid on any of the Shares considered issuable pursuant to such Units (including rights to dividend equivalent payments) shall be paid in accordance with Section 4. If Participant engages in Competitive Activity prior to the settlement of the Award, then the portion of the Units awarded hereunder that have not yet been settled at the time Participant engages in such Competitive Activity shall be immediately forfeited by Participant (notwithstanding the prior vesting) without payment of any consideration to Participant therefor and any Shares considered issuable pursuant to such Units, if applicable, shall be returned to the status of authorized but unissued Shares to be held for future distributions under the Plan.

(g) Definitions. Unless changed by the Committee:

"Approved Leaver Termination" means that Participant ceases to be an employee or Consultant of the Company or its Subsidiaries on account of a voluntary termination of Service by Participant that meets the following requirements: (i) Participant provides Management with at least ninety (90) days prior written notice of such termination and requests in writing that such termination be treated as an Approved Leaver Termination, (ii) Management approves the treatment of such termination as an Approved Leaver Termination, (iii) no Cause exists at the time of such termination, (iv) Participant timely submits a written attestation to Management that Participant is not joining a competitor or otherwise engaging in Competitive Activity, and (v) Participant satisfies such other conditions as may be required by Management in its discretion.

"Cause" means any one or more of the following types of behaviour by Participant which the Company in its sole discretion finds to be sufficient reason to terminate the Participant's Service with

the Company or any of its Subsidiaries: (i) any conduct (a) that constitutes Competitive Activity, (b) that breaches any obligation to the Company or its Subsidiaries or Participant's duty of loyalty to the Company or its Subsidiaries, or (c) that is materially injurious to the Company or its Subsidiaries, monetarily or otherwise; (ii) material violation of, or an act taken or the failure to act which causes the Company or its Subsidiaries to be in violation of any government statue or regulation, or of the constitution, by-laws, rules or regulations of any securities or commodities exchange or a self-regulatory organization to which Participant or the Company or any of its Subsidiaries is subject, or of the policies of the Company or its Subsidiaries; (iii) the entering of an order or decree or the taking of any similar action with respect to Participant which substantially impairs such Participant from performing their duties or makes Participant ineligible from being associated with the Company pursuant to Section 9 of the Investment Company Act of 1940, as amended, or Section 203(f) of the Investment Advisors Act of 1940, as amended, in each case to the extent applicable; (iv) malfeasance, disloyalty or dishonesty in any material respect; (v) any conviction for a felony; (vi) any failure to devote all professional time to assigned duties and to the business of the Company or its Subsidiaries; (vii) failure to satisfactorily perform duties, as determined by Management in its sole discretion, or gross misconduct or gross negligence in the performance of duties; or (viii) failure to remain licensed to perform duties or other act, conduct or circumstance which renders the Participant ineligible for Service with the Company or its Subsidiaries, as applicable.

"Competitive Activity" means Participant's engagement in any activity that competes with any of the business operations of the Company and/or its Subsidiaries, as determined by Management, in its sole discretion, and shall include, without limitation, representing in any capacity, other than as an outside director, a company that competes with the Company and its Subsidiaries. However, the following provisions of this Agreement shall not apply to Participants who reside and/or work in California: (i) the last sentence of Section 3(e), (ii) the last sentence of Section 3(f), (iii) clause (iv) of the definition of "Approved Leaver Termination," (iv) clause (i)(a) of the definition of "Cause," and (v) clause (v) of the definition of "Retirement".

"Disability" means that Participant ceases to be an employee or Consultant of the Company or its Subsidiaries on account of disability as a result of which Participant is determined to be disabled by the determining authority under the long-term or total permanent disability policy, or government social security or other similar benefit program, of the country or location in which Participant is an employee or Consultant and, in the absence of such determining authority, as determined by Management in accordance with the policies of the Company.

"Reduction in Workforce" means that Participant ceases to be an employee or Consultant of the Company or its Subsidiaries on account of an involuntary termination of Service with the Company and its Subsidiaries due to the elimination of a previously required position or previously required services, where such termination is intended to be permanent; or under other circumstances which Management, in accordance with standards uniformly applied with respect to similarly situated employees or Consultants, designates as a Reduction in Workforce.

"Retirement" means Participant ceases to be an employee or Consultant of the Company or its Subsidiaries on account of a voluntary termination of Service by Participant that meets the following requirements: (i) Participant provides Management with at least ninety (90) days prior written notice (or, if shorter, the maximum notice period permitted under applicable law) of such termination and requests in writing that such termination be treated as a Retirement, (ii) Management approves the treatment of such termination as a Retirement, (iii) such termination occurs on or after Participant reaches age sixty (60) and has completed at least ten (10) full years of Service with the Company or its Subsidiaries, (iv) no Cause exists at the time of such termination, and (v) Participant timely submits a written attestation to Management that Participant is not joining a competitor or otherwise engaging in Competitive Activity.

(h) Management may adopt such policies and/or procedures as it determines is necessary or advisable from time to time to carry out Management's duties under this Agreement. Except as may

otherwise be determined by Management, any notice or other information to be provided to Management may be sent to Stock Administration using the contact information in the Notice of Award.

4. Vesting of Units and Issuance of Shares; Deferred Dividends.

(a) Upon each Vesting Date, one Share shall be issuable for each such Unit that vests on such date, subject to the terms and provisions of the Plan, the Notice of Award and this Agreement, and subject to applicable law.

(b) Upon satisfaction of any required tax or other withholding obligations as set forth in Section 6 of this Agreement, the Shares and cash amount (if any) will be issued to Participant (as evidenced by the appropriate entry in the books of the Company or a duly authorized transfer agent of the Company) as soon as practicable after the applicable Vesting Date, but in any event, within the period ending on the later to occur of the date that is two and a half (2½) months from the end of (i) Participant's tax year (which shall be deemed the calendar year for a Participant not subject to taxation in the United States) that includes the applicable Vesting Date, or (ii) the Company's tax year that includes the applicable Vesting Date (such period, the "Short-Term Deferral Period").

(c) With respect to Units vesting in connection with an Approved Leaver Termination or termination of Service due to Retirement, (i) the termination date shall be considered the Vesting Date for purposes of this Section 4, (ii) there shall be no requirement that the Company issue Shares and cash amount (if any) prior to the last day of the Short-Term Deferral Period (however, if Units would have otherwise vested on a regularly scheduled Vesting Date during the Short-Term Deferral Period, the Company will issue Shares and cash amount (if any) with respect to such Units as soon as practicable following such date, subject to the other terms and conditions herein), and (iii) if any cash dividends are paid after Participant's termination date and prior to the issuance of Shares settled during the Short-Term Deferral Period with respect to such Shares, then amounts in cash (or Shares) equal to such cash dividends shall be paid, less any tax or other withholding obligations, prior to the end of the Short-Term Deferral Period. For the avoidance of doubt, if Shares are not settled because Participant engages in Competitive Activity, and the applicable Units are forfeited, amounts in respect of dividends shall not be payable under clause (iii).

(d) Any fractional Unit remaining after all Units under this Award are fully vested shall be discarded and neither a fractional Share nor any dividends issued with respect to such fractional Share shall be issued at vesting of the fractional Unit.

(e) Notwithstanding the above, the Company may, in its discretion, pay to Participant all or a portion of any vested Units in cash in an amount equal to the Fair Market Value of the relevant number of Shares on the applicable Vesting Date, or on such other date or dates within the Short-Term Deferral Period which the Company may at its absolute discretion prescribe, less any tax or other withholding obligations set forth in Section 6 of this Agreement.

5. Right to Shares; Periodic Dividends.

(a) Except as otherwise provided herein and/or determined by the Committee, in its discretion, and as provided in Section 4 and Section 5(b) of this Agreement, Participant shall not have any right in, to or with respect to any of the Shares (including any voting rights or rights with respect to dividends paid on the Shares, including rights to dividend equivalent payments) issuable for a Unit under the Award until the Award is settled by the issuance of such Shares to Participant.

(b) Upon satisfaction of any required tax or other withholding obligations as set forth in Section 6 of this Agreement and subject to Participant's Continuous Status as an Employee or Consultant and subject to applicable law, each Unit shall entitle Participant (excluding, for the avoidance of doubt, any Participant who has terminated Service due to an Approved Leaver Termination or termination of Service due to Retirement) to amount(s) in cash (or Shares) equal to the cash dividends, if any, paid with respect to one Share between the Award Date and the Vesting Date of such Unit, payable at the time and in the manner any such cash dividends are paid to the Company's

stockholders; provided, however, that any such amount shall be settled no later than March 15th of the calendar year following the calendar year in which the corresponding dividend record date occurs.

6. Withholding of Taxes.

(a) General. Participant is ultimately liable and responsible for all taxes owed by Participant in connection with the Plan including, without limitation, the award of Units, vesting of Units, issue and sale of Shares regardless of any action the Company or any of its Subsidiaries takes with respect to any tax withholding obligations that arise in connection with the Plan. Neither the Company nor any of its Subsidiaries makes any representation or undertaking regarding the treatment of any tax withholding in connection with the grant or vesting of Units awarded or the subsequent sale of any of the Shares. The Company and its Subsidiaries do not commit, and are under no obligation to structure the Award, to reduce or eliminate Participant's tax liability.

(b) Payment of Withholding Taxes. Prior to any event in connection with Units awarded (*e.g.*, vesting or settlement) that the Company determines may result in any tax withholding obligation, whether United States federal, state or local taxes or any applicable foreign taxes and including without limitation any employment tax obligation (the "Tax Withholding Obligation"), Participant must agree to the satisfaction of such Tax Withholding Obligation in a manner acceptable to the Company, including by one of the following methods:

(i) *By Share Withholding*. Unless the Company permits Participant to satisfy the Tax Withholding Obligation by some other means in accordance with clause (iii) below, Participant authorizes the Company (in the exercise of its sole discretion) to withhold from those Shares issuable to Participant the whole number of Shares sufficient to satisfy the Tax Withholding Obligation. Unless otherwise determined by Management, Share withholding will be used to satisfy the tax liability of individuals subject to the short swing profit restrictions of Section 16(b) of the Securities Exchange Act of 1934, as amended.

(ii) *By Sale of Shares*. Unless the Company permits Participant to satisfy the Tax Withholding Obligation by some other means in accordance with clause (iii) below, and provided that the terms of this clause (ii) do not violate Section 13(k) of the Securities Exchange Act of 1934, as amended, Participant's acceptance of the Award constitutes Participant's instruction and authorization to the Company and any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of Shares otherwise issuable to Participant as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the applicable Tax Withholding Obligation. Such Shares will be sold on the day such Tax Withholding Obligation arises (*e.g.*, a vesting on or settlement following applicable Vesting Date) or as soon thereafter as practicable. Participant will be responsible for all brokers' fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale. To the extent the proceeds of such sale exceed the Tax Withholding Obligation, the Company agrees to pay such excess in cash to Participant. Participant acknowledges that the Company is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the Tax Withholding Obligation. Accordingly, Participant agrees to pay to the Company or any of its Subsidiaries as soon as practicable, including through additional payroll withholding, any amount of the Tax Withholding Obligation that is not satisfied by the sale of Shares described above.

(iii) *By Check, Wire Transfer or Other Means*. At any time not less than five (5) business days (or such fewer number of days as determined by the Committee or its designee) before any Tax Withholding Obligation may arise (*e.g.*, a Vesting Date), Participant may request permission to satisfy the Tax Withholding Obligation by check, wire transfer or other means, by submitting such request, in writing, to the Company. Alternatively, the Company may require that Participant satisfy any Tax Withholding Obligation in any such manner. If the Company approves Participant's request, or so requires, within five (5) business days of the relevant Vesting Date (or such fewer number of days as determined by the Committee or its designee) Participant must deliver to the Company the amount that

the Company determines is sufficient to satisfy the Tax Withholding Obligation by (x) wire transfer to such account as the Company may direct, (y) delivery of a certified check payable to the Company, or (z) such other means as specified from time to time by the Committee or its designee.

7. Successors. This Agreement shall (a) inure to the benefit of, and be enforceable by, the Company's successors and assigns, and (b) be binding on Participant's executors, administrators, heirs and successors, in the event that Participant dies and Section 2 of this Agreement applies. Nothing contained in the Plan, the Notice of Award or this Agreement shall be interpreted as imposing any liability on the Company or the Committee in favor of Participant or any purchaser or other transferee of Units or Shares with respect to any loss, cost or expense which such Participant, purchaser or other transferee may incur in connection with, or arising out of any transaction involving, any Units or Shares subject to the Plan, the Notice of Award or this Agreement.

8. No Compensation Deferrals. This Agreement, the Notice of Award and the Plan are intended to be exempt from or to comply with Section 409A ("Section 409A") of the United States Internal Revenue Code of 1986, as amended, and shall be administered and construed in accordance with such intent. The Company reserves the right, to the extent the Company deems necessary or advisable in its sole discretion, unilaterally to amend or modify, or to take any other actions, as the Committee determines are necessary or appropriate with respect to, the Plan, the Notice of Award and/or this Agreement to ensure that no awards (including, without limitation, the Units) become subject to the requirements of Section 409A, provided, however, that the Company makes no representation that the Units are not subject to Section 409A nor makes any undertaking to preclude Section 409A from applying to the Units. In furtherance, and not in limitation, of the foregoing: (a) in no event may Participant designate, directly or indirectly, the calendar year of any payment to be made hereunder; and (b) notwithstanding any other provision of this Agreement to the contrary, a termination of Service hereunder shall mean and be interpreted consistent with a "separation from service" within the meaning of Section 409A with respect to any payment hereunder that constitutes a "deferral of compensation" under Section 409A that becomes due on account of such separation from service. Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate identified payment for purposes of Section 409A. Without limiting the foregoing and notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement or any other arrangement between the Participant and the Company or any of its Subsidiaries during the six-month period immediately following the Participant's separation from service shall instead be paid on the first business day after the date that is six months following the Participant's separation from service (or, if earlier, the Participant's date of death). Nothing in this Agreement, the Plan or the Notice of Award shall be interpreted or construed to transfer any liability for any tax (including a tax or penalty due as a result of a failure to comply with Section 409A) from Participant to the Company or to any other individual or entity.

9. Integration. The terms of the Plan, the Notice of Award and this Agreement are intended by the Company and Participant to be the final expression of their agreement with respect to Units and may not be contradicted by evidence of any prior or contemporaneous agreement. The Company and Participant further intend that the Plan, the Notice of Award and this Agreement shall constitute the complete and exclusive statement of their terms and that no extrinsic evidence whatsoever may be introduced in any arbitration, judicial, administrative or other legal proceeding involving the Plan, the Notice of Award or this Agreement. Accordingly, the Plan, the Notice of Award and this Agreement contain the entire understanding between the parties and supersede all prior oral, written and implied agreements, understandings, commitments and practices among the parties.

10. Waivers. Any failure to enforce any terms or conditions of the Plan, the Notice of Award or this Agreement by the Company or by Participant shall not be deemed a waiver of that term or condition, nor shall any waiver or relinquishment of any right or power for all or any other times.

11. Severability of Provisions. If any provision of the Plan, the Notice of Award or this Agreement shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect

any other provision thereof; and the Plan, the Notice of Award and this Agreement shall be construed and enforced as if none of them included such provision.

12. Committee Decisions Conclusive. This Agreement and the Notice of Award are administered and interpreted by the Committee and the Committee has full and exclusive discretion to interpret and administer this Agreement and the Notice of Award. All actions, interpretations and decisions of the Committee are conclusive and binding on all persons, and will be given the maximum possible deference allowed by law.

13. Mandatory Direct Discussion, Mediation, and Arbitration. To the extent permitted by law, any claim, disagreement, or dispute arising out of or relating to the Plan, the Notice of Award, and/or this Agreement, including the meaning or interpretation thereof (a "Dispute"), shall be resolved solely and exclusively by direct discussion and mandatory mediation followed, if necessary, by final and binding arbitration in accordance with the terms and procedures specified in this Section 13. These terms and procedures apply solely to the resolution of a Dispute as defined in this Agreement. Any other claim, issue, or complaint raised by Participant who is subject to the Franklin Templeton Alternative Dispute Resolution Policy and Agreement or such other alternative dispute resolution provision that is set forth in a separate written agreement with the Company or any affiliate thereof (collectively, the "ADR Agreement"), which claims, issues or complaints are not covered by this Agreement will be resolved according to the terms and procedures of the ADR Agreement. With regard to any Dispute as defined in this Agreement, if there is a difference between the terms or procedures defined in the ADR Agreement, and the terms and procedures defined in this Agreement, this Agreement's terms and procedures shall control. Participant and the Company specifically agree to waive the right to pursue any Dispute before a court or jury.

(a) Direct Discussion. Upon written notice of any Dispute, Participant and the Company (each referred to as a "party" and together as the "parties") shall first attempt to resolve the Dispute by direct discussion.

(b) Mediation. If a Dispute is not resolved by direct discussion then either party may request mediation of the Dispute by sending a written notice requesting mediation to the other party. The parties will mutually agree to the selection of a mediator, whose compensation will be borne by the Company.

(c) Arbitration. If a Dispute is not resolved by direct discussion and mandatory mediation, then either party may request final and binding arbitration of the Dispute by sending a written notice requesting arbitration to the other party. The Dispute will be heard by a single arbitrator unless, within 45 days of receiving the initial written demand for arbitration, either party elects by written notice to the other party for the arbitration to be heard by a panel of three arbitrators. If a single arbitrator is used, the parties will mutually agree to the selection of the arbitrator. If either party elects for the arbitration to be heard by a panel of three arbitrators, each party will select one arbitrator, and the arbitrators selected by the parties will, within a reasonable period of time, then appoint a third arbitrator to serve as chair of the panel.

The arbitration will be conducted in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association ("AAA") as amended and effective November 1, 2009 (the "AAA Rules") but without necessarily retaining AAA or any other third party to administer the arbitration. The parties will determine whether a third-party administration service is necessary and, if jointly deemed necessary, agree to a mutually acceptable arbitration administration service, whether AAA or otherwise, within 45 days of receipt of the initial written demand for arbitration. If the parties do not agree about whether a third party is needed to administer the arbitration, or if the parties cannot reach agreement as to which administration service to use within 45 days, any arbitration will be administered by AAA. The location for the arbitration shall be in the county or comparable jurisdiction of Participant's Service. Judgment on the award rendered may be entered in any court having jurisdiction.

The Company will pay all of the costs of arbitration that are attributable to the employer pursuant to the AAA Rules, unless applicable law requires the Company to pay a greater share or all of the costs. In addition, if a single arbitrator is used, or if the Company elects for the arbitration to be heard by a panel of three arbitrators, the compensation and expenses of the arbitrator(s) will be paid by the Company. If Participant elects for the arbitration to be heard by a panel of three arbitrators, Participant will be responsible for paying one-half of the arbitrators' compensation and expenses.

All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding under this Section. To the extent permitted by law, Participant waives the right to participate in a class, representative or collective action, as a class representative, class member, as an opt-in party, or private attorney general or join or consolidate claims with claims of any other person or entity, with respect to any Dispute, whether before a court or jury or in arbitration. Nothing in this Agreement, however, is intended or understood to limit, contradict, or preclude the rights reserved by law for Participant to initiate any administrative claim, or to excuse Participant from bringing an administrative claim before any agency in order to fulfill any obligation by Participant to exhaust administrative remedies. The provisions of this Section are intended by Participant and the Company to be exclusive for all purposes and applicable to any and all Disputes.

Except as otherwise provided in this Agreement, or as otherwise mutually agreed by the parties, the arbitrator(s) will conduct the arbitration pursuant to the AAA Rules, the U.S. Federal Arbitration Act, 9 U.S.C. section 1, et seq., and the U.S. Federal Rules of Evidence. The arbitrator(s) shall have jurisdiction and authority only to award Participant an amount equal to or less than the amount of the Award challenged in the Dispute, subject to the same terms and conditions as the Notice of Award in Dispute, and shall not have jurisdiction or authority to make any other award of any type, including, without limitation, punitive damages, unforeseeable economic damages, damages for pain, suffering or emotional distress, or any other kind or form of damages (the "Arbitrator Authority"). Thus, the arbitrator(s) shall not have jurisdiction or authority to grant preliminary or final injunctive relief or specific performance. The remedy, if any, awarded by the arbitrator(s) within the Arbitrator Authority shall be the sole and exclusive remedy for any Dispute that is subject to arbitration under this Section.

If Participant is an Associated Person employed by a Member Firm (as each such term is defined by the rules of the Financial Industry Regulatory Authority ("FINRA")), nothing in this Agreement prohibits or restricts Participant or the Member Firm from filing an arbitration claim involving a Dispute in the FINRA arbitration forum as specified in FINRA rules. In such a case, the parties each reserve the right to elect to have the arbitration heard by a panel of three arbitrators regardless of the dollar amount of the claim. The parties further agree that the authority of the arbitrator(s) in any FINRA arbitration of a Dispute is limited to the Arbitrator Authority defined above. Unless otherwise mutually agreed by the parties, the arbitrator(s) will conduct the arbitration pursuant to the FINRA Code of Arbitration Procedure for Industry Disputes (the "FINRA Code") and the Federal Rules of Evidence. All fees, costs, and expenses of FINRA arbitration, whether a single arbitrator or a panel of arbitrators is selected, including any hearing session fees, arbitration fees, surcharges, and filing fees, will be allocated as specified in the FINRA Code.

14. Delaware Law. The Plan, the Notice of Award and this Agreement are governed by, and all Disputes arising under or in connection with the Plan, the Notice of Award and this Agreement shall be resolved in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules, to the extent not pre-empted by the federal laws of the United States of America.

15. Country Appendices. If Participant relocates to a country outside the United States: (i) any special terms and conditions that may apply to Units granted to Participants in such country under Appendices to this Agreement will apply to Participant; or (ii) if the Company has not previously granted Restricted Stock Units to employees or Consultants in such country, any other special terms and conditions will apply to Participant, in each case to the extent the Company determines that the application of such terms and conditions is necessary or advisable to comply with local law or facilitate the administration of the Plan, and provided the imposition of the term or condition will not result in

any adverse accounting expense with respect to the Units (unless the Company specifically determines to incur such expense).

16. Forfeiture.

(a) Forfeiture Pursuant to Restatement of Financial Results. Notwithstanding anything in the Award to the contrary, in the event that (i) the Company issues a restatement of financial results to correct a material error; (ii) the Committee determines, in good faith, that fraud or willful misconduct by Participant was a significant contributing factor to the need to issue such restatement; and (iii) some or all of the Units that were granted and/or Shares and/or other property earned prior to such restatement by Participant would not have been granted and/or earned, as applicable, based upon the restated financial results, Participant shall immediately return to the Company all Shares and other property received with respect to those Units, including any cash dividends paid with respect to the Units or such Shares, any pre-tax- income derived from ownership and any gross proceeds from disposition of such Shares and property, that would not have been granted and/or earned based upon the restated financial results (the "Repayment Obligation"), and all such Units (whether or not vested) shall immediately be forfeited. The Company shall be able to enforce the Repayment Obligation by all legal means available, including, without limitation, by withholding such amount from other sums and property owed by the Company to Participant.

(b) Forfeiture Pursuant to Fraud or Breach of Securities Law. Notwithstanding anything in the Award to the contrary, in the event that Participant:

(i) is convicted by any court for fraud;

(ii) is finally adjudicated by any court or is otherwise finally determined by a Regulatory Agency to be in violation of any Securities Law where the violation related to a period of time during which Participant was an employee or Consultant; or

(iii) enters into a settlement agreement with a Regulatory Agency, with or without admission of any liability, in relation to or in connection with an allegation concerning a violation of any Securities Law by Participant where the violation or alleged violation related to a period of time during which Participant was an employee or Consultant, and the terms of the settlement agreement result in (x) Participant making, or being required to make, payment of any penalty or a payment in lieu of any penalty or redress in respect of such violation, or alleged violation; (y) the publication of any statement of reprimand or censure; or (z) Participant suffering any other penalty including (without limitation) suspension or termination of Participant's status for the purposes of any Securities Law, all of Participant's Units that have not vested shall immediately be forfeited without any payment to Participant therefor. Any Units so forfeited shall be cancelled.

Notwithstanding the foregoing, the Committee may determine, in its sole discretion, that only a portion of Participant's Units specified by the Committee (or no Units) shall be forfeited.

For the purposes of this Section 16(b), the following words shall have the following meanings:

"Regulatory Agency" shall mean in any jurisdiction any department of government, independent agency, authority appointed by statute or by government in connection with the supervision and/or enforcement of any Securities Law including, but not limited to, the U.S. Securities and Exchange Commission;

"Securities Law" shall mean any enactment, law, statute, rule, requirement or regulation in any jurisdiction relating to Securities that is or was applicable to the Company or that is or was applicable to Participant; and

"Securities" shall mean any shares, bonds, derivatives or other financial instruments or financial assets or any interest therein.

(c) Other Repayment/Forfeiture. Any benefits Participant may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with (i) any applicable listing standards of a national securities exchange adopted in accordance with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules and regulations of the U.S. Securities and Exchange Commission adopted thereunder, (ii) similar laws, and implementing rules and regulations, of the European Union (as implemented by its member states and by the European Securities and Markets Authority) and of any other jurisdiction and (iii) any policies adopted by the Company to implement such requirements, all to the extent determined by the Company in its discretion to be applicable to Participant.

END OF AGREEMENT

FRANKLIN TEMPLETON, INC.
2002 UNIVERSAL STOCK INCENTIVE PLAN
NOTICE OF RESTRICTED STOCK UNIT AWARD

PLEASE NOTE: Where indicated below, certain of your award terms are set forth in your www.BenefitsOnline.ml.com electronic account ("BenefitsOnline"). Such award terms are incorporated herein by this reference.

Name of Participant: See BenefitsOnline

In accordance with the Franklin Templeton, Inc. 2002 Universal Stock Incentive Plan, as amended (the "Plan"), as an incentive for increased efforts and successful achievements, Franklin Templeton, Inc. (the "Company") has awarded Participant Restricted Stock Units ("Units") over common stock of the Company subject to the terms and conditions of the accompanying Restricted Stock Unit Award Agreement (the "Award Agreement"), this Notice of Restricted Stock Unit Award (this "Notice of Award" and together with the Award Agreement, the "Award") and the Plan, as follows (capitalized terms used but not defined in this Notice of Award have the same meaning as set forth in the Plan):

Award Date:	**See BenefitsOnline**
Total Number of Units Awarded:	**See BenefitsOnline**
Performance Vesting Schedule:	**See BenefitsOnline, subject to the terms, conditions and limitations of the Award**
Restrictive Covenants Apply:	**YES**

Additional Definitions:

For purposes of the Award, the following additional definitions apply:

"Consultant" means an individual consultant with the Company or any Subsidiary, as applicable, who continues to receive compensation directly from the Company or any Subsidiary in connection with such consulting.

"Continuous Status as an Employee or Consultant" means the absence of any interruption or termination of the Service relationship with the Company or any Subsidiary. Continuous Status as an Employee or Consultant shall not be considered interrupted in the case of: (i) sick leave, military leave or any other leave of absence approved by the Committee, provided that such leave is for a period of not more than ninety (90) days, unless reemployment or Service upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Company policy adopted from time to time; or (ii) transfers between locations of the Company or between the Company, its Subsidiaries or its successor.

"Management" means one or more of the executive officers or other appropriate senior leader(s) of the Company who are involved in the administration of the Plan or Award or otherwise authorized, other than Participant.

Performance Verification:

Notwithstanding the performance Vesting Schedule indicated above and in **BenefitsOnline**, the Units shall not vest unless and until Management has verified that the terms of this Notice of Award and the Award Agreement have been satisfied and the extent to which any of the vesting criteria has been achieved. In the event that the verification of the extent to which the vesting criteria for a given fiscal year have been achieved is completed after the applicable Vesting Date, the Vesting Date shall be delayed until the date the verification specifies as the new Vesting Date; provided, that any new Vesting Date shall be in the same fiscal year as the original Vesting Date.

Additional Vesting Schedule Terms:

Subject to Participant's Continuous Status as an Employee or Consultant through the applicable Vesting Date of the Award and other limitations set forth in the Award and the Plan, including without limitation completion of the performance verification as indicated above, the Units shall vest on the dates (each, a "Vesting Date") in accordance with the applicable Vesting Schedule indicated above and in **BenefitsOnline**.

For purposes of the Award, the term "vest" shall mean, with respect to any Units granted hereunder, that such Units are no longer subject to forfeiture to the Company (other than pursuant to Section 16 of the Award Agreement).

Except as otherwise set forth in the Award or the Plan, the Units subject to this Award shall vest only by Participant's Continuous Status as an Employee or Consultant through the applicable Vesting Date of the Award and such status is at the will of the Company or the applicable Subsidiary (not through any act of being hired or contracted, being granted this Award or acquiring Units hereunder). Nothing in this Award, or in the Plan, which is incorporated herein by this reference, affects the Company's, or a Subsidiary's, right to terminate, or to change the terms of, Participant's Service at any time, with or without cause.

Any portion(s) of the Units that do not vest by the applicable Vesting Date shall be forfeited and deemed reconveyed to the Company as of the applicable Vesting Date, if not sooner forfeited, and the Company shall thereafter be the legal and beneficial owner of such reconveyed Units and shall have all rights and interest in or related thereto without further action by Participant.

Where a fraction of a Unit would vest pursuant to the schedule indicated above, the number of vested Units shall be rounded upwards to the next highest whole number of Units; provided, however, that the aggregate number of Units that become vested shall not exceed the Total Number of Units awarded hereunder.

Additional Notice Terms:

From time to time, the Company may be in a "Blackout Period" and/or subject to applicable securities laws that could subject Participant to liability for engaging in any transaction involving the sale of the Shares. Prior to the sale of any Shares acquired under this Award, it is Participant's responsibility to determine whether or not such sale of Shares will subject Participant to liability under insider trading rules or other applicable securities laws.

The Award is subject to the Plan Documents which may be accessed in electronic form through the Company's intranet, the website of the third-party stock administration provider used by the Company, or another form of electronic communication (*e.g.*, email) or similar methods of access (the "Electronic Access Methods"), as determined by the Company.

In receiving the Award, Participant is hereby notified, and Participant agrees, that the following constitute certain of the terms, conditions and obligations of receiving, holding and potentially vesting in, and settlement of the Award:

(i) Participant may receive the Plan prospectus in connection with the Form S-8 registration statement for the Plan, any updates thereto, the Plan, the Award Agreement and this Notice of Award (collectively, the "Plan Documents") in electronic form either through the Company's intranet, the website of the third-party stock administration provider used by the Company, or another form of electronic communication (*e.g.*, e-mail), as determined by the Company;

(ii) Participant has access to the Company's intranet and the internet;

(iii) Participant may be required to acknowledge receipt of electronic or paper copies of the Plan Documents and the Company's most recent annual report to stockholders; and

(iv) Participant has familiarized himself or herself with, and has acknowledged the contents of and accepted the Award subject to, the terms and provisions of the Plan Documents.

Participant may receive, without charge, upon written or oral request, paper copies of any or all of the Plan Documents, documents incorporated by reference in the Form S-8 registration statement for the Plan, and the Company's most recent annual report to stockholders by requesting them from Stock Administration at the Company, One Franklin Parkway, San Mateo, CA 94403-1906. Telephone +1 (650) 312-2000. Email [_____]. Participant may also withdraw Participant's consent to receive any or all documents electronically by notifying Stock Administration at the above address in writing.

Unless Participant shall be required to accept the Award by electronic or other means, as determined by the Company and as may be indicated in connection with the delivery of the Award, the terms, conditions, obligations and requirements of this Notice of Award shall apply as a condition of receiving and holding the Award without the need for any manual or other execution of this Notice of Award by Participant or the Company, and Participant shall be deemed for all purposes to have accepted the Award in the absence of any written notice from Participant to the contrary. Notwithstanding the foregoing, however, as a condition to holding the Award and/or the vesting or settlement of the Award, upon the Company's request at any time, the Company may require Participant to sign this Notice of Award either manually or electronically.

FRANKLIN TEMPLETON, INC.
2002 UNIVERSAL STOCK INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

This Restricted Stock Unit Award Agreement, together with any Exhibits or Appendix(es) attached hereto (hereinafter, collectively, the "Agreement"), is made as of the Award Date set forth in the Notice of Restricted Stock Unit Award (the "Notice of Award") between Franklin Templeton, Inc. (the "Company") and Participant named therein ("Participant").

WITNESSETH:

WHEREAS, the Board and stockholders of the Company have adopted the Franklin Templeton, Inc. 2002 Universal Stock Incentive Plan, as amended (the "Plan"), authorizing the grant of Restricted Stock Units ("Units") to eligible individuals as an incentive in connection with the performance of services for the Company and its Subsidiaries, as defined in the Plan, which is incorporated herein by this reference (capitalized terms used but not defined in this Agreement have the same meaning as set forth in the Plan or the Notice of Award, as applicable); and

WHEREAS, the Company recognizes the efforts and contributions of Participant on behalf of the Company and its Subsidiaries and desires to motivate Participant in Participant's work and provide an inducement to remain in the service of the Company and its Subsidiaries; and

WHEREAS, the Company has determined that it would be to the advantage and in the interest of the Company and its stockholders to award Units provided for in this Agreement and the Notice of Award to Participant, subject to certain restrictions, as an incentive for increased efforts and successful achievements on behalf of the Company and its Subsidiaries;

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Restricted Stock Unit Award. The Company is awarding to Participant Units as set forth in the Notice of Award, subject to the rights of and limitations on Participant as owner thereof as set forth in this Agreement. The Award shall be in consideration of Participant's execution of this Agreement and the covenants herein.

2. Transfer Restriction. Units may not be transferred by Participant in any manner except that Units may be transferred by will or by the laws of descent and distribution if Participant dies while an employee or Consultant of the Company or any of its Subsidiaries, and holds vested Units as of the date of such death (including by operation of the terms of this Agreement).

3. Vesting.

(a) Units shall become vested in accordance with the Vesting Schedule in the Notice of Award so long as Participant maintains a Continuous Status as an Employee or Consultant through the applicable Vesting Date of the Award, subject to Section 16 below.

(b) If, prior to the applicable Vesting Date, Participant ceases to maintain a Continuous Status as an Employee or Consultant for any reason except as otherwise provided in this Section 3, then all unvested Units on the date Participant ceases to maintain a Continuous Status as an Employee or Consultant shall be forfeited by Participant without payment of any consideration to Participant therefor. Any Units so forfeited shall be cancelled and any Shares considered issuable pursuant to such Units, if applicable, shall be returned to the status of authorized but unissued Shares, to be held for future distributions under the Plan.

(c) Death or Disability. If Participant dies or in the event of termination of Participant's Continuous Status as an Employee or Consultant as a result of Disability (as determined by Management in accordance with the applicable policies of the Company) while an employee or Consultant of the Company or any of its Subsidiaries, a pro rata portion of the Units awarded hereunder to the extent not

yet vested shall vest based on the actual performance level under the Award measured for the shortened performance period through the date of death or termination of Service due to Disability as determined by Management, and any then remaining unvested Units hereunder shall be forfeited to the Company, in each case as of the date of death or termination of Service on account of such Disability. Unless changed by the Committee, "Disability" means that Participant ceases to be an employee or Consultant of the Company or its Subsidiaries on account of disability as a result of which Participant is determined to be disabled by the determining authority under the long-term or total permanent disability policy, or government social security or other similar benefit program, of the country or location in which Participant is an employee or Consultant and, in the absence of such determining authority, as determined by Management in accordance with the applicable Company policies and restrictions. As used herein, "pro rata portion" means the amount determined by Management in their sole discretion. Management may adopt such policies and/or procedures as it determines is necessary or advisable from time to time to carry out Management's duties under this Agreement. Except as may otherwise be determined by Management, any notice or other information to be provided to Management may be sent to Stock Administration using the contact information in the Notice of Award.

4. Vesting of Units and Issuance of Shares; Dividends. Upon each Vesting Date, (i) one Share and (ii) amount(s) in cash (or Shares) equal to the cash dividends, if any, paid with respect to such Share between the Award Date and the Vesting Date of such Unit, shall be issuable for each such Unit that vests on such date, subject to the terms and provisions of the Plan, the Notice of Award and this Agreement, and subject to applicable law. Upon satisfaction of any required tax or other withholding obligations as set forth in Section 6 of this Agreement, the Shares and cash amount (if any) will be issued to Participant (as evidenced by the appropriate entry in the books of the Company or a duly authorized transfer agent of the Company) as soon as practicable after the applicable Vesting Date, but in any event, within the period ending on the later to occur of the date that is two and a half (2½) months from the end of (i) Participant's tax year (which shall be deemed the calendar year for a Participant not subject to taxation in the United States) that includes the applicable Vesting Date, or (ii) the Company's tax year that includes the applicable Vesting Date (such period, the "Short-Term Deferral Period"). Any fractional Unit remaining after all Units under this Award are fully vested shall be discarded and neither a fractional Share nor any dividends issued with respect to such fractional Share shall be issued at vesting of the fractional Unit. Notwithstanding the above, the Company may, in its discretion, pay to Participant all or a portion of any vested Units in cash in an amount equal to the Fair Market Value of the relevant number of Shares on the applicable Vesting Date, or on such other date or dates within the Short-Term Deferral Period which the Company may at its absolute discretion prescribe, less any tax or other withholding obligations set forth in Section 6 of this Agreement.

5. Right to Shares. Except as otherwise provided herein and/or determined by the Committee, in its discretion, and as provided in Section 4 of this Agreement, Participant shall not have any right in, to or with respect to any of the Shares (including any voting rights or rights with respect to dividends paid on the Shares, including rights to dividend equivalent payments) issuable for a Unit under the Award until the Award is settled by the issuance of such Shares to Participant.

6. Withholding of Taxes.

(a) General. Participant is ultimately liable and responsible for all taxes owed by Participant in connection with the Plan including, without limitation, the award of Units, vesting of Units, issue and sale of Shares regardless of any action the Company or any of its Subsidiaries takes with respect to any tax withholding obligations that arise in connection with the Plan. Neither the Company nor any of its Subsidiaries makes any representation or undertaking regarding the treatment of any tax withholding in connection with the grant or vesting of Units awarded or the subsequent sale of any of the Shares. The Company and its Subsidiaries do not commit, and are under no obligation to structure the Award, to reduce or eliminate Participant's tax liability.

(b) Payment of Withholding Taxes. Prior to any event in connection with Units awarded (*e.g.*, vesting or settlement) that the Company determines may result in any tax withholding obligation, whether United States federal, state or local taxes or any applicable foreign taxes and including without

limitation any employment tax obligation (the "Tax Withholding Obligation"), Participant must agree to the satisfaction of such Tax Withholding Obligation in a manner acceptable to the Company, including by one of the following methods:

(i) *By Share Withholding*. Unless the Company permits Participant to satisfy the Tax Withholding Obligation by some other means in accordance with clause (iii) below, Participant authorizes the Company (in the exercise of its sole discretion) to withhold from those Shares issuable to Participant the whole number of Shares sufficient to satisfy the Tax Withholding Obligation. Unless otherwise determined by Management, Share withholding will be used to satisfy the tax liability of individuals subject to the short swing profit restrictions of Section 16(b) of the Securities Exchange Act of 1934, as amended.

(ii) *By Sale of Shares*. Unless the Company permits Participant to satisfy the Tax Withholding Obligation by some other means in accordance with clause (iii) below, and provided that the terms of this clause (ii) do not violate Section 13(k) of the Securities Exchange Act of 1934, as amended, Participant's acceptance of the Award constitutes Participant's instruction and authorization to the Company and any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of Shares otherwise issuable to Participant as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the applicable Tax Withholding Obligation. Such Shares will be sold on the day such Tax Withholding Obligation arises (*e.g.*, a vesting on or settlement following applicable Vesting Date) or as soon thereafter as practicable. Participant will be responsible for all brokers' fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale. To the extent the proceeds of such sale exceed the Tax Withholding Obligation, the Company agrees to pay such excess in cash to Participant. Participant acknowledges that the Company is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the Tax Withholding Obligation. Accordingly, Participant agrees to pay to the Company or any of its Subsidiaries as soon as practicable, including through additional payroll withholding, any amount of the Tax Withholding Obligation that is not satisfied by the sale of Shares described above.

(iii) *By Check, Wire Transfer or Other Means*. At any time not less than five (5) business days (or such fewer number of days as determined by the Committee or its designee) before any Tax Withholding Obligation may arise (*e.g.*, a Vesting Date), Participant may request permission to satisfy the Tax Withholding Obligation by check, wire transfer or other means, by submitting such request, in writing, to the Company. Alternatively, the Company may require that Participant satisfy any Tax Withholding Obligation in any such manner. If the Company approves Participant's request, or so requires, within five (5) business days of the relevant Vesting Date (or such fewer number of days as determined by the Committee or its designee) Participant must deliver to the Company the amount that the Company determines is sufficient to satisfy the Tax Withholding Obligation by (x) wire transfer to such account as the Company may direct, (y) delivery of a certified check payable to the Company, or (z) such other means as specified from time to time by the Committee or its designee.

7. Successors. This Agreement shall (a) inure to the benefit of, and be enforceable by, the Company's successors and assigns, and (b) be binding on Participant's executors, administrators, heirs and successors, in the event that Participant dies and Section 2 of this Agreement applies. Nothing contained in the Plan, the Notice of Award or this Agreement shall be interpreted as imposing any liability on the Company or the Committee in favor of Participant or any purchaser or other transferee of Units or Shares with respect to any loss, cost or expense which such Participant, purchaser or other transferee may incur in connection with, or arising out of any transaction involving, any Units or Shares subject to the Plan, the Notice of Award or this Agreement.

8. No Compensation Deferrals. This Agreement, the Notice of Award and the Plan are intended to be exempt from or to comply with Section 409A ("Section 409A") of the United States Internal Revenue Code of 1986, as amended, and shall be administered and construed in accordance with such intent. The Company reserves the right, to the extent the Company deems necessary or

advisable in its sole discretion, unilaterally to amend or modify, or to take any other actions, as the Committee determines are necessary or appropriate with respect to, the Plan, the Notice of Award and/or this Agreement to ensure that no awards (including, without limitation, the Units) become subject to the requirements of Section 409A, provided, however, that the Company makes no representation that the Units are not subject to Section 409A nor makes any undertaking to preclude Section 409A from applying to the Units. In furtherance, and not in limitation, of the foregoing: (a) in no event may Participant designate, directly or indirectly, the calendar year of any payment to be made hereunder; and (b) notwithstanding any other provision of this Agreement to the contrary, a termination of Service hereunder shall mean and be interpreted consistent with a "separation from service" within the meaning of Section 409A with respect to any payment hereunder that constitutes a "deferral of compensation" under Section 409A that becomes due on account of such separation from service. Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate identified payment for purposes of Section 409A. Without limiting the foregoing and notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement or any other arrangement between the Participant and the Company or any of its Subsidiaries during the six-month period immediately following the Participant's separation from service shall instead be paid on the first business day after the date that is six months following the Participant's separation from service (or, if earlier, the Participant's date of death). Nothing in this Agreement, the Plan or the Notice of Award shall be interpreted or construed to transfer any liability for any tax (including a tax or penalty due as a result of a failure to comply with Section 409A) from Participant to the Company or to any other individual or entity.

9. Integration. The terms of the Plan, the Notice of Award and this Agreement are intended by the Company and Participant to be the final expression of their agreement with respect to Units and may not be contradicted by evidence of any prior or contemporaneous agreement. The Company and Participant further intend that the Plan, the Notice of Award and this Agreement shall constitute the complete and exclusive statement of their terms and that no extrinsic evidence whatsoever may be introduced in any arbitration, judicial, administrative or other legal proceeding involving the Plan, the Notice of Award or this Agreement. Accordingly, the Plan, the Notice of Award and this Agreement contain the entire understanding between the parties and supersede all prior oral, written and implied agreements, understandings, commitments and practices among the parties.

10. Waivers. Any failure to enforce any terms or conditions of the Plan, the Notice of Award or this Agreement by the Company or by Participant shall not be deemed a waiver of that term or condition, nor shall any waiver or relinquishment of any right or power for all or any other times.

11. Severability of Provisions. If any provision of the Plan, the Notice of Award or this Agreement shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision thereof; and the Plan, the Notice of Award and this Agreement shall be construed and enforced as if none of them included such provision.

12. Committee Decisions Conclusive. This Agreement and the Notice of Award are administered and interpreted by the Committee and the Committee has full and exclusive discretion to interpret and administer this Agreement and the Notice of Award. All actions, interpretations and decisions of the Committee are conclusive and binding on all persons, and will be given the maximum possible deference allowed by law.

13. Mandatory Direct Discussion, Mediation, and Arbitration. To the extent permitted by law, any claim, disagreement, or dispute arising out of or relating to the Plan, the Notice of Award, and/or this Agreement, including the meaning or interpretation thereof (a "Dispute"), shall be resolved solely and exclusively by direct discussion and mandatory mediation followed, if necessary, by final and binding arbitration in accordance with the terms and procedures specified in this Section 13. These terms and procedures apply solely to the resolution of a Dispute as defined in this Agreement. Any other claim, issue, or complaint raised by Participant who is subject to the Franklin Templeton Alternative Dispute Resolution Policy and Agreement or such other alternative dispute resolution

provision that is set forth in a separate written agreement with the Company or any affiliate thereof (collectively, the "ADR Agreement"), which claims, issues or complaints are not covered by this Agreement will be resolved according to the terms and procedures of the ADR Agreement. With regard to any Dispute as defined in this Agreement, if there is a difference between the terms or procedures defined in the ADR Agreement, and the terms and procedures defined in this Agreement, this Agreement's terms and procedures shall control. Participant and the Company specifically agree to waive the right to pursue any Dispute before a court or jury.

(a) Direct Discussion. Upon written notice of any Dispute, Participant and the Company (each referred to as a "party" and together as the "parties") shall first attempt to resolve the Dispute by direct discussion.

(b) Mediation. If a Dispute is not resolved by direct discussion then either party may request mediation of the Dispute by sending a written notice requesting mediation to the other party. The parties will mutually agree to the selection of a mediator, whose compensation will be borne by the Company.

(c) Arbitration. If a Dispute is not resolved by direct discussion and mandatory mediation, then either party may request final and binding arbitration of the Dispute by sending a written notice requesting arbitration to the other party. The Dispute will be heard by a single arbitrator unless, within 45 days of receiving the initial written demand for arbitration, either party elects by written notice to the other party for the arbitration to be heard by a panel of three arbitrators. If a single arbitrator is used, the parties will mutually agree to the selection of the arbitrator. If either party elects for the arbitration to be heard by a panel of three arbitrators, each party will select one arbitrator, and the arbitrators selected by the parties will, within a reasonable period of time, then appoint a third arbitrator to serve as chair of the panel.

The arbitration will be conducted in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association ("AAA") as amended and effective November 1, 2009 (the "AAA Rules") but without necessarily retaining AAA or any other third party to administer the arbitration. The parties will determine whether a third-party administration service is necessary and, if jointly deemed necessary, agree to a mutually acceptable arbitration administration service, whether AAA or otherwise, within 45 days of receipt of the initial written demand for arbitration. If the parties do not agree about whether a third party is needed to administer the arbitration, or if the parties cannot reach agreement as to which administration service to use within 45 days, any arbitration will be administered by AAA. The location for the arbitration shall be in the county or comparable jurisdiction of Participant's Service. Judgment on the award rendered may be entered in any court having jurisdiction.

The Company will pay all of the costs of arbitration that are attributable to the employer pursuant to the AAA Rules, unless applicable law requires the Company to pay a greater share or all of the costs. In addition, if a single arbitrator is used, or if the Company elects for the arbitration to be heard by a panel of three arbitrators, the compensation and expenses of the arbitrator(s) will be paid by the Company. If Participant elects for the arbitration to be heard by a panel of three arbitrators, Participant will be responsible for paying one-half of the arbitrators' compensation and expenses.

All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding under this Section. To the extent permitted by law, Participant waives the right to participate in a class, representative or collective action, as a class representative, class member, as an opt-in party, or private attorney general or join or consolidate claims with claims of any other person or entity, with respect to any Dispute, whether before a court or jury or in arbitration. Nothing in this Agreement, however, is intended or understood to limit, contradict, or preclude the rights reserved by law for Participant to initiate any administrative claim, or to excuse Participant from bringing an administrative claim before any agency in order to fulfill any obligation by Participant to exhaust administrative remedies. The provisions of this Section are intended by Participant and the Company to be exclusive for all purposes and applicable to any and all Disputes.

Except as otherwise provided in this Agreement, or as otherwise mutually agreed by the parties, the arbitrator(s) will conduct the arbitration pursuant to the AAA Rules, the U.S. Federal Arbitration Act, 9 U.S.C. section 1, et seq., and the U.S. Federal Rules of Evidence. The arbitrator(s) shall have jurisdiction and authority only to award Participant an amount equal to or less than the amount of the Award challenged in the Dispute, subject to the same terms and conditions as the Notice of Award in Dispute, and shall not have jurisdiction or authority to make any other award of any type, including, without limitation, punitive damages, unforeseeable economic damages, damages for pain, suffering or emotional distress, or any other kind or form of damages (the "Arbitrator Authority"). Thus, the arbitrator(s) shall not have jurisdiction or authority to grant preliminary or final injunctive relief or specific performance. The remedy, if any, awarded by the arbitrator(s) within the Arbitrator Authority shall be the sole and exclusive remedy for any Dispute that is subject to arbitration under this Section.

If Participant is an Associated Person employed by a Member Firm (as each such term is defined by the rules of the Financial Industry Regulatory Authority ("FINRA")), nothing in this Agreement prohibits or restricts Participant or the Member Firm from filing an arbitration claim involving a Dispute in the FINRA arbitration forum as specified in FINRA rules. In such a case, the parties each reserve the right to elect to have the arbitration heard by a panel of three arbitrators regardless of the dollar amount of the claim. The parties further agree that the authority of the arbitrator(s) in any FINRA arbitration of a Dispute is limited to the Arbitrator Authority defined above. Unless otherwise mutually agreed by the parties, the arbitrator(s) will conduct the arbitration pursuant to the FINRA Code of Arbitration Procedure for Industry Disputes (the "FINRA Code") and the Federal Rules of Evidence. All fees, costs, and expenses of FINRA arbitration, whether a single arbitrator or a panel of arbitrators is selected, including any hearing session fees, arbitration fees, surcharges, and filing fees, will be allocated as specified in the FINRA Code.

14. Delaware Law. The Plan, the Notice of Award and this Agreement are governed by, and all Disputes arising under or in connection with the Plan, the Notice of Award and this Agreement shall be resolved in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules, to the extent not pre-empted by the federal laws of the United States of America.

15. Country Appendices. If Participant relocates to a country outside the United States: (i) any special terms and conditions that may apply to Units granted to Participants in such country under Appendices to this Agreement will apply to Participant; or (ii) if the Company has not previously granted Restricted Stock Units to employees or Consultants in such country, any other special terms and conditions will apply to Participant, in each case to the extent the Company determines that the application of such terms and conditions is necessary or advisable to comply with local law or facilitate the administration of the Plan, and provided the imposition of the term or condition will not result in any adverse accounting expense with respect to the Units (unless the Company specifically determines to incur such expense).

16. Forfeiture.

(a) Forfeiture Pursuant to Restatement of Financial Results. Notwithstanding anything in the Award to the contrary, in the event that (i) the Company issues a restatement of financial results to correct a material error; (ii) the Committee determines, in good faith, that fraud or willful misconduct by Participant was a significant contributing factor to the need to issue such restatement; and (iii) some or all of the Units that were granted and/or Shares and/or other property earned prior to such restatement by Participant would not have been granted and/or earned, as applicable, based upon the restated financial results, Participant shall immediately return to the Company all Shares and other property received with respect to those Units, including any cash dividends paid with respect to the Units or such Shares, any pre-tax- income derived from ownership and any gross proceeds from disposition of such Shares and property, that would not have been granted and/or earned based upon the restated financial results (the "Repayment Obligation"), and all such Units (whether or not vested) shall immediately be forfeited. The Company shall be able to enforce the Repayment Obligation by all legal means available, including, without limitation, by withholding such amount from other sums and property owed by the Company to Participant.

(b) Forfeiture Pursuant to Fraud or Breach of Securities Law. Notwithstanding anything in the Award to the contrary, in the event that Participant:

(i) is convicted by any court for fraud;

(ii) is finally adjudicated by any court or is otherwise finally determined by a Regulatory Agency to be in violation of any Securities Law where the violation related to a period of time during which Participant was an employee or Consultant; or

(iii) enters into a settlement agreement with a Regulatory Agency, with or without admission of any liability, in relation to or in connection with an allegation concerning a violation of any Securities Law by Participant where the violation or alleged violation related to a period of time during which Participant was an employee or Consultant, and the terms of the settlement agreement result in (x) Participant making, or being required to make, payment of any penalty or a payment in lieu of any penalty or redress in respect of such violation, or alleged violation; (y) the publication of any statement of reprimand or censure; or (z) Participant suffering any other penalty including (without limitation) suspension or termination of Participant's status for the purposes of any Securities Law, all of Participant's Units that have not vested shall immediately be forfeited without any payment to Participant therefor. Any Units so forfeited shall be cancelled.

Notwithstanding the foregoing, the Committee may determine, in its sole discretion, that only a portion of Participant's Units specified by the Committee (or no Units) shall be forfeited.

For the purposes of this Section 16(b), the following words shall have the following meanings:

"Regulatory Agency" shall mean in any jurisdiction any department of government, independent agency, authority appointed by statute or by government in connection with the supervision and/or enforcement of any Securities Law including, but not limited to, the U.S. Securities and Exchange Commission;

"Securities Law" shall mean any enactment, law, statute, rule, requirement or regulation in any jurisdiction relating to Securities that is or was applicable to the Company or that is or was applicable to Participant; and

"Securities" shall mean any shares, bonds, derivatives or other financial instruments or financial assets or any interest therein.

(c) Other Repayment/Forfeiture. Any benefits Participant may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with (i) any applicable listing standards of a national securities exchange adopted in accordance with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules and regulations of the U.S. Securities and Exchange Commission adopted thereunder, (ii) similar laws, and implementing rules and regulations, of the European Union (as implemented by its member states and by the European Securities and Markets Authority) and of any other jurisdiction and (iii) any policies adopted by the Company to implement such requirements, all to the extent determined by the Company in its discretion to be applicable to Participant.

END OF AGREEMENT

Execution Version

FRANKLIN TEMPLETON ENTERPRISE PARTNERS, L.P.

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

Dated as of [●], 2026

THE LIMITED PARTNERSHIP INTERESTS (THE "**INTERESTS**") OF FRANKLIN TEMPLETON ENTERPRISE PARTNERS, L.P., A DELAWARE LIMITED PARTNERSHIP (THE "**PARTNERSHIP**") HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), THE SECURITIES LAWS OF ANY STATE OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS MUST BE ACQUIRED FOR INVESTMENT ONLY AND MAY NOT BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED OR TRANSFERRED AT ANY TIME EXCEPT IN COMPLIANCE WITH (I) THE SECURITIES ACT, ANY APPLICABLE STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS PARTNERSHIP AGREEMENT. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS PARTNERSHIP AGREEMENT. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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ANNEX A FORM OF LIMITED PARTNER ADMISSION LETTER

FRANKLIN TEMPLETON ENTERPRISE PARTNERS, L.P.

This AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT of Franklin Templeton Enterprise Partners, L.P., a Delaware limited partnership (the "**Partnership**"), dated as of [●], 2026, by and among (i) Franklin Templeton Enterprise Partners GP, L.L.C., a Delaware limited liability company, (the "**General Partner**"), (ii) Templeton International, Inc., as initial limited partner (the "**Initial Limited Partner**"), and (iii) the other parties listed as limited partners in the books and records of the Partnership as limited partners duly admitted to the Partnership.

W I T N E S S E T H :

WHEREAS, the Partnership was formed pursuant to a Certificate of Limited Partnership, dated as of November 5, 2026, which was executed by the General Partner and filed for recordation in the office of the Secretary of State of the State of Delaware on November 5, 2026, and a Limited Partnership Agreement dated as of November 5, 2026 (the "**Original Agreement**") between the General Partner and the Initial Limited Partner;

WHEREAS, the parties hereto desire to enter into this Amended and Restated Limited Partnership Agreement of the Partnership to amend and restate the Original Agreement in the manner and as more fully set forth herein;

NOW, THEREFORE, in consideration of the mutual promises and agreements herein made and intending to be legally bound hereby, the parties hereto agree to, and hereby do, amend and restate the Original Agreement of the Partnership in its entirety to read as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1 Definitions. Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

"**Act**" means the Delaware Revised Uniform Limited Partnership Act, 6 Del. C. §§ 17-101, *et seq.*, as it may be amended from time to time, and any successor to such statute.

"**Adjusted Capital Account Balance**" means, with respect to any Partner, the balance in such Partner's Capital Account adjusted (i) by taking into account the adjustments, allocations and distributions described in U.S. Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6); and (ii) by adding to such balance such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, determined pursuant to U.S. Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5) and any amounts such Partner is obligated to restore pursuant to any provision of this Agreement. The foregoing definition of Adjusted Capital Account Balance is intended to comply with the provisions of U.S. Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"**Admission Letter**" means, with respect to any Limited Partner and any Fund Entity, the letter agreement between the Partnership and such Limited Partner setting forth (a) such Limited Partner's Carried Interest Sharing Percentage as of the date thereof with respect to such Fund Entity and (b) such other matters as determined by the General Partner and such Limited Partner.

"**Affiliate**" means, with respect to a specified Person, any other Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such specified Person. For the avoidance of doubt, (i) the General Partner or any Limited Partner is an Affiliate of the Partnership so long as such Partner remains in such capacity and (ii) Portfolio Companies are not considered Affiliates of the Partnership unless otherwise expressly provided for.

"**Agreement**" means this Amended and Restated Limited Partnership Agreement of the Partnership, including the annexes hereto, as it may be amended, supplemented, modified or restated from time to time.

"**Assignee**" has the meaning set forth in Section 8.3(b).

"**Business Day**" means a day which is not a Saturday, Sunday or a day on which banks in New York City are authorized or required by law to close.

"**Capital Account**" has the meaning set forth in Section 5.2(a).

"**Carried Interest Clawback Percentage**" shall mean, for any Partner with respect to any Fund Entity, the percentage determined by dividing (a) the Carried Interest Proceeds to such Partner from the Partnership with respect to such Fund Entity by (b) the Carried Interest Proceeds to all Partners from the Partnership with respect to such Fund Entity.

"**Carried Interest Proceeds**" has the meaning set forth in Section 4.1(c)(ii).

"**Carried Interest Sharing Percentage**" shall mean, with respect to a Limited Partner and a particular Fund Entity, the percentage set forth in such Limited Partner's Admission Letter or otherwise communicated to such Limited Partner and subject to the terms of such Partner's Admission Letter or as otherwise set forth herein. The General Partner shall maintain a "Partners Schedule" in the books and records of the Partnership, which schedule shall list each Fund Entity and each Limited Partner's corresponding Carried Interest Sharing Percentage, if any.

"**Carry Entity**" means any entity or vehicle or series thereof (including a Fund GP) in which the Partnership may hold interests for purposes of receiving Carried Interest Proceeds indirectly from a Fund Entity.

"**Carry Entity Agreement**" means the limited partnership agreement (or similar governing agreement) of a Carry Entity, as amended and/or restated from time to time.

"**Carrying Value**" with respect to any asset of the Partnership or any entity treated as a partnership for U.S. federal income tax purposes in which it invests, means the asset's adjusted basis for U.S. federal income tax purposes, except that the Carrying Values of all such assets may

be adjusted to equal their respective fair market values (as determined by the General Partner in its sole discretion in a manner consistent with determinations thereof for the applicable Fund Entity (or Fund Entities, as applicable)), in accordance with the rules set forth in U.S. Treasury Regulations Section 1.704-1(b)(2)(iv)(f) immediately prior to: (a) the date of the acquisition of any additional Interest by any new or existing Partner in exchange for more than a *de minimis* capital contribution; (b) the date of the distribution of more than a *de minimis* amount of Partnership property (other than a pro rata distribution) to a Partner; or (c) such other dates as may be specified in U.S. Treasury Regulations under Section 704 of the Code; *provided*, that adjustments pursuant to clauses (a), (b) or (c) above shall be made only if the General Partner reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Partners and that such adjustments are not otherwise inconsistent with Section 4.3 of this Agreement. The Carrying Value of any asset distributed to any Partner shall be adjusted immediately prior to such distribution to equal its fair market value. In the case of any asset that has a Carrying Value that differs from its adjusted tax basis, Carrying Value shall be adjusted by the amount of depreciation calculated for purposes of the definition of "Profits and Losses" rather than the amount of depreciation determined for U.S. federal income tax purposes.

"**Cause**" shall mean, with respect to a Limited Partner, any action or omission by such Limited Partner that constitutes: (i) a willful and material breach of this Agreement or any Restrictive Covenant Agreement; (ii) a material breach of such Limited Partner's fiduciary duties to the Partnership, a Fund Entity or the Firm or its Affiliates; (iii) a felony arising under any securities, banking or similar finance-related law or involving fraud or moral turpitude, or a plea of nolo contendere to, or conviction of, any felony or fraud; (iv) a willful breach of any material obligation of such Limited Partner in its capacity as an employee of the Firm or any of its Affiliates; or (v) fraudulent, unlawful, grossly negligent or willful misconduct by such Limited Partner with respect to the Firm or any of its Affiliates that shall have had or be reasonably expected to have a material adverse effect upon such entity. "**Cause**" shall also include: (x) any action or omission by such Limited Partner that gives rise to material liability on the part of the Partnership in respect of a Fund Entity and for which the Partnership is not entitled to indemnification under the applicable Fund Partnership Agreement of such Fund Entity pursuant to the indemnification provisions of such Fund Partnership Agreement; or (y) any action by a Limited Partner or Terminated Limited Partner in breach of Section 10.12.

"**Clawback Amount**" has the meaning set forth in Section 4.5(a).

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended from time to time.

"**Confidential Information**" has the meaning set forth in Section 10.4(a).

"**Control**" (including the terms "**Controlled by**" and "**under common Control with**") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise, including, without limitation, the ownership, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body governing the affairs of such Person.

"**Covered Person**" has the meaning set forth in Section 3.7(a).

"**Default Interest Rate**" shall mean the Prime Rate plus 5% per annum.

"**Disabling Event**" means any event which would cause the General Partner to cease to be a general partner of the Partnership pursuant to Section 17-402 of the Act other than as permitted by Section 8.2.

"**Electronic Signature**" has the meaning set forth in Section 10.6.

"**Fair Market Value**" as to any asset, unless otherwise specified, means the fair market value of such asset determined on a basis consistent with the Fund Partnership Agreement of the Fund Entity that invested in such asset (to the extent applicable) and otherwise as reasonably determined by the General Partner.

"**Family Investment Partner**" with respect to any individual Limited Partner who is an employee or officer of the Firm or its Affiliates means any Limited Partner who is a member of such individual Limited Partner's family or any Limited Partner which is a trust, partnership, limited liability company or other entity formed by such individual Limited Partner for investment by or for the benefit of members of such individual's family, or such individual's other relatives or charitable organizations, and is designated as a "Family Investment Partner" in its or the related individual Partner's Admission Letter.

"**Firm**" means Franklin Templeton, Inc., a Delaware corporation.

"**Fiscal Year**" has the meaning set forth in Section 6.2.

"**Fund Clawback Amount**" means, with respect to any Fund Entity, the obligations of the applicable Carry Entity to return or recontribute Carried Interest Proceeds pursuant to the applicable Fund Partnership Agreement of such Fund Entity.

"**Fund Entity**" means any entity or vehicle or series thereof designated by the General Partner as a Fund Entity for purposes hereof, or any Related Vehicle thereof.

"**Fund GP**" means the general partner (or similar managing entity) of any Fund Entity.

"**Fund GP Agreement**" means the limited partnership agreement (or similar governing agreement) of a Fund GP, as amended and/or restated from time to time.

"**Fund Partnership Agreement**" means, with respect to any Fund Entity, the limited partnership agreement, limited liability company agreement or similar governing agreement of such Fund Entity, in each case as amended and/or restated from time to time.

"**General Partner**" has the meaning set forth in the preamble hereto.

"**Guarantee**" has the meaning set forth in Section 4.7.

"**Holdback Account**" has the meaning set forth in Section 4.6(a).

"**Initial Limited Partner**" has the meaning set forth in the preamble hereto.

"**Interest**" means the entire partnership interest owned by a Partner in the Partnership at any particular time, including the right of such Partner to any and all benefits to which a Partner may be entitled as provided in this Agreement, together with the obligations of such Partner to comply with all the terms and provisions of this Agreement.

"**Investment Company Act**" has the meaning set forth in Section 10.10(c)(xi).

"**IRS**" has the meaning set forth in Section 6.3.

"**Limited Partner**" means each of the parties listed as limited partners in the books and records of the Partnership or any Person that has been admitted to the Partnership as a substituted or additional Limited Partner in accordance with this Agreement.

"**Majority (or other percentage) in Interest**" of the Limited Partners means the majority (or other percentage) of Interests held by the Limited Partners that are entitled to vote with respect to a matter, based on the average of each Limited Partner's Carried Interest Sharing Percentages, weighted by the Partnership's percentage interest in each related Carry Entity.

"**Non-Partner Interest**" has the meaning set forth in Section 8.1.

"**Nonrecourse Deductions**" has the meaning set forth in U.S. Treasury Regulations Section 1.704-2(b). The amount of Partnership Nonrecourse Deductions for a Fiscal Year equals the net increase, if any, in the amount of Partnership Minimum Gain during that Fiscal Year, determined according to the provisions of U.S. Treasury Regulations Section 1.704-2(c).

"**Operating Reserve**" means such amount as is determined by the General Partner in good faith is necessary or prudent for the Partnership to maintain in cash or Temporary Investments in order to satisfy the Partnership's accrued or anticipated expenses or other obligations and otherwise to meet the operational needs of the Partnership's business.

"**Original Agreement**" has the meaning set forth in the preamble hereto.

"**Participants**" has the meaning set forth in Section 10.10(c)(xii).

"**Partner**" means any Person who is a partner of the Partnership, whether as a General Partner or as a Limited Partner.

"**Partner Nonrecourse Debt Minimum Gain**" means an amount with respect to each partner nonrecourse debt (as defined in U.S. Treasury Regulations Section 1.704-2(b)(4)) equal to the Partnership Minimum Gain that would result if such partner nonrecourse debt were treated as a nonrecourse liability (as defined in U.S. Treasury Regulations Section 1.752-1(a)(2)) determined in accordance with U.S. Treasury Regulations Section 1.704-2(i)(3).

"**Partner Nonrecourse Deductions**" has the meaning set forth in U.S. Treasury Regulations Section 1.704-2(i)(2).

"**Partnership**" has the meaning set forth in the preamble hereto.

"**Partnership Counsel**" has the meaning set forth in Section 10.16.

"**Partnership Minimum Gain**" has the meaning set forth in U.S. Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

"**Permanent Disability**" means, with respect to any Person,

(a) Such Person dies;

(b) Such Person is adjudged insane by decree of any court; or

(c) Such Person is totally and permanently disabled (for this purpose, a Person shall be deemed to be totally and permanently disabled if he or she is unable to engage, with or without reasonable accommodation, in his or her duties as a Limited Partner or as an employee of the Firm or their Affiliates by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than three (3) months).

"**Person**" means any individual, partnership, corporation, limited liability company, unincorporated organization or association, trust (including the trustees thereof, in their capacity as such) or other entity.

"**Portfolio Company**" shall mean any company (other than a Fund Entity or Carry Entity) that is an issuer of Securities (other than Temporary Investments) held by the Partnership or a Fund Entity.

"**Prime Rate**" has the meaning set forth in the Carry Entity Agreement of the Carry Entity to which the relevant obligation relates (or, if none, as determined by the General Partner).

"**Profits**" and "**Losses**" means, for each Fiscal Year or other period, the taxable income or loss of the Partnership determined in accordance with the accounting method used by the Partnership for U.S. federal income tax purposes with the following adjustments: (a) all items of income, gain, loss or deduction allocated pursuant to Section 5.4 shall not be taken into account in computing such taxable income or loss; (b) any income of the Partnership that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Profits and Losses shall be added to such taxable income or loss; (c) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, any gain or loss resulting from a disposition of such asset shall be calculated with reference to such Carrying Value; (d) upon an adjustment to the Carrying Value of any asset (other than an adjustment in respect of depreciation), pursuant to the definition of Carrying Value, the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (e) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, the amount of depreciation, amortization or cost recovery deductions with respect to such asset shall for purposes of determining Profits and Losses be an amount which bears the same ratio to such Carrying Value as the U.S. federal income tax depreciation, amortization or other cost recovery deductions bears to such adjusted tax basis

(*provided*, that if the U.S. federal income tax depreciation, amortization or other cost recovery deduction is zero, the General Partner may use any reasonable method for purposes of determining depreciation, amortization or other cost recovery deductions in calculating Profits and Losses); and (f) except for items in (a) above, any expenditures of the Partnership not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Profits and Losses pursuant to this definition shall be treated as deductible items.

"**Prohibited Solicitation**" has the meaning set forth in Section 10.12(a)(ii).

"**Related Vehicle**" means (i) any managed account (or similar arrangement structured through an entity) formed to co-invest alongside a Fund Entity and any alternative vehicle formed to invest in lieu thereof pursuant to the terms of the governing documents of such managed account in connection with which the relevant Fund GP (or its Affiliate) acts as general partner (or similar managing fiduciary) and (ii) any co-investment vehicle formed to co-invest alongside a Fund Entity, if the Partnership receives carried interest from such vehicle, and any alternative vehicle formed to invest in lieu thereof pursuant to the terms of the governing documents of such co-investment vehicle in connection with which the relevant Fund GP (or its Affiliate) acts as general partner (or similar managing fiduciary).

"**Reserved Percentage**" has the meaning set forth in Section 4.3(b).

"**Resource**" has the meaning set forth in Section 10.12(a)(ii).

"**Restrictive Covenant Agreement**" means any agreement, and any attachments or schedules thereto, entered into by and between a Limited Partner and the Partnership or any of its Affiliates, pursuant to which a Limited Partner has agreed, among other things, to certain restrictions relating to non-competition (if applicable), non-solicitation and/or confidentiality, in order to protect the business of the Partnership or any of its Affiliates.

"**Rules**" has the meaning set forth in Section 10.16.

"**Securities**" means any of the following, whether readily marketable or not: (a) capital stock, foreign securities, shares or units of beneficial interest in a trust, partnership interests, warrants, bonds, notes, debentures, whether subordinated, convertible or otherwise, no-load mutual funds, money market funds, commercial paper, certificates of deposit, bank debt, trade claims, obligations of the United States, any state thereof, any foreign country or political subdivision thereof and instrumentalities of any of them, bankers' acceptances, trust receipts and other obligations, and evidences of indebtedness or other instruments commonly referred to as securities of whatever kind or nature of any person, corporation, government or entity whatsoever, (b) rights and options relating thereto, and (c) (i) financial instruments and (ii) options, futures contracts, options on futures contracts, forward contracts, "spot" transactions and swap arrangements involving securities indices or other indices, financial instruments, interest rates, currencies and commodities.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**Tax Advances**" has the meaning set forth in Section 5.6.

"**Tax Matters Partner**" has the meaning set forth in Section 6.3.

"**Temporary Investment Proceeds**" has the meaning set forth in Section 4.1(c)(i).

"**Temporary Investments**" shall mean debt securities issued or backed by the Treasury Department of the United States with a maturity of 90 days or less.

"**Terminated Limited Partner**" means a Limited Partner whose employment with the Firm and/or its Affiliates has terminated.

"**Transfer**" means any assignment, sale, exchange, transfer, pledge, encumbrance, hypothecation or other disposition of all or any part of an Interest.

"**Vested Percentage**" means, with respect to a Limited Partner, except as set forth in such Limited Partner's Admission Letter, a percentage determined as follows:

(i) 33⅓% of such Limited Partner's Carried Interest Sharing Percentage with respect to a particular Fund Entity shall vest on each of the third, fourth, and fifth anniversaries of the "**Vesting Commencement Date**" with respect to such Fund Entity, which shall mean the date of such Limited Partner's Admission Letter with respect to such Fund Entity.

(ii) If a Limited Partner's Carried Interest Sharing Percentage is increased with respect to a particular Fund Entity pursuant to Section 4.3, such increased portion shall vest in the same manner as if it had been included in such Limited Partner's Carried Interest Sharing Percentage with respect to such Fund Entity since the applicable Vesting Commencement Date.

(iii) For greater certainty, notwithstanding the foregoing clauses, if such Limited Partner becomes a Terminated Limited Partner within 36 months after the Vesting Commencement Date with respect to a Fund Entity, it shall not be vested in any portion of its Carried Interest Sharing Percentage with respect to such Fund Entity.

"**Vesting Commencement Date**" has the meaning set forth in the definition of "Vested Percentage."

SECTION 1.2 Terms Generally. The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The term "person" includes individuals, partnerships, limited liability companies, joint ventures, corporations, trusts, governments (or agencies or political subdivisions thereof) and other associations and entities. Unless the context requires otherwise, the words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

ARTICLE II

GENERAL PROVISIONS

SECTION 2.1 Formation. The parties hereto agree to continue a limited partnership under the provisions of the Act for the purposes and on the terms set forth in this Agreement.

SECTION 2.2 Limited Partners. The books and records of the Partnership shall contain the name and address and Carried Interest Sharing Percentage of each Limited Partner with respect to each Fund Entity as of the date of this Agreement. The General Partner is authorized to revise such books and records from time to time to reflect the admission, removal or withdrawal of a Limited Partner in accordance with the terms of this Agreement and other modifications to or changes in the information set forth therein. Upon the admission of one or more Limited Partners to the Partnership, the Initial Limited Partner shall (a) receive a return of any capital contribution made by it to the Partnership, (b) withdraw as the Initial Limited Partner of the Partnership and (c) other than as may be set forth in an Admission Letter, have no further right, interest or obligation of any kind whatsoever as a Partner in the Partnership.

SECTION 2.3 Name. The Partnership shall conduct its activities under the name of "Franklin Templeton Enterprise Partners, L.P." The Partnership's business may be conducted under any other name or names as the General Partner may determine; *provided*, that the name shall always contain the words "Limited Partnership" or the letters "L.P." or "LP." The General Partner shall give prompt notice of any such name change to each Limited Partner.

SECTION 2.4 Liability of General and Limited Partners. (a) Except as the Partnership may otherwise agree with third parties, the General Partner shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

(b) Except as provided in the Act, or as expressly provided in this Agreement, no Limited Partner shall be obligated personally for any debt, obligation or liability of the Partnership or of any other Limited Partner solely by reason of being a Limited Partner of the Partnership.

(c) In no event shall any Limited Partner or former Limited Partner (i) be obligated to make any capital contribution or payment to or on behalf of the Partnership except pursuant to Section 4.5, Section 4.6 and/or Section 5.1, as applicable, (ii) have any liability in its capacity as a Limited Partner in excess of such Limited Partner's obligation to make capital contributions or other payments pursuant to Section 4.5, Section 4.6 and/or Section 5.1, as applicable and any other payments expressly provided for in this Agreement or (iii) have any liability to return distributions received by such Limited Partner from the Partnership except as otherwise specifically provided in this Agreement or other related agreements, including but not limited to each Partner's Admission Letter or as expressly agreed to in another writing or as may be required by applicable law.

SECTION 2.5 Term. The existence of the Partnership shall continue unless and until the Partnership is dissolved, wound up and terminated in accordance with Article VII. No Partner shall have the right, and each Partner hereby agrees not to, withdraw from the Partnership, nor to dissolve, terminate or liquidate, or to petition a court for the dissolution, termination or liquidation of the Partnership, in each case except as expressly provided in this Agreement, and except with the consent of the General Partner in its sole and absolute discretion, no Partner at any time shall have the right to petition or to take any action

to subject Partnership assets or any part thereof to the authority of any court or other governmental body in connection with any bankruptcy, insolvency, receivership or similar proceeding.

SECTION 2.6 Purpose; Powers. (a) The purpose of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates, (i) to be a limited partner (or similar holder of interests) in the Carry Entities and to perform the obligations of a limited partner (or similar holder of interests) contemplated by the Carry Entity Agreements, (ii) to engage in any other lawful business under the Act and applicable law that the General Partner in its sole discretion determines the Partnership shall engage in and (iii) to do all things necessary or incidental thereto.

(b) Except as expressly provided herein, in furtherance of its purposes, the Partnership shall have all powers necessary, suitable or convenient for the accomplishment of its purposes, alone or with others, subject to the provisions of Article III hereof, including the following:

(i) to hold, receive, mortgage, pledge, transfer, exchange, otherwise dispose of, grant options with respect to and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to all Securities and other property;

(ii) to invest and reinvest cash assets of the Partnership in any investments, including in the Carry Entities and Temporary Investments;

(iii) to have and maintain one or more offices within or without the State of Delaware and, in connection therewith, to rent or acquire office space, engage personnel and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(iv) to open, maintain and close bank accounts and draw checks and other orders for the payment of moneys and to open, maintain and close accounts with brokers, custodians and others;

(v) to engage employees (with such titles and delegated responsibilities as may be specified herein or determined by the General Partner), accountants, sub-advisors, auditors, custodians, consultants, attorneys and any and all other agents and assistants, both professional and nonprofessional, including Partners and their Affiliates, and to compensate them as may be necessary or advisable;

(vi) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, and to form or cause to be formed and to participate in partnerships, limited liability companies, joint ventures and other entities or arrangements, whether foreign or domestic;

(vii) to enter into, make and perform all contracts, agreements and other undertakings as may be deemed necessary or advisable or incidental to carrying out its purposes;

(viii) to sue, prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment of claims against the Partnership, and to execute all documents and make all representations, admissions and waivers in connection therewith;

(ix) to borrow money from or make loans or other extensions of credit to (either on a secured or unsecured basis or with or without recourse) any person or to guarantee loans or other extensions of credit for any purpose;

(x) to distribute, subject to the terms of this Agreement, at any time and from time to time to Partners cash or other property of the Partnership, or any combination thereof; and

(xi) to take such other actions necessary or incidental thereto as may be permitted under applicable law.

SECTION 2.7 Registered Office and Registered Agent; Places of Business. (a) The Partnership shall maintain a registered office at The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, or at such other office as may from time to time be determined by the General Partner in its sole discretion. The name and address of the Partnership's registered agent for service of process in the State of Delaware as of the date of this Agreement is The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801.

(b) The Partnership shall maintain offices and principal places of business at such places as may from time to time be determined by the General Partner in its sole discretion.

ARTICLE III

MANAGEMENT AND OPERATION OF THE PARTNERSHIP

SECTION 3.1 Management. (a) Except as otherwise provided herein, the management and control of the business and affairs of the Partnership shall be vested exclusively with the General Partner. The General Partner shall have the authority to exercise all powers necessary and convenient for the purposes of the Partnership, including those enumerated in Section 2.6, on behalf and in the name of the Partnership.

(b) The General Partner may form any committees and delegate responsibilities to such committees as the General Partner may determine.

(c) The General Partner shall have the authority to exercise all powers necessary and convenient for the purposes of the Partnership, including those enumerated in Section 2.6, on behalf and in the name of the Partnership, subject to the authority of the General Partner as specified herein and subject to compliance with the restrictions and other provisions of this Agreement.

(d) As more fully set forth in Section 3.5 hereof, a Limited Partner may also be an officer, director, agent or employee of the Partnership and may act on behalf of the Partnership in such capacity to the extent authorized to do so by the General Partner in such capacity.

(e) Subject to Section 4.4, a Limited Partner may be removed as a Limited Partner by the General Partner. In the event a Limited Partner is removed as a Limited Partner or becomes subject to

Section 4.4, such Limited Partner shall cease to be a Limited Partner for purposes of determining the applicable rights and privileges afforded to such Partner hereunder.

(f) Except as expressly provided in this Agreement, Limited Partners as such shall have no right to, and shall not, take part in the management or affairs of the Partnership, nor in any event shall any Limited Partner as such have the power to act for or bind the Partnership. A Limited Partner or an Affiliate of a Limited Partner may also be an employee, agent, director, member or officer of the Partnership, the General Partner or their Affiliates and may act on behalf of the Partnership in such capacity to the extent authorized to do so in such capacity. The existence of these relationships and acting in such capacities will not result in a Limited Partner participating in the control of the business of the Partnership or having general partner liability.

SECTION 3.2 Actions by the General Partner. Except where expressly provided to the contrary herein, all decisions with respect to the management and control of the Partnership that are duly made by the General Partner shall be binding on the Partnership and each of the Partners.

(a) The General Partner may participate in a meeting thereof by means of conference telephone or similar communications equipment allowing all persons participating in the meeting to hear and speak to each other at the same time. Participation by such means shall constitute presence in person at a meeting.

(b) The resignation or removal of the General Partner shall not invalidate any act of the General Partner taken before the giving of written notice of the removal or resignation of the General Partner.

(c) Except as expressly set forth herein, the General Partner shall not be obligated to abstain from voting on any matter (or vote in any particular manner) because of any interest (or conflict of interest) of the General Partner in such matter.

SECTION 3.3 Certain Duties and Obligations of the Partners. (a) The General Partner shall take all action which may be necessary or appropriate on its part (i) for the formation and continuation of the Partnership as a limited partnership under the laws of the State of Delaware and (ii) for the development, maintenance, preservation and operation of the business of the Partnership in accordance with the provisions of this Agreement and applicable laws and regulations.

(b) The General Partner shall take (and each Limited Partner agrees to cooperate in connection therewith and approves of the General Partner's taking on such Limited Partner's behalf) all actions which are reasonably necessary (i) to form or qualify the Partnership to conduct the business in which the Partnership is engaged under the laws of any jurisdiction in which the Partnership is doing business and to continue in effect such formation or qualification and (ii) to protect the limited liability of the Limited Partners under the laws of any jurisdiction in which the Partnership is doing business. To the extent reasonably necessary for the conduct of the Partnership's business or the performance by the General Partner of its responsibilities hereunder, the General Partner shall take or cause to be taken all actions required to register or qualify the Partnership, the General Partner or the General Partner's Affiliates under applicable federal, state and foreign laws and rules and regulations of applicable self-regulatory

organizations, and to maintain such registrations, qualifications and memberships in effect for so long as required.

SECTION 3.4 Restrictions on Authority of the General Partner. Neither the General Partner nor any committee of the Partnership (created as provided above) shall have the authority to:

(a) do any act in contravention of this Agreement;

(b) do any act which would make it impossible to carry on the ordinary business of the Partnership, except in connection with the dissolution, winding up and termination of the Partnership as permitted by Article VII; or

(c) admit a person as a Partner except as provided in Section 8.1 and Section 9.1 of this Agreement.

SECTION 3.5 Officers. Subject to the direction of the General Partner, the day-to-day administration of the business of the Partnership shall be carried out by employees and agents who may be designated as officers, with titles including but not limited to "chairman," "managing director," "principal," "vice president," "treasurer," "assistant treasurer," "secretary," "assistant secretary," "general manager," "director," "chief administrative officer," "chief financial officer," "general counsel," "chief compliance officer," "controller" and "assistant controller," as and to the extent authorized by the General Partner. The officers of the Partnership shall have such titles and powers and perform such duties as shall be determined from time to time by the General Partner and otherwise as shall customarily pertain to such offices or be determined from time to time by the General Partner. Any number of offices may be held by the same person.

SECTION 3.6 Compensation. The General Partner shall have the authority to fix the compensation, if any, of the officers, employees, agents and other persons acting on behalf of the Partnership, which compensation shall be an expense of the Partnership.

SECTION 3.7 Exculpation and Indemnification. (a) Notwithstanding any other terms of this Agreement and to the fullest extent permitted by law, whether express or implied, or any obligation or duty at law or in equity, and except to the extent otherwise agreed by the parties hereto, no member, shareholder, partner, officer, director, employee, representative or agent of the Firm, or their respective Affiliates (individually, a "**Covered Person**" and collectively, the "**Covered Persons**") shall be liable to the Partnership or any Partner for (i) any act or omission (in relation to the Partnership, this Agreement, any related document or any transaction or investment contemplated hereby or thereby) taken or omitted in good faith by a Covered Person and in the reasonable belief that such act or omission is in, or is not contrary to, the best interests of the Partnership and is within the scope of authority granted to such Covered Person by this Agreement unless such act or omission resulted from willful misconduct, gross negligence, a material violation of applicable securities laws (other than a material violation arising from an act or omission taken with (x) the advice of counsel to the Partnership rendered prior to such act or omission, such counsel to have been chosen in good faith, or (y) the written approval of the General Partner or its designee upon disclosure of all materially relevant facts and circumstances), a material breach of fiduciary duty or an intentional and material breach of this Agreement, any Carry Entity Agreement, any Fund GP Agreement, any Fund Partnership Agreement or any related document by such Covered Person and except

that nothing herein shall constitute a waiver or limitation of any rights which a Partner or the Partnership may have under applicable securities laws or of any rights under other laws which may not be waived or (ii) any mistake, negligence, dishonesty or bad faith of any broker, adviser, or other agent of any Fund GP, any Fund Entity, the Partnership or any of their Affiliates selected and monitored by the General Partner and its Affiliates with reasonable care.

(b) Except to the extent otherwise agreed by the parties hereto and subject in all cases to any indemnification required to be made to any Fund Entity by the Partnership, to the fullest extent permitted by law, the Partnership shall indemnify and save harmless (but only to the extent of its assets) each Covered Person from and against any and all claims, liabilities, damages, losses, costs and expenses (including amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and reasonable expenses of investigating or defending against any claim or alleged claim) of any nature whatsoever, known or unknown, liquidated or unliquidated, arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of its management of the affairs of the Partnership or which relates to or arises out of or in connection with the Partnership, its property, its business or affairs. To the fullest extent permitted by law, a Covered Person shall not be entitled to indemnification under this Section 3.7 with respect to any claim, issue or matter in which such Covered Person has engaged in willful misconduct, gross negligence, a material violation of applicable securities laws (other than a material violation arising from an act or omission taken with (i) the advice of counsel to the Partnership rendered prior to such act or omission, such counsel to have been selected with reasonable care, or (ii) the written approval of the General Partner or its designee upon disclosure of all materially relevant facts and circumstances) or an intentional and material breach of this Agreement, any Carry Entity Agreement, any Fund GP Agreement, any Fund Partnership Agreement or any related document by such Covered Person, and nothing herein shall constitute a waiver or limitation of any rights which a Partner or the Partnership may have under applicable securities laws or of rights under other laws which may not be waived. To the fullest extent not prohibited by law, expenses (including legal fees) incurred by a Covered Person in defending any claim, demand, action, suit or proceeding may, with the approval of the General Partner (which approval shall be granted or not granted in the reasonable discretion of the General Partner based on its reasonable determination of the likelihood of the availability of the indemnity described above upon the final disposition of such claim, demand, action, suit or proceeding), from time to time, be advanced by the Partnership prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Partnership of a written undertaking (which undertaking need not be secured or bonded) by or on behalf of the Covered Person to repay such amount if it shall be determined that the Covered Person is not entitled to be indemnified as authorized in this Section 3.7.

(c) Any Covered Person entitled to indemnification from the Partnership hereunder shall first seek recovery under any other indemnity or any insurance policies by which such Covered Person is indemnified or covered, as the case may be, but only to the extent that the indemnitor with respect to such indemnity or the insurer with respect to such insurance policy provides (or acknowledges its obligation to provide) such indemnity or coverage on a timely basis, as the case may be, and, if such Covered Person is other than the General Partner, such Covered Person shall obtain the written consent of the General Partner prior to entering into any compromise or settlement which would result in an obligation of the Partnership to indemnify such Covered Person; and if liabilities arise out of the conduct of the affairs of the Partnership and any other Person for which the Covered Person entitled to indemnification from the Partnership hereunder was then acting in a similar capacity, the amount of the indemnification provided by

the Partnership shall be limited to the Partnership's proportionate share thereof as determined in good faith by the General Partner in light of its fiduciary duties to the Partnership and the Limited Partners. If such indemnity or insurance policies by which a Covered Person is indemnified or covered, as the case may be, are insufficient to cover all indemnified expenses under this Section 3.7, such Covered Person shall first seek to recover any such expenses from the applicable Fund Entity to the extent such Covered Person is entitled to such indemnification, and if such Fund Entity's assets are insufficient to fully indemnify the Covered Person (or indemnity is not otherwise available), the Covered Person shall then seek recovery from the Fund GP to the extent such Covered Person is entitled to such indemnification, and if the Fund GP's assets are insufficient to indemnify the Covered Person for any remaining expenses covered under this Section 3.7 (or indemnity is not otherwise available), the Covered Person may seek indemnification from the Carry Entity (if the Carry Entity is not the Fund GP), and if the Carry Entity's assets are insufficient to indemnify the Covered Person for any remaining expenses covered under this Section 3.7 (or indemnity is not otherwise available), the Covered Person may seek indemnification from the General Partner for any remaining indemnified expenses. Inasmuch as the Partnership is intended to be secondarily liable in respect of losses, damages and expenses that are otherwise primarily indemnifiable by a particular Fund Entity, Fund GP, Carry Entity or Portfolio Company, any advancement or payment by the Partnership to the Covered Person will result in the Partnership's having a subrogation claim against the relevant Fund Entity, Fund GP, Carry Entity or Portfolio Company in respect of such advancement or payments. The General Partner and the Partnership shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement as the General Partner may determine necessary or advisable to give effect to or otherwise implement the foregoing.

(d) To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or to another Partner, such Covered Person acting under this Agreement shall, to the fullest extent permitted by law, not be liable to the Partnership or to any such other Partner for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the Partners to modify to that extent such other duties and liabilities of such Covered Person.

(e) Except as otherwise provided by the Act, or otherwise agreed in writing, the debts, liabilities and obligations of the Partnership, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Partnership, and no Covered Person shall be obligated personally for any such debt, liability or obligation of the Partnership solely by reason of being a Covered Person.

(f) Without limiting the generality of the foregoing, and notwithstanding any provision of Section 3.7, nothing in this Agreement shall constitute a waiver, in the case of a Limited Partner, of any non-waivable right of such Limited Partner under applicable law (including under the U.S. federal securities laws), and, in the case of the General Partner and its Affiliates, of any such Person's non-waivable duties under applicable law (including under the U.S. federal securities laws).

SECTION 3.8 Authorization to Enter into Agreements. The Partnership, and the General Partner on behalf of the Partnership, may enter into and/or perform any actions required pursuant to any subscription agreement, letter agreement or other similar agreement, and any documents contemplated thereby or related thereto and any amendments thereto, without any further act, vote or approval of any Person, including any Partner, notwithstanding any other provision of this Agreement. The General Partner,

on behalf of the Partnership, is hereby authorized to abide by the applicable terms of the documents described in the preceding sentence, but such authorization shall not be deemed a restriction on the power of the General Partner to enter into other documents on behalf of the Partnership.

ARTICLE IV

DISTRIBUTIONS

SECTION 4.1 Distributions — General Principles and Definitions. (a) Except as otherwise expressly provided in this Article IV or in Article VII, no Partner shall have the right to withdraw capital from the Partnership or to receive any distribution or return of any capital contribution. Notwithstanding any provision to the contrary contained in this Agreement, the Partnership shall not be required to make a distribution to a Partner on account of such Partner's Interest in the Partnership if such distribution would violate the Act or any other applicable law.

(b) Distributions pursuant to this Article IV may be made in cash or in Securities, *provided*, that distributions of Carried Interest Proceeds shall be made in the same form and proportions as such Carried Interest Proceeds are received, directly or indirectly, by the Partnership from the applicable Carry Entity unless the General Partner permits the Partners to elect otherwise, *provided* that the Partnership may substitute all or any portion of a cash distribution that would otherwise be made to a Partner with securities or other interests issued by the Firm or its successors and assigns or any subsidiary thereof in an amount determined by the General Partner to be equivalent to the cash that is being substituted (including, without limitation, common stock or other securities of the Firm), as determined by the General Partner in its sole discretion. Distributions of Securities shall be made in the same manner as if cash in an amount equal to the Fair Market Value of such Securities were to be distributed.

(c) (i) "**Temporary Investment Proceeds**" means proceeds from sources other than Carry Entities, net of Partnership expenses and reserves for Partnership expenses allocable thereto.

(ii) "**Carried Interest Proceeds**" means, with respect to the Partnership, the distributions and proceeds actually received by the Partnership from a Carry Entity relating to "carried interest" directly or indirectly received with respect to the related Fund Entity.

(d) Except with the consent of the General Partner and subject to Section 4.6 and the maintenance of the Operating Reserve, distributions to the Partners of Carried Interest Proceeds shall be made as soon as practicable after their receipt by the Partnership. Subject to Section 4.1(e) and to the maintenance of the Operating Reserve, Temporary Investment Proceeds shall be distributed on an annual basis, or more often as determined by the General Partner.

(e) The Partnership, in the General Partner's sole discretion, shall not be required to make any distributions pursuant to this Article IV with respect to a distribution received directly or indirectly from any Carry Entity until the aggregate amount of distributions by the Carry Entities with respect to which the Partnership has not made distributions to its Partners exceeds $500,000. Additionally, the Partnership shall not be required to make any distributions to the Partners to the extent the General Partner believes the Partnership will be required (directly or indirectly) to make, within 120 days, a capital

contribution pursuant to any Carry Entity Agreement of a like amount or is otherwise intending to require Partners to make capital contributions to the Partnership. Notwithstanding the foregoing, the General Partner may, in its sole discretion, retain all or a portion of any distribution in the Holdback Account pursuant to Section 4.6(a).

SECTION 4.2 Amounts and Priority of Distributions. (a) *Treatment of Carried Interest Proceeds.* Subject to Section 4.5 and Section 4.6(a), any distribution of Carried Interest Proceeds received by the Partnership shall be paid to the Partners in proportion to their respective Carried Interest Sharing Percentages (as of the date of such distribution) with respect to the corresponding Fund Entity, taking into account adjustments as provided herein.

(b) *Treatment of Temporary Investment Proceeds.* Each distribution of Temporary Investment Proceeds shall be distributed among the Partners in proportion to their respective proportionate interests in the Partnership property or funds that produced such Temporary Investment Proceeds, as reasonably determined by the General Partner.

(c) *Interests as Profits Interests*. It is the intention of the parties to this Agreement that the Interests issued by the Partnership to the Limited Partners constitute "profits interests" for U.S. federal income tax purposes. In furtherance of the foregoing, if necessary in the sole discretion of the General Partner, the General Partner shall limit distributions under Article IV with respect to any such profits interest so that such distributions do not exceed the amount of available profits in respect of such profits interest, as determined by the General Partner in good faith. In the event distributions would otherwise be reduced pursuant to the preceding sentence, the General Partner shall have the discretion to specially allocate items of income and/or gain to any Limited Partner so as to minimize the impact of any such limitation and shall be permitted to make appropriate adjustments (from future profits, consistent with the principles of this Section 4.2(c)), as determined by the General Partner, as to future distributions with respect to such profits interest so that the aggregate amount of distributions received in respect of such profits interest equals the amount of distributions which such profits interest would have been entitled to if no limitation pursuant to this Section 4.2(c) had been applicable.

Any distributions under this Section 4.2 shall be subject to Section 17-607 of the Act and other applicable law.

SECTION 4.3 Certain Adjustments in Carried Interest Sharing Percentages. (a) *Adjustments in Carried Interest Sharing Percentages Generally.* Except as otherwise provided in a Limited Partner's Admission Letter, the General Partner may increase or, subject to Section 4.3(c) below, decrease the Carried Interest Sharing Percentage of any existing Limited Partner with respect to any Fund Entity. The General Partner shall cause the books and records of the Partnership to reflect the Carried Interest Sharing Percentage of each Partner with respect to each Fund Entity.

(b) *Establishment of the Reserved Percentage.* With respect to each Fund Entity, a portion of the aggregate Carried Interest Sharing Percentages with respect to such Fund Entity as determined by the General Partner, subject to adjustment as hereinafter provided (the "**Reserved Percentage**"), may be set aside for future allocation by the General Partner to one or more persons who may from time to time be admitted as additional Partners (including, for purposes of this Section 4.3, members in the General Partner) as provided herein or for increases in Carried Interest Sharing Percentages

of existing Partners (or an admission or increase with respect to members in the General Partner). The Reserved Percentage shall be (x) increased by the amount by which any Partner's Carried Interest Sharing Percentage is reduced as set forth herein, (y) reduced by any Carried Interest Sharing Percentage allocated to a new Partner pursuant to Section 9.1 and (z) reduced by any increase in the Carried Interest Sharing Percentage of any Limited Partner pursuant to Section 4.3(a). Any distributions and allocations of income with respect to the Reserved Percentage not specifically allocated to a Partner pursuant to this Section 4.3 or Section 9.1 shall, except as set forth below, be allocated among the Limited Partners *pro rata* based on their respective Carried Interest Sharing Percentages with respect to the applicable Fund Entity; *provided* that the General Partner may allocate such allocations and distributions on any other basis as it determines in good faith, or withhold such amounts from distribution until allocated to existing or new Partners in accordance with the terms hereof.

(c) *Restriction on Reduction in Carried Interest Sharing Percentages*. Except as provided in this Section 4.3, Section 4.4 and Article IX, the Carried Interest Sharing Percentage of any Partner with respect to any Fund Entity shall not be reduced without such Partner's consent.

(d) *Certain Adjustments in Carried Interest Sharing Percentages*. In the event of (i) the admission of any person as an additional Limited Partner with respect to an existing Fund Entity pursuant to Section 9.1 or (ii) the increase in the Carried Interest Sharing Percentage of any Limited Partner pursuant to Section 4.3(a), the Carried Interest Sharing Percentage allocated to such additional Limited Partner or existing Limited Partner shall first be taken out of the then available Reserved Percentage, if any or, if the Firm so elects, by granting the Partnership an additional Carried Interest Sharing Percentage allocation with respect to such Fund Entity. To the extent, however, that the Carried Interest Sharing Percentage to be allocated to such additional Limited Partner or existing Limited Partner shall be greater than the then available Reserved Percentage and/or such additional allocation, then the Carried Interest Sharing Percentages of each Limited Partner shall be reduced by an aggregate amount equal to such excess and such reduction shall be made *pro rata* among such other Limited Partners based upon their Carried Interest Sharing Percentages with respect to such Fund Entity immediately prior to such admission or increase, as applicable.

SECTION 4.4 Post-Termination Reduction in Carried Interest Sharing Percentage. Except as otherwise set forth herein, the following terms apply to Partners upon their termination of employment:

(a) (i) *Involuntary Resignation/Removal of Partners.* If the General Partner determines in its discretion that any Partner be removed from the Partnership other than for Cause, such Partner, upon written notice by the General Partner to such Partner, shall be required to withdraw as of a date specified in such notice, which date shall be on or after the date of such notice.

(ii) *Removal for Cause*. The General Partner may remove any Partner for Cause as a Partner of the Partnership by giving such Partner written notice of its intention to do so. Effective on the date such notice is given, such notice shall (x) state that such Partner is being removed as a Partner of the Partnership for Cause and (y) describe the particulars thereof in reasonable detail.

(iii) *Effect on Other Partners*. Subject to the Act, the withdrawal or removal from the Partnership of any Partner shall not, in and of itself, affect the obligations of the other Partners to continue the Partnership during the remainder of its term.

(b) *In the Case of Voluntary Termination or Involuntary Termination Without Cause.* If the employment of a Limited Partner with the Firm or its Affiliates is voluntarily terminated or is involuntarily terminated without Cause (other than by reason of Permanent Disability) the Carried Interest Sharing Percentage (if any) of such Limited Partner with respect to each Fund Entity as of the date of such termination shall equal the product of (A) such Limited Partner's Carried Interest Sharing Percentage with respect to such Fund Entity and (B) such Limited Partner's Vested Percentage with respect to such Fund Entity.

(c) *In the Case of Termination for Permanent Disability*. If the employment of a Limited Partner with the Firm or its Affiliates is terminated due to Permanent Disability, the Carried Interest Sharing Percentage of such Limited Partner with respect to each Fund Entity shall be such Limited Partner's Carried Interest Sharing Percentage with respect to such Fund Entity as of the date of such termination.

(d) *In the Case of Termination for Cause*. If the employment of a Limited Partner with the Firm or its Affiliates is terminated for Cause, the Carried Interest Sharing Percentage of such Limited Partner with respect to each Fund Entity as of the date of such termination shall be zero. For purposes of this Section 4.4(d), "**Cause**" shall include any act of such Partner following the termination of such Partner's employment (or other status) with the Firm or its Affiliates pursuant to this Section 4.4 which would otherwise constitute an event of Cause hereunder, including a breach of such Partner's obligations under Section 10.4 and Section 10.12.

(e) *Consistent Treatment for Family Investment Partners.* For purposes of this Agreement, in the case of any Family Investment Partner, (i) the termination of employment with the Firm or its Affiliates of the employee with which such Family Investment Partner is associated shall be deemed a termination of employment of such Family Investment Partner or if not an employee of the Firm or its Affiliates, as determined by the General Partner in its sole discretion, with the same character as the character of such employee's termination (e.g., with or without Cause, etc.), (ii) an event of Cause relating to any former employee of the Firm or its Affiliates with which such Family Investment Partner is associated shall be deemed an event of Cause with respect to such Family Investment Partner and (iii) the rights of the General Partner to remove a Family Investment Partner shall be the same as the rights of the General Partner with respect to the associated Partner and (iv) the Interest held by such Family Investment Partner shall be a non-voting Interest. For purposes of this Agreement, in the event a Partner defaults on its obligations under this Agreement, including without limitation its obligations pursuant to Section 4.5 or Section 5.1, any Family Investment Partner affiliated with such Partner shall be subject to this Section 4.4(e) to the same extent as such Partner, as the General Partner in its sole discretion deems appropriate.

(f) *Remedies.* The provisions and remedies in this Section 4.4 and Section 4.5 are not exclusive, and each such provision or remedy shall be cumulative and in addition to every other right, power or remedy whether conferred herein or now or hereafter available at law or in equity or by statute or otherwise. Each Limited Partner acknowledges by its execution hereof that it has been admitted to the Partnership in reliance upon its agreements under this Agreement, that the General Partner and the

Partnership may have no adequate remedy at law for a breach hereof and that damages resulting from a breach hereof may be impossible to ascertain at the time hereof or of such breach.

SECTION 4.5 Payment of Clawback Amounts to the Fund Entities. Except as provided in this Section 4.5 and Section 5.1, no Partner shall be required to make capital contributions to the Partnership.

(a) *In General.* If at any time, whether before or after the dissolution and termination of any Fund Entity, the Partnership is directly or indirectly obligated to contribute any Fund Clawback Amount to any Fund Entity, then the Partnership shall require the Partners (including Family Investment Partners or former Partners) to pay such additional amounts as are necessary to satisfy such Partner's (or Family Investment Partner's or former Partner's) obligation, as the case may be, as set forth in this Section 4.5. In any such case, each Partner or Family Investment Partner, except as may be otherwise agreed to in writing between the General Partner and a Limited Partner, shall be obligated to pay to the Partnership an amount (such Partner's "**Clawback Amount**") which equals the product of (i) such Partner's Carried Interest Clawback Percentage with respect to such Fund Entity and (ii) the portion of the Fund Clawback Amount with respect to such Fund Entity for which the Partnership is responsible, as determined by the General Partner.

(b) *Certain Default Remedies.* The Partnership shall be entitled to collect interest on the amount which any Partner has failed to timely pay pursuant to Section 4.5(a) or this Section 4.5(b) from the date such amount was to have been paid to the date of payment in full at a rate equal to the Default Interest Rate. Any Partner defaulting on its obligation to contribute to the Partnership any amount pursuant to Section 4.5(a) or this Section 4.5(b) shall be obligated to reimburse the Partnership for all reasonable attorney's fees and expenses and all other costs and expenses incurred by the Partnership in enforcing against such Partner such obligation. The Partnership shall have the right to set-off as appropriate and apply against such Partner's obligation to make such contribution, any default interest accruing thereon and such Partner's reimbursement obligations hereunder, any amounts otherwise payable to such Partner by the Partnership or any other Affiliate thereof (including, without limitation, amounts unrelated to Carried Interest Proceeds, such as payments from the Firm and its Affiliates).

(c) *GP Set-off.* To the extent a Partner's Clawback Amount or other obligation expressly provided for in this Agreement or other agreement to which such Partner is a party with the General Partner or an Affiliate thereof is not satisfied as provided herein, the General Partner shall have the right, to the maximum extent not prohibited by law, to set-off as appropriate and apply such amount to such Partner's Clawback Amount, or other obligation any amounts otherwise payable to such Partner by the Partnership or any other Affiliate thereof, including, without limitation, amounts unrelated to Carried Interest Proceeds, such as employee compensation and any similar amounts in connection with the Partnership and any of its Affiliates.

(d) *Survival.* A Partner's obligation to make payments under this Section 4.5 shall survive the termination of the Partnership, termination of such Partner's employment with the Firm or its Affiliates and such Partner's withdrawal from the Partnership, so that for purposes of this Section 4.5 a former Partner shall continue to be treated as a Partner.

SECTION 4.6 Holdback Accounts. (a) *Establishment of the Holdback Account.* The Partnership shall establish an account on its books (the "**Holdback Account**") with a sub-account for each Limited Partner that receives Carried Interest Proceeds. Except as provided in Section 4.6(b)(i), in lieu of distributing to a Partner on any date the amount of Carried Interest Proceeds otherwise distributable to such Partner under Section 4.2(a) or credited to such Partner's Holdback Account pursuant to Section 4.6(c), the Partnership may retain all or a portion of such Carried Interest Proceeds (determined by the General Partner in its sole discretion) and shall credit the sub-account of such Partner in the Holdback Account with the amount of Carried Interest Proceeds so retained. Without prejudice to the foregoing, the General Partner may determine from time to time to retain in the Holdback Account all or a portion of the gross Carried Interest Proceeds payable to any Limited Partner in excess of such Limited Partner's Vested Percentage with respect to such Carried Interest Proceeds, which portion may vary among Limited Partners.

(b) *Distributions out of the Holdback Account.* (i) The General Partner may determine to distribute to any Partner all or any portion of the amounts in such Partner's sub-account in the Holdback Account and/or terminate the requirement that such Partner's distributions of Carried Interest Proceeds be placed in the Holdback Account, subject to such conditions, undertakings, guarantees, security, credit support and/or other similar provisions, as the General Partner may deem necessary or advisable in its sole discretion, without regard as to whether similar or different requirements have been established with respect to other Partners.

(ii) An amount equal to the interest or other amounts earned on the funds in the Holdback Account shall be released and paid to the Partners in proportion to their respective interests in the Holdback Account at least annually or more frequently as determined from time to time by the General Partner.

(iii) If the Partnership is directly or indirectly required to contribute a Fund Clawback Amount to a Fund Entity pursuant to the applicable Fund Partnership Agreement, then there shall be deducted against each Partner's sub-account in the Holdback Account by the General Partner such Partner's Clawback Amount, which shall reduce the amounts due pursuant to Section 4.5(a).

(iv) Any amounts remaining in a Partner's sub-account in the Holdback Account after deduction of such Partner's Clawback Amount relating to any Fund Clawback Amounts associated with the final liquidation of any Fund Entities shall be distributed to such Partner as promptly as practicable thereafter, subject to such reserves as the General Partner in its sole and absolute discretion shall determine.

(c) *Investment of Amounts in Holdback Account.* The sub-account of each Partner in the Holdback Account shall be invested by the Partnership in Temporary Investments or such other investments as may be determined by the General Partner in its sole discretion.

SECTION 4.7 Guarantee. If any Fund Entity has a requirement in its Fund Partnership Agreement (or in the applicable Carry Entity Agreement) that the Partnership shall become a party to a guarantee (each, a "**Guarantee**") pursuant to which the Partnership and/or each Partner agrees to guarantee, for the benefit of such Fund Entity and its limited partners (or other similar members), payment of the Partnership's or Partner's share of any Clawback Amount with respect to such Fund Entity, then each

Partner agrees to execute such Guarantee (or a joinder agreement to such Guarantee). The admission of any Partner as a substitute or additional Partner shall be conditioned upon such Person's execution of the Guarantee and any other guarantee agreement approved by the General Partner and each Partner hereby grants to the General Partner an irrevocable power of attorney to execute and deliver in its name, place and stead any Guarantee.

ARTICLE V

LIMITED PARTNER GIVEBACK; ALLOCATIONS; EXPENSES

SECTION 5.1 Limited Partner Giveback. If at any time the General Partner determines that the Partnership cannot meet its obligations for extraordinary expenses such as litigation expenses, the General Partner may require each Partner to return distributions made to such Partner for the purpose of meeting such Partner's *pro rata* share (based upon the categories of distributions (i.e., Carried Interest Proceeds or Temporary Investment Proceeds) received by the Partnership with respect to a Fund Entity that are required to be returned hereunder) of such obligations in an amount up to, but in no event in excess of the aggregate distributions actually received by such Partner from the Partnership. The General Partner shall give each Partner at least five (5) Business Days' prior notice (or such shorter period as is reasonably necessary as determined by the General Partner) of the amount to be contributed by such Partner pursuant to this Section 5.1. Except as expressly provided herein, any returns of distributions with respect to a Fund Entity shall be borne by the Partners in accordance with the allocations made and distributions received by the Partners with respect to such Fund Entity.

SECTION 5.2 Capital Accounts. (a) A separate capital account (a "**Capital Account**") shall be established and maintained for each Partner and the General Partner may keep a separate sub-capital account for each interest in Carried Interest Proceeds with respect to a Fund Entity held by each Limited Partner. The Capital Accounts of the Partners shall be adjusted and maintained in accordance with the applicable U.S. Treasury Regulations. In the event of any Transfer of any Interest in the Partnership in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Interest.

SECTION 5.3 Allocations of Profits and Losses. Except as otherwise provided in this Agreement, Profits, Losses and, to the extent necessary, individual items of income, gain, loss or deduction, of the Partnership shall be allocated among the Partners in a manner that as closely as possible gives economic effect to the provisions of Article IV and the other relevant provisions of this Agreement, as determined in the reasonable discretion of the General Partner.

SECTION 5.4 Special Allocations. Notwithstanding any other provision of this Article V:

(a) Minimum Gain Chargeback. If there is a net decrease in Partnership Minimum Gain or Partner Nonrecourse Debt Minimum Gain (determined in accordance with the principles of U.S. Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any Partnership taxable year, the Partners shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to their respective shares of such net decrease during such year, determined pursuant to U.S. Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with U.S. Treasury Regulations Section 1.704-2(f). This Section 5.4(a)

is intended to comply with the minimum gain chargeback requirements in such U.S. Treasury Regulations Sections and shall be interpreted consistently therewith, including that no chargeback shall be required to the extent of the exceptions provided in U.S. Treasury Regulations Sections 1.704-2(f) and 1.704-2(i)(4).

(b) Qualified Income Offset. In the event any Partner unexpectedly receives any adjustments, allocations, or distributions described in U.S. Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Partnership income and gain shall be specially allocated to such Partner in an amount and manner sufficient to eliminate the deficit in its Adjusted Capital Account Balance created by such adjustments, allocations or distributions as promptly as possible; *provided*, that an allocation pursuant to this Section 5.4(b) shall be made only to the extent that a Partner would have a deficit balance in his Adjusted Capital Account Balance in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if this Section 5.4(b) were not in this Agreement. This Section 5.4(b) is intended to comply with the "qualified income offset" requirement of the Code and shall be interpreted consistently therewith.

(c) Gross Income Allocation. In the event any Partner has a deficit Capital Account at the end of any Fiscal Year that exceeds the sum of (i) the amount such Partner is obligated to restore, if any, pursuant to any provision of this Agreement, and (ii) the amount such Partner is deemed to be obligated to restore pursuant to the penultimate sentences of U.S. Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5), each such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible; *provided*, that an allocation pursuant to this Section 5.4(c) shall be made only if and to the extent that a Partner would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if Section 5.4(b) and this Section 5.4(c) were not in this Agreement.

(d) [Reserved].

(e) Nonrecourse Deductions. Nonrecourse Deductions shall be allocated to the General Partner and among the Limited Partners in accordance with their respective Capital Account balances.

(f) Partner Nonrecourse Deductions. Partner Nonrecourse Deductions for any taxable period shall be allocated to the Partner who bears the economic risk of loss with respect to the liability to which such Partner Nonrecourse Deductions are attributable in accordance with U.S. Treasury Regulations Section 1.704-2(j).

(g) [Reserved].

(h) Special Allocations. If any special allocations of income or gain are made pursuant to Section 5.4(b) or Section 5.4(c) hereof, subsequent allocations shall be made pursuant to this Section 5.4(h) so that the net amount of any items so allocated and all other items allocated to each Partner shall, to the extent possible, be equal to the net amount that would have been allocated to each Partner if such allocations pursuant to Section 5.4(b) or Section 5.4(c) had not occurred.

(i) Notwithstanding any other provision of this Agreement, to the extent that the General Partner determines that alternative allocations of Profit and Loss or items thereof more accurately

reflect the economic entitlements of the Partners in the Partnership, the General Partner is hereby authorized to adjust or make alternative allocations that so accurately reflect the Partners' interest in the Partnership.

SECTION 5.5 Tax Allocations. For income tax purposes, each item of income, gain, loss and deduction of the Partnership shall be allocated among the Partners in the same manner as the corresponding items of Profits and Losses and specially allocated items are allocated for Capital Account purposes; *provided*, that in the case of any asset the Carrying Value of which differs from its adjusted tax basis for U.S. federal income tax purposes, income, gain, loss and deduction with respect to such asset shall be allocated solely for income tax purposes in accordance with the principles of Sections 704(b) and (c) of the Code (in any manner determined by the General Partner) so as to take account of the difference between Carrying Value and adjusted basis of such asset. To the extent there is an adjustment by a taxing authority to any item of income, gain, loss, deduction or credit of the Partnership (or an adjustment to any Partner's distributive share thereof), the General Partner may reallocate the adjusted items among each Partner (as determined by the General Partner) in accordance with the final resolution of such audit adjustment.

SECTION 5.6 Tax Advances. To the extent the Partnership is required by law to withhold or to make tax payments on behalf of or with respect to any Partner or the Partnership is subjected to tax itself by reason of the status of any Partner or as a result of any Partner's participation in the Partnership or as a result of any Partner's failure to provide any applicable tax documentation (e.g., backup withholding taxes or amounts imposed pursuant to Section 6225 of the Code) ("**Tax Advances**"), the General Partner may withhold such amounts and make such tax payments as so required. All Tax Advances made on behalf of a Partner shall, at the option of the General Partner, (i) be promptly paid to the Partnership by the Partner on whose behalf such Tax Advances were made or (ii) be repaid by reducing the amount of the current or next succeeding distribution or distributions which would otherwise have been made to such Partner or, if such distributions are not sufficient for that purpose, by so reducing the proceeds of liquidation otherwise payable to such Partner. Whenever the General Partner selects option (ii) pursuant to the preceding sentence for repayment of a Tax Advance by a Partner, for all other purposes of this Agreement such Partner shall be treated as having received all distributions (whether before or upon liquidation) unreduced by the amount of such Tax Advance. Each Partner hereby agrees to indemnify and hold harmless the Partnership and the other Partners from and against any liability (including, without limitation, any liability for taxes, penalties, and additions to tax or interest) with respect to income attributable to or distributions or other payments to such Partner. In the event the Partnership is dissolved and liability is asserted by a governmental entity against the General Partner or any member or officer of the General Partner for Tax Advances made or required to be made, the General Partner shall have the right to be reimbursed from the Partner(s) on whose behalf such Tax Advances were made or required to be made. The obligations of a Partner set forth in this Section 5.6 shall survive the withdrawal of any Partner from the Partnership, any Transfer of a Partner's Interest and the dissolution and termination of the Partnership.

SECTION 5.7 Expenses. Except as otherwise agreed by the General Partner, no Limited Partner shall be reimbursed for expenses incurred on behalf of, or otherwise in connection with the Partnership. The Partnership shall bear and be responsible for all expenses (including, without limitation, (i) any reasonable expenses relating to the valuation and other costs and expenses that are associated with the estate planning by the Partners, as approved from time to time by the General Partner and (ii) subject to Section 5.6, taxes, fees or other governmental charges levied against the Partnership and any reasonable costs incurred in connection with any tax audit, inquiry, investigation, settlement or review of the Partnership) incurred in connection with the operation of the Partnership. The General Partner, on behalf of

the Partnership, may borrow from any Affiliate on such terms as it may reasonably determine for the payment of expenses, and may pay expenses and repay borrowings from any source of funds of the Partnership (including out of amounts that would otherwise be distributable under Section 4.1), as determined by the General Partner in its sole discretion.

ARTICLE VI

BOOKS AND REPORTS; TAX MATTERS

SECTION 6.1 General Accounting Matters. (a) The General Partner shall keep or cause to be kept books and records of the Partnership and its activities. Such books and records of the Partnership shall be kept by the Partnership at its principal office. To the fullest extent permitted by law, the General Partner shall not disclose the allocation of the Carried Interest Proceeds among the Partners and, other than as provided in Section 6.1(b) below, may (consistent with applicable law) withhold access of any Limited Partner to information regarding the affairs of the Partnership if the General Partner shall determine in its sole and absolute discretion that it is in the interests of the Partnership to withhold such access. The General Partner shall have the benefit of the confidential information provisions of Section 17-305(b) of the Act. The Partnership's books of account shall be maintained on a basis which allows the proper preparation of the Partnership's financial statements and tax returns.

(b) Each Person that was a Partner at any time during a Fiscal Year shall be supplied with such information as may be reasonably required to enable such Partner to prepare its federal, state, local and non-U.S. income tax returns based upon such Person's status as a Partner, such other information as such Person may reasonably request for the purpose of applying for withholding taxes and a statement as to such Partner's Capital Account as at the close of such Fiscal Year.

SECTION 6.2 Fiscal Year. The fiscal year of the Partnership (the "**Fiscal Year**") shall be the same as its taxable year, as determined pursuant to Section 706 of the Code.

SECTION 6.3 Certain Tax Matters. The Partners intend for the Partnership to be treated as a partnership for U.S. federal income tax purposes and no election to the contrary shall be made. The General Partner shall use commercially reasonable efforts to prepare or cause to be prepared all applicable federal, state, local and non-U.S. tax returns of the Partnership for each year for which such returns are required to be filed and shall use commercially reasonable efforts to file or cause to be filed such returns. The General Partner shall determine the appropriate treatment of each item of Profit and Loss of the Partnership and the accounting methods and conventions with respect to any Tax Return and applicable jurisdiction. The General Partner may cause the Partnership to make or refrain from making any and all elections permitted by such tax laws. The General Partner shall act as, or appoint, the "partnership representative" for purposes of Section 6223 of the Code (the "**Tax Matters Partner**"). Each Partner agrees that it will take no position on its individual tax returns inconsistent with the positions taken on the Partnership's tax returns. If the Partnership receives a notice of final partnership adjustment from the Internal Revenue Service (the "**IRS**"), the Tax Matters Partner may, as determined in its sole discretion and with respect to any applicable year, (i) elect to apply the provisions of Sections 6221 through 6241 of the Code with respect to any imputed underpayment arising from such adjustment and/or (ii) cause the Partnership to (x) elect the application of Section 6226 of the Code with respect to any imputed underpayment arising from such adjustment, and (y) furnish to each Partner (or former Partner) a statement

of such Partner's (or former Partner's) share of any adjustment to income, gain, loss, deduction or credit (as determined in the notice of final partnership adjustment). Each Partner hereby waives any rights it may have pursuant to the Code or otherwise to participate in any tax matters or controversies with respect to the Partnership. The Tax Matters Partner will take no action which is reasonably expected to have a material adverse effect on one or more of the Partners unless such action is approved by the General Partner. The Tax Matters Partner will be responsible for notifying all Partners of ongoing proceedings, both administrative and judicial, and will represent the Partnership throughout any such proceeding. The Partners will furnish the Tax Matters Partner with such information as it may reasonably request to provide the IRS with sufficient information to allow proper notice to the Partners. The Tax Matters Partner will not bind any other Partner to any extension of the statute of limitations or to a settlement agreement without such Partner's written consent, which consent shall not be unreasonably withheld.

ARTICLE VII

DISSOLUTION

SECTION 7.1 Dissolution. The Partnership shall be dissolved and subsequently terminated upon the occurrence of the first of the following events:

(a) the occurrence of a Disabling Event with respect to the General Partner, provided that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, Limited Partners representing a Majority in Interest of the Limited Partners agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner; or

(b) a determination by the General Partner to dissolve the Partnership at any time following the dissolution and termination of all of the Carry Entities.

SECTION 7.2 Winding-up. When the Partnership is dissolved, the business and property of the Partnership shall be wound up and liquidated by the General Partner or, upon the occurrence of a Disabling Event with respect to the General Partner, a liquidator appointed by the General Partner. The General Partner or such liquidator shall use its best efforts to reduce to cash and cash equivalent items such assets of the Partnership as the General Partner or such liquidator shall deem it advisable to sell and to obtain fair value for such assets (taking into account applicable tax and other legal considerations).

SECTION 7.3 Final Distribution. Within 120 calendar days after the effective date of dissolution of the Partnership, the assets of the Partnership shall be distributed in the following manner and order:

(i) to pay the expenses of winding-up, liquidation and dissolution of the Partnership;

(ii) to pay all creditors of the Partnership, other than Partners, either by the payment thereof or the making of reasonable provision therefor;

(iii) to establish reserves, in amounts established by the General Partner or such liquidator, to meet other liabilities of the Partnership; and

(iv) to pay, in accordance with the terms agreed among them and otherwise on a *pro rata* basis, all creditors of the Partnership that are Partners, either by the payment thereof or the making of reasonable provision therefor.

The remaining assets of the Partnership shall be applied and distributed among the Partners in accordance with Section 4.2.

SECTION 7.4 No Obligation to Restore Capital Accounts. Except as provided in Section 4.5 and Section 5.1 and as may otherwise be provided herein or as required by law, no Partner whose Capital Account balance is negative or has a deficit amount (either during the existence of the Partnership or upon liquidation) shall have any obligation to return any amounts previously distributed to such Partner or to contribute cash or other assets to the Partnership to restore or make up the deficit in such Partner's impaired Capital Account.

ARTICLE VIII

TRANSFER OF PARTNERS' INTERESTS

SECTION 8.1 Transfer of Interests by Limited Partners. To the fullest extent permitted by law, no Limited Partner may, directly or indirectly, Transfer such Limited Partner's Interest without the prior written consent of the General Partner, which consent may be given or withheld in the General Partner's sole and absolute discretion; *provided*, that such consent shall not be necessary in the case of a Transfer, in trust or otherwise, by a Limited Partner of its Interest to a Person eligible as a Family Investment Partner or, upon such Limited Partner's death, to such Limited Partner's heirs or beneficiaries under such Partner's will or other testamentary instrument, unless the General Partner reasonably determines that such Transfer would materially increase the likelihood that either the Partnership or any Affiliate would be subject to any additional and material legal or regulatory burden or otherwise would have a material and adverse effect on the Partnership or any Affiliate thereof. Unless an Assignee is admitted as a substitute Limited Partner in accordance with Section 8.3(b), a Transfer by a Limited Partner of all or any part of such Limited Partner's Interest in the Partnership shall not release such Limited Partner from any of such Limited Partner's obligations or liabilities (including, without limitation, such Limited Partner's obligations to make capital contributions hereunder and such Limited Partner's liability therefor), or limit the General Partner's rights with respect to such Limited Partner, of any nature whatsoever arising under this Agreement, *provided*, that any such Assignee shall be entitled only to allocations and distributions with respect to its Interest and shall have no right to vote such Interest, to participate in the management of the Partnership and shall not have any of the other rights of a Partner under this Agreement (a "**Non-Partner Interest**").

SECTION 8.2 Transfer of Interests by General Partner. The General Partner may not Transfer all or any part of its Interest, except that the General Partner may Transfer all or a portion of its Interest in the Partnership to any of its Affiliates. Only a transferee of all of the General Partner's Interest in the Partnership may be admitted as a general partner of the Partnership to continue the business of the Partnership in lieu of the General Partner, which admission shall take place immediately prior to the withdrawal of the General Partner.

SECTION 8.3 Other Transfer Provisions. (a) To the fullest extent permitted by law, any purported Transfer by a Partner of all or any part of its Interest in violation of this Article VIII shall be null and void and of no force or effect.

(b) Upon a Limited Partner's Transfer of all or any part of such Limited Partner's Interest to any person (including an Affiliate of such Partner or a permitted transferee under Section 8.1) (the "**Assignee**") pursuant to this Article VIII, such Assignee shall be admitted as a substitute Limited Partner in lieu of such transferor Limited Partner only with the written consent of the General Partner which consent may be given or withheld in its sole and absolute discretion.

(c) Notwithstanding any other provision in this Article VIII, a Transfer shall not take place or be recognized if such Transfer would cause the Partnership to be treated as a "publicly traded partnership" within the meaning of Section 7704 of the Code and the regulations promulgated thereunder.

ARTICLE IX

ADDITIONAL LIMITED PARTNERS

SECTION 9.1 Admission of Additional Limited Partners. (a) The General Partner may admit additional Partners to the Partnership in accordance with the terms of this Agreement. Upon the admission of any additional Partner, such Partner shall be allocated such Carried Interest Sharing Percentage with respect to certain Fund Entities as set forth in such new Partner's Admission Letter, and the Reserved Percentage shall be adjusted as provided in Section 4.3.

(b) Concurrently with the admission of any substitute or additional Limited Partner, the General Partner shall forthwith cause any necessary papers to be filed and recorded and notice to be given wherever and to the extent required showing the substitution of such transferee as a substitute Limited Partner in place of the transferor Limited Partner, or the admission of an additional Limited Partner. The admission of any person as a substitute or additional Limited Partner shall be conditioned upon such person's written acceptance and adoption of, and his, her or its undertaking to be bound by, all the terms and provisions of this Agreement as though named herein as a Limited Partner and the holder of the relevant Interest.

ARTICLE X

MISCELLANEOUS

SECTION 10.1 Arbitration; Waiver of Accounting/Partition. To the fullest extent permitted by law, any dispute, controversy or claim arising out of or relating to this Agreement or to the Partnership's affairs or the rights or interests of the Partners, including, without limitation, the validity, interpretation, performance, breach, alleged breach or termination of this Agreement, whether arising during the existence of the Partnership or at or after its termination or during or after the liquidation of the Partnership, shall be settled by arbitration in New York, New York (or, if applicable law requires some other forum, then such other forum) in accordance with the rules then outstanding of the American Arbitration Association. If the parties to any such controversy are unable to agree upon a neutral arbitrator or arbitrators,

then an arbitrator shall be appointed in accordance with such rules. For purposes of any actions or proceedings ancillary to the arbitration referenced above (for example, proceedings seeking interim relief in aid of the arbitration or to enforce an arbitration award), the parties consent to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York or the New York State Supreme Court located in the county, city and state hereunder, as determined for all purposes in connection with any such arbitration. The parties agree that any process or notice of motion or other application to either of such courts, and any paper in connection with any such arbitration, may be served by certified mail, return receipt requested, or by personal service or in such other manner as may be permissible under the rules of the applicable court or arbitration tribunal, provided a reasonable time for appearance is allowed. Except as may be otherwise required by law in connection with the winding-up, liquidation and dissolution of the Partnership, each Partner hereby irrevocably waives any and all rights that it may have to maintain an action for judicial accounting or for partition of any of the Partnership's property.

SECTION 10.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflicts of law principles. In particular, the Partnership is formed pursuant to the Act, and the rights and liabilities of the Partners shall be as provided therein, except as herein otherwise expressly provided.

SECTION 10.3 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns and, in particular, the estate of a deceased Partner shall remain liable for all of such Partner's obligations hereunder to the extent that such obligations are not affected by such Partner's death under the terms hereof. Nothing in this Agreement is intended, nor shall anything herein be construed, to confer any rights, legal or equitable, in any person other than the Partners and their respective legal representatives, heirs, successors and permitted assigns.

SECTION 10.4 Confidentiality. (a) By executing this Agreement, each Partner expressly agrees, at all times during the existence of the Partnership and thereafter and whether or not at the time a Partner of the Partnership, without the consent of the General Partner, to maintain the confidentiality of, not to use for any purpose (other than in connection with the performance of its duties on behalf of the Firm and its Affiliates) and not to disclose to any person, any information (including for the avoidance of doubt, information disclosed under Section 6.1 hereof or received from a Fund GP or Carry Entity) relating to the business, financial results, investors, clients or affairs of the Partnership, a Fund GP, a Carry Entity or any Fund Entity that shall not be generally known to the public, including information pertaining to the Fund Entities' investment performance (i.e., "track record"), all research, including any or all procedures or techniques related to investment strategies of the Partnership or its Affiliates, essential ideas and principles underlying such procedures or techniques conceived, originated, discovered, developed, acquired, evaluated, tested or utilized by the Partnership or its Affiliates, software, databases, trade secrets, sales and marketing information, operations material and memoranda, client and investor lists and information, pricing information and financial information concerning or relating to the business, employees, and affairs of the Partnership and/or its Affiliates, obtained by or furnished, disclosed or disseminated to the Partner, or obtained, assembled or compiled by the Partner or under such Partner's supervision during the course of such Partner's employment by or ownership of an interest in the Partnership or any of its Affiliates, and all physical embodiments of the foregoing, all of which are hereby agreed to be the property of and confidential to the Partnership and its Affiliates ("**Confidential Information**"), except (a) to such directors, members, employees, representatives and advisors of such Partner and its Affiliates who need to know the information

and who are informed of the confidential nature of the information and with respect to which that Partner will be responsible for any disclosures by such persons in violation hereof, (b) as required for any arbitration proceeding pursuant to Section 10.1 or as required by governmental regulatory agencies, self-regulating bodies, law, legal process or litigation in which such Partner is a defendant, plaintiff or other named party or (c) as is reasonably necessary and appropriate in the course of and in furtherance of the conduct of the business of the Partnership and the Fund Entities. Without limiting the foregoing, each Partner agrees that it shall not disclose, publish, or disseminate in any way any information relating to the financial performance, track record, investment decisions and analysis or any related information of any individual Fund Entity, the Partnership as a whole or the Firm, and their respective Affiliates, without the express consent of the General Partner (which may be given or withheld in its sole discretion); *provided*, that in connection with the securing of future employment such Partner may, subject to the foregoing restrictions, disclose on a confidential basis the general nature of such Partner's responsibilities with the Firm or its Affiliates, including oral representations concerning such Partner's track record/investment performance with the Firm and/or its Affiliates. The provisions of this Section 10.4(a) shall survive the termination, dissolution, liquidation, restructuring or recapitalization of the Partnership.

(b) Except as set forth herein, by executing this Agreement, each Partner expressly agrees that, at all times during the existence of the Partnership and thereafter, upon the removal or withdrawal of such Partner for any reason, such Partner shall (x) cease and not thereafter commence use of any Confidential Information or intellectual property (including without limitation, any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by the Partnership or its Affiliates; (y) immediately destroy, delete, or return to the Partnership, at the Partnership's option, all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in such Partner's possession or control (including any of the foregoing stored or located in such Partner's office, home, laptop or other computer, whether or not Partnership property) that contain Confidential Information or otherwise relate to the business of the Partnership or its Affiliates, except that such Partner may retain only those portions of any personal notes, notebooks and diaries that do not contain any Confidential Information; and (z) notify and fully cooperate with the Partnership regarding the delivery or destruction of any other Confidential Information of which such Partner is or becomes aware. The provisions of this Section 10.4(b) shall survive the termination, dissolution, liquidation, restructuring or recapitalization of the Partnership.

(c) Each Partner (and any employee, representative, or other agent of such Partner) may disclose to any and all persons, without limitation of any kind, the U.S. federal tax treatment and tax structure of the Partnership or any transactions contemplated by the Partnership, it being understood and agreed, for this purpose (i) the name of, or any other identifying information regarding, (A) the Partnership or any existing or future investor (or any Affiliate thereof) in the Partnership, or (B) any investment or transaction entered into by the Partnership, the Carry Entities, the Fund GPs, the Fund Entities or any of their Affiliates, (ii) any performance information relating to the Partnership, the Fund Entities or any of their Affiliates or their investments, or (iii) any performance or other information relating to the Fund Entities, their Affiliates or other investments sponsored by the General Partner or their Affiliates, does not constitute such tax treatment or structure information.

(d) Notwithstanding anything to the contrary, nothing in this Agreement (including this Section 10.4 or Section 10.12), shall prohibit or impede any Partner from communicating, cooperating or filing a complaint with any governmental agencies, regulatory authorities or self-regulatory organizations

(including but not limited to the Securities and Exchange Commission) with respect to possible violations of any U.S. federal, state or local law or regulation, or from otherwise making disclosures to any such governmental agencies, regulatory authorities or self-regulatory organizations, in each case, that are protected under the whistleblower provisions of any such law or regulation; *provided*, that in each case such communications and disclosures are consistent with applicable law.

SECTION 10.5 Notices. Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including electronic mail, facsimile or similar writing) and shall be given to any Partner at its address or electronic mail address or telex or facsimile number shown in the Partnership's books and records. Each such notice shall be effective (i) if given by electronic mail or facsimile, upon electronic confirmation of receipt and (ii) if given by any other means, when delivered to and receipted for at the address of such Partner, as the case may be, specified as aforesaid. Each Family Investment Partner shall designate one or more individuals as "associated Limited Partner(s)" for the purposes of this Agreement to act on such Family Investment Partner's behalf in all matters relating to the business and affairs of the Partnership, including the exercise of such Family Investment Partner's consent rights hereunder.

SECTION 10.6 Counterparts. This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. For the avoidance of doubt, a Person's execution and delivery of this Agreement by electronic signature and electronic transmission (jointly, an "**Electronic Signature**"), including via DocuSign or other similar method, shall constitute the execution and delivery of a counterpart of this Agreement by or on behalf of such Person and shall bind such Person to the terms of this Agreement. The parties hereto agree that this Agreement and any additional information incidental hereto may be maintained as electronic records. Any Person executing and delivering this Agreement by an Electronic Signature further agrees to take any and all reasonable additional actions, if any, evidencing its intent to be bound by the terms of this Agreement, as may be reasonably requested by the General Partner.

SECTION 10.7 Entire Agreement. This Agreement, together with the separate written agreements referenced herein, embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. Except as expressly provided herein, this Agreement and such separate written agreements supersede all prior agreements and understandings between the parties with respect to such subject matter. Notwithstanding the foregoing, the Partners acknowledge and agree that with respect to any other Limited Partner, any Admission Letter, in each case, may have the effect of establishing rights under, or altering or supplementing, the terms of this Agreement with respect to such other Limited Partner. This Agreement does not create any right of employment on the part of any Limited Partner and no Limited Partner shall have any right (implied or otherwise) to be paid any amount hereunder except as expressly provided for herein.

SECTION 10.8 Amendments. Except as provided in any Admission Letter, this Agreement may be amended or modified with the consent of the General Partner in its sole discretion; *provided*, that no such amendment shall (a) decrease any Partner's share of the Partnership's distributions, income and gains, increase its share of the Partnership's losses or materially and adversely affect the rights granted to such Partner hereunder (other than as expressly set forth herein), without the written consent of

each Partner so affected, (b) change the percentage of interests of Partners necessary for any consent required hereunder to the taking of an action in a manner adverse to the Limited Partners unless such amendment is approved by Partners who then hold interests equal to or in excess of such percentage interest for the subject of such proposed amendment, (c) amend this Section 10.8 in a manner adverse to a Partner, without the consent of such Partner, or (d) amend in a material and adverse manner the rights of any particular Limited Partner differently than the rights of Partners generally without the consent of such Limited Partner; *provided*, that upon publication of the final regulations in the Federal Register (or other official pronouncement), the General Partner shall be able to amend, as determined by the General Partner, this Agreement to provide for (i) the election of a safe harbor under U.S. Treasury Regulation Section 1.83-3(1) (or any similar provision) under which the fair market value of a partnership interest that is transferred in connection with the performance of services is treated as being equal to the liquidation value of that Interest, (ii) an agreement by the Partnership and all of its Partners to comply with all the requirements set forth in such regulations and Revenue Procedure 2005-43 (and any other guidance provided by the IRS with respect to such election) with respect to all partnership interests transferred in connection with the performance of services while the election remains effective, (iii) the allocation of items of income, gains, deductions and losses required by the final regulations similar to Proposed U.S. Treasury Regulations Sections 1.704-1(b)(4)(xii)(b) and (c), and (iv) any other related amendments.

SECTION 10.9 Titles. Section titles are for descriptive purposes only and shall not control or alter the meaning of this Agreement as set forth in the text hereof.

SECTION 10.10 Representations and Warranties. (a) Each Partner which is not a natural person represents, warrants and covenants to the other Partners that such Partner is duly formed and validly existing under the laws of the jurisdiction of its organization with full power and authority to perform its obligations hereunder and that the execution, delivery and performance of this Agreement has been duly authorized by such Partner.

(b) Each Partner who is a natural person represents, warrants and covenants to the other Partners that such Partner has the legal capacity to enter into this Agreement and perform such Partner's obligations hereunder.

(c) Each Partner represents, warrants and covenants to the Partnership and the other Partners that:

(i) this Agreement has been duly executed and delivered by such Partner and constitutes the valid and legally binding agreement of such Partner enforceable in accordance with its terms against such Partner subject to the effect of bankruptcy, insolvency, moratorium and other similar laws relating to creditors' rights generally, by general equitable principles and by an implied covenant of good faith and fair dealing;

(ii) the execution and delivery of this Agreement by such Partner and the performance of its duties and obligations hereunder do not result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness, or any lease or other agreement, or any license, permit, franchise or certificate, to which such Partner or any Affiliate is a party or by which it or any of its Affiliates is bound or to which its or any Affiliate's properties are subject, or require

any authorization or approval under or pursuant to any of the foregoing which has not been obtained, or violate any statute, regulation, law, order, writ, injunction, judgment or decree to which such Partner or any Affiliate is subject;

(iii) such Partner is not in default (nor has any event occurred which with notice, lapse of time, or both, would constitute a default) in the performance of any obligation, agreement or condition contained in any indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness or any lease or other agreement, or any license, permit, franchise or certificate, to which it is a party or by which it is bound or to which the properties of it are subject, nor is it in violation of any statute, regulation, law, order, writ, injunction, judgment or decree to which it is subject, which default or violation would materially adversely affect such Partner's ability to carry out its obligations under this Agreement;

(iv) there is no litigation, investigation or other proceeding pending or, to the knowledge of such Partner, threatened against such Partner or any of its Affiliates as to which there is a reasonable possibility of an adverse determination and which, if adversely determined, would materially adversely affect such Partner's ability to carry out its obligations under this Agreement;

(v) no consent, approval or authorization of, or filing, registration or qualification with, any court or governmental authority on the part of such Partner is required for the execution and delivery of this Agreement by such Partner and, except as may be required under applicable securities and commodities laws in connection with the registration of the Partnership or such Partner, the performance of its obligations and duties hereunder;

(vi) such Partner is acquiring its Interest in the Partnership for such Partner's own account for investment purposes only and not with a view to resale or distribution;

(vii) such Partner understands that such Interests have not been registered under the Securities Act, the securities laws of any state thereof or the securities laws of any other jurisdiction, nor is such registration contemplated;

(viii) such Partner understands and agrees further that, subject to the limited rights set forth in this Agreement, its Interest must be held indefinitely unless such Interest is subsequently registered under the Securities Act, the securities laws of any state and the securities laws of any other jurisdiction or an exemption from registration under the Securities Act and these laws covering the sale of such Interests is available; that even if such an exemption is available, the assignability and transferability of its Interests will be governed by this Agreement, which imposes substantial restrictions on Transfer; that legends stating that its Interests have not been registered under the Securities Act and these laws and setting out or referring to the restrictions on the transferability and resale of the Interests will be placed on all documents evidencing such Interests;

(ix) such Partner has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in Interests, is able to bear the risk of loss of an investment in such Interests and understands the risks of, and other considerations relating to, a purchase of Interests in the Partnership;

(x) such Partner's overall commitment to the Partnership (if any) and other investments which are not readily marketable is not disproportionate to such Partner's net worth and such Partner has no need for immediate liquidity in such Partner's investment in its Interests in the Partnership;

(xi) such Partner is a "qualified purchaser" within the meaning of Section 2(a)(51)(A) of the Investment Company Act of 1940, as amended (the "**Investment Company Act**")[1];

(xii) either (A)(i) such Partner was not organized for the specific purpose of acquiring securities of the Partner or making indirect commitments to the Partnership, (ii) shareholders, partners or other holders of equity or beneficial interests ("**Participants**") in the Partner are unable to decide individually whether to participate, or the extent of their participation, in such Partner's investment in the Partnership or indirect commitment to the Fund Entities, and (iii) the amount of each Participant's ownership interest in the Partner and indirect commitment to the Fund Entities does not exceed 40% of the total assets (on a consolidated basis with its subsidiaries) of such Participant; or, (B) if any of the foregoing is untrue, then such Partner has notified the General Partner in writing and provided such additional information satisfactory to the General Partner in order to determine that such Partner's admission to the Partnership would not jeopardize the Partnership's exemption from registration under the Investment Company Act;

(xiii) such Partner is an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act; and

(xiv) such Partner has carefully read this Agreement and, to the full satisfaction of such Partner, such Partner has been furnished any materials such Partner has requested relating to the Partnership, the Carry Entities and the Fund Entities and the offering of Interests, has consulted to the extent deemed appropriate by such Partner with such Partner's own advisors as to the financial, tax, legal and related matters concerning an investment in the Partnership and such Partner has been afforded the opportunity to ask questions of representatives of the Partnership concerning the terms and conditions of the offering and to obtain any additional information necessary to verify the accuracy of any representations or information provided to such Partner and to make an informed investment decision with respect to an investment in the Partnership.

The General Partner, upon the advice of counsel, may waive any of the foregoing representations.

(d) All of the representations, warranties and covenants made under this Section 10.10 shall be deemed to be made on a continuing basis during the term of the Partnership and shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

[1] The president, any vice president in charge of a principal business unit, division or function, any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Fund Entities, the Partnership, the General Partner, or an Affiliate thereof.

Each Partner agrees to notify the General Partner promptly upon becoming aware of a breach in any of such Partner's representations, warranties and covenants hereunder or if any of the foregoing ceases to be true.

SECTION 10.11 Division of Property. In the event of a property settlement or separation agreement between a Partner and such Partner's spouse, such Partner agrees that he or she shall use his or her best efforts to retain all of such Partner's Interest and shall reimburse his or her spouse for any Interest such spouse may have in the Partnership out of funds, assets or proceeds separate and distinct from such Partner's Interest. To the extent that such Partner is unable, despite such Partner's exercise of best efforts, to retain all of such Partner's Interest, such Partner shall use his or her best efforts to assign to such Partner's spouse only the right to share in profits and losses, to receive distribution or distributions, and to receive allocation of income, gain, loss, deduction or credit or similar item to which the assigning Partner was entitled, to the extent assigned, with the assigning Partner remaining entitled to exercise all rights and powers of a Partner hereunder; *provided* that any rights granted to the General Partner, as such, hereunder shall be personal to the holder of the Interest to which such rights relate and shall not be transferable with such Interest under any circumstances; and, *provided*, *further*, that any purported assignment shall be a Transfer subject to the provisions of Article VIII of this Agreement. Notwithstanding the foregoing, if a spouse or former spouse of a Partner acquires an Interest as a Partner as a result of any such proposed settlement or separation agreement, such spouse or former spouse hereby grants an irrevocable power of attorney (which shall be coupled with an interest) to the assigning Partner to vote or to give or withhold such approval as such assigning Partner shall himself or herself vote or approve with respect to such matter and without the necessity of the taking of any action by any such spouse or former spouse. Such power of attorney shall not be affected by the subsequent disability or incapacity of the spouse or former spouse granting such power of attorney. Notwithstanding anything to the contrary contained herein, any Interest held by a Partner's former spouse following a property settlement or separation agreement between a Partner and such former spouse shall be automatically deemed a Non-Partner Interest for purposes of this Agreement.

SECTION 10.12 Restrictive Covenants of Terminated Limited Partners. (a) In consideration for being admitted as a Limited Partner hereunder, each Partner hereby agrees that if such Limited Partner's employment (or other status) with the Firm or its Affiliates is terminated for any reason, then without the consent of the General Partner:

(i) *No Disparagement.* Neither such Terminated Limited Partner, nor anyone acting on such Partner's behalf, at such Partner's direction or with such Partner's encouragement, assistance, or knowledge will disparage the Partnership, the other Partners, the Firm or any Affiliate thereof orally or in writing, which includes, but is not limited to, making negative comments about the Partnership, any Partner, the Firm or any Affiliate thereof or such Person's business model, business practices, investment decisions, Affiliates, equityholders, personnel, agents, integrity, fairness, satisfaction of obligations, or overall performance. Such Partner will not participate in any way in the making or publication of any statement that libels, slanders, defames or disparages any such Person. The provisions of this Section 10.12(a)(i) shall not apply to truthful statements in any proceeding to enforce this Agreement or otherwise pursuant to legally compelled testimony (including response to a subpoena or court order).

(ii) *Prohibited Solicitation.* Such Terminated Limited Partner shall not, prior to the 12-month anniversary of its termination, engage in Prohibited Solicitation. For purposes of

this Agreement, "**Prohibited Solicitation**" shall mean, directly or indirectly: (i) any inducement or attempt to induce any member, constituent partner, employee, officer or director (collectively, a "**Resource**") of any Portfolio Company, the Firm or any Affiliate thereof to leave his or her employment with, or to stop providing services to, such Portfolio Company, the Firm or any Affiliate thereof, (ii) any interference in any way with the relationship between a Portfolio Company or the Firm or any Affiliate thereof and any of its respective Resources, or (iii) any hiring or solicitation for hire (other than for the purposes of a Portfolio Company or the Firm or any Affiliate thereof) of any Person who currently is a Resource or was a Resource of a Portfolio Company or the Firm or any Affiliate thereof within one (1) year of such hire or solicitation to commence providing services (for compensation) to an entity that is not the Firm or any Affiliate thereof. Without limitation on the preceding sentence, to the maximum extent permitted by applicable law, in the case of any such Terminated Limited Partner that has become a member, constituent partner, employee, officer or director of any investment fund or firm (other than the Firm or any Affiliate thereof), such Terminated Limited Partner shall be deemed to have engaged in a Prohibited Solicitation (absent evidence clearly establishing that such Terminated Limited Partner has not engaged in a Prohibited Solicitation) if any Resource of the Firm or any Affiliate thereof commences to provide services (for compensation, and not for the purposes of the Firm or any Affiliate thereof) to such investment fund or firm within 12 months of such Terminated Limited Partner's termination.

(iii) *Confidential/Proprietary Information.* Promptly following its termination, a Terminated Limited Partner shall return to the Partnership (or, with the consent of the General Partner, destroy) all physical, electronic, digital or similar embodiments of Partnership, Fund Entity or Portfolio Company confidential or proprietary information within such Terminated Limited Partner's possession or control, excluding only a copy of this Agreement as well as information that the Terminated Limited Partner is entitled to receive or hold: (x) in its capacity as an Assignee; (y) pursuant to a non-Partnership relationship between the Terminated Limited Partner and a Fund Entity or Portfolio Company; or (z) pursuant to the final proviso of Section 10.4(a). In furtherance of the foregoing, promptly following its termination, the Terminated Limited Partner shall meet with a representative of the Partnership for the purpose of transferring to the Partnership access to or control over all relevant third-party digital accounts and systems ("cloud based" or otherwise) that include or contain applicable information.

(b) The obligations of a Partner set forth in this Section 10.12 shall survive the withdrawal of any Partner from the Partnership, any Transfer of a Partner's Interest and the dissolution and termination of the Partnership. Nothing in this Section 10.12 is intended to limit or supersede any other Restrictive Covenant Agreement to which a Limited Partner is subject.

SECTION 10.13 Irreparable Harm. Each of the Partners hereby agrees that a failure to comply with the provisions of Section 10.4 and Section 10.12 of this Agreement would cause irreparable harm to the Partnership, and, therefore, the Partnership shall be entitled to seek an injunction and other equitable relief in the event of any such failure to comply with the provisions of Section 10.4 and Section 10.12. Each Partner agrees that in the event such Partner breaches any of the provisions of Section 10.4 or Section 10.12, the Partnership shall have the right to set-off as appropriate and apply against any damages arising in connection with such breach any amounts otherwise payable to such Partner by the

Partnership or any of its Affiliates (including amounts unrelated to Carried Interest Proceeds or Temporary Investment Proceeds such as returns of capital, profit thereon, dividends and employee compensation).

SECTION 10.14 Powers of Attorney. (a) *Terminated Limited Partners.* Each Partner hereby appoints the Partnership, with full power of substitution, as such Partner's true and lawful representative, attorney-in-fact and agent, in the Partner's name, place and stead to make, execute, sign, acknowledge, swear to, deliver, record and file all certificates, instruments and other documents that the Partnership deems necessary or desirable to accomplish the matters set forth in Section 4.4. This power of attorney is coupled with an interest and is irrevocable and shall survive, and shall not be affected by, the subsequent death, disability, incapacity, incompetency, termination, bankruptcy, insolvency or dissolution of the Partner, or the Partner's withdrawal from the Partnership.

(b) *Pledge; Clawbacks.* To the maximum extent not prohibited by law, each Partner hereby grants to the Partnership a security interest in all accounts receivable and other rights to receive payment from the Partnership or any Affiliate of the Partnership (including, without limitation, amounts unrelated to Carried Interest Proceeds, such as returns of capital, profit thereon, employee compensation and any similar amounts in connection with the Partnership and/or any of their Affiliates) and agrees that, upon the effectiveness of such security interest, the Partnership may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner hereby appoints the Partnership as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or in its own name, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. Such power of attorney shall be deemed a power coupled with an interest and shall not be affected by the subsequent death, Permanent Disability or incapacity of the Partner granting such power of attorney, or the Partner's withdrawal from the Partnership.

(c) *Family Investment Partners*. With respect to any matter herein or under Delaware law requiring a vote or approval of any Family Investment Partner, each Family Investment Partner by its execution and delivery of this Agreement hereby grants an irrevocable power of attorney (which shall be deemed coupled with an interest) to the associated Limited Partner who is an employee of the Firm or its Affiliates to vote or to give or withhold such approval as such associated Limited Partner shall himself or herself vote or approve with respect to such matter and without the necessity of the taking of any action by any such Family Investment Partner. Such power of attorney shall not be affected by the subsequent disability or incapacity of the Family Investment Partner granting such power of attorney.

SECTION 10.15 Severability. Each provision of this Agreement shall be considered severable and if for any reason any provision which is not essential to the effectuation of the basic purposes of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable and contrary to the Act or existing or future applicable law, such invalidity shall not impair the operation of or affect those provisions of this Agreement which are valid. In that case, this Agreement shall be construed so as to limit any term or provision so as to make it enforceable or valid within the requirements of any applicable law, and in the event such term or provision cannot be so limited, this Agreement shall be construed to omit such invalid or unenforceable provisions.

SECTION 10.16 Counsel to the Partnership. Counsel to the Partnership may also be counsel to any Fund GP, any Carry Entity, any Fund Entity and the General Partner. The General Partner may execute on behalf of the Partnership and the Partners any consent to the representation of the

Partnership that counsel may request pursuant to the applicable rules of professional conduct in any jurisdiction ("**Rules**"). The Partnership has initially selected Simpson Thacher & Bartlett LLP (the "**Partnership Counsel**") as legal counsel to the Partnership. Each Limited Partner acknowledges that the Partnership Counsel does not represent any Limited Partner with respect to the Partnership in the absence of a clear and explicit agreement to such effect between the Limited Partner and the Partnership Counsel (and that only to the extent specifically set forth in that agreement), and that in the absence of any such agreement the Partnership Counsel shall owe no duties to a Limited Partner with respect to the Partnership. In the event any dispute or controversy arises between any Limited Partner and the Partnership, or between any Limited Partner or the Partnership, on the one hand, and the General Partner (or an Affiliate thereof) that the Partnership Counsel represents, on the other hand, then each Limited Partner agrees that the Partnership Counsel may represent either the Partnership or the General Partner (or its Affiliate), or both, in any such dispute or controversy to the extent permitted by the Rules, and each Limited Partner hereby consents to such representation. Each Limited Partner further acknowledges that, whether or not the Partnership Counsel has in the past represented such Limited Partner with respect to other matters, the Partnership Counsel has not represented the interests of any Limited Partner in the preparation and negotiation of this Agreement.

SECTION 10.17 Interpretation. Whenever in this Agreement a Person is permitted or required to make a decision (i) in its "sole discretion," "sole and absolute discretion" or "discretion" or under a grant of similar authority or latitude, the Person shall be entitled to consider any interests and factors as it desires, including its own interests, or (ii) in its "good faith" or under another express standard, the Person shall act under such express standard and shall not be subject to any other or different standards imposed by this Agreement or any other agreement contemplated herein or by relevant provisions of law or in equity or otherwise. Notwithstanding any other provision of this Agreement to the contrary, no provision hereof shall be deemed to eliminate a Partner's implied contractual covenant of good faith and fair dealing and no provision of this Agreement shall be deemed to limit or eliminate the liability of any Partner for any act or omission that constitutes a bad faith violation of the implied contractual covenant of good faith and fair dealing. As used throughout this Agreement, references to payments, distributions or other actions to, from or otherwise with respect to, the Carry Entities shall be interpreted as such payment, distribution or other action is made or is otherwise effected through the General Partner.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

GENERAL PARTNER:

Franklin Templeton Enterprise Partners GP, L.L.C.

By: Templeton International, Inc., *its managing member*

By: _____
Name:
Title:

INITIAL LIMITED PARTNER:

Templeton International, Inc.

By: _____
Name:
Title:

LIMITED PARTNER*:

_____

FAMILY INVESTMENT PARTNER*:

_____

* Executed Admission Letter (which serves as counterpart signature page to this Agreement).

Annex A

[*Attached*]

[FORM OF LIMITED PARTNER ADMISSION LETTER]

Franklin Templeton Enterprise Partners, L.P.
One Franklin Parkway
San Mateo, California 94403

[NAME OF LIMITED PARTNER]
[ADDRESS]

Dear Mr./Ms. [NAME]:

Reference is made to the Amended and Restated Limited Partnership Agreement of Franklin Templeton Enterprise Partners, L.P. (the "**Partnership**") dated as of [●], 2026 by and among the partners thereof (as may be amended, supplemented or otherwise modified from time to time, the "**Partnership Agreement**"). All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Partnership Agreement. This letter shall constitute your Admission Letter for purposes of the Partnership Agreement as of the date referred to above.

You are hereby admitted as a Limited Partner of the Partnership, effective as of [●]. In consideration thereof, you agree to be bound by the terms of the Partnership Agreement, a copy of which has been provided to you, and you further agree as follows:

1. Your Carried Interest Sharing Percentage with respect to each Fund Entity shall initially be the percentage set forth below, subject to adjustment as set forth in the Partnership Agreement.

Fund Entity	**Carried Interest Sharing Percentage**

2. [Your Family Investment Partners are as follows: _____][You are a Family Investment Partner associated with the following Partner:_____].

3. The foregoing represents your entire interest in the Partnership as of the date hereof.

4. Any adjustment to your Carried Interest Sharing Percentage with respect to any Fund Entity after the date hereof will be reflected in the books and records of the Partnership, and this Admission Letter may not be restated to reflect such changes.

5. Your grant of the interest in the Partnership pursuant to this letter is intended to be treated as the grant of a "profits interest" for U.S. federal income tax purposes. The General Partner shall adjust future allocations and distributions of the Partnership in accordance with Section 4.2(c) of the Partnership Agreement to give effect to the foregoing intention. The General Partner is authorized to interpret and apply the Partnership Agreement (including the provisions related to allocations and distributions) as it determines to be necessary or appropriate to further such intention.

6. You represent and warrant that you are a "qualified purchaser" within the meaning of Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**") and have checked the box or boxes in Exhibit A hereto that are next to the category or categories under which you qualify as a qualified purchaser. In order to complete the following information, you must read Annexes 1 and 2 hereto for the definition of "investments" and for information regarding the "valuation of investments," respectively. You agree to provide such further information and execute and deliver such documents as the General Partner may reasonably request to verify that you qualify as a "qualified purchaser."

7. You agree that, within 30 days after the date hereof, you will provide the Partnership with a copy of a completed election (which shall have been mailed to the IRS, certified receipt requested) with respect to your Interests under Section 83(b) of the Code, and the regulations promulgated thereunder. You should consult your tax advisor regarding the consequences of a Section 83(b) election, as well as the receipt, vesting, holding and sale of your Interests.

8. This Admission Letter will be governed by and interpreted in accordance with the laws of the State of Delaware applicable to agreements made and to be performed entirely within such State, without regard to principles of conflicts of law.

9. Your signature on this Admission Letter shall serve as your counterpart signature to the Partnership Agreement.

[Remainder of page intentionally left blank]

Kindly acknowledge your agreement by signing and returning a copy of this Admission Letter, whereupon it shall be a binding agreement between us.

Franklin Templeton Enterprise Partners, L.P.

By: Franklin Templeton Enterprise Partners GP, L.L.C., *its general partner*

By: Templeton International, Inc., *its managing member*

By: _____
Name:
Title:

Accepted and agreed:

_____

[NAME OF LIMITED PARTNER]

Exhibit A/Annexes 1 and 2 for QP Form only
Exhibit A

Qualified Purchaser Status

FOR INDIVIDUALS:

☐ (i) A natural person (including any person who holds a joint, community property or other similar shared ownership interest in the Partnership with that person's qualified purchaser spouse) who owns not less than $5,000,000 in "investments".

☐ (ii) A person, acting for its own account or the accounts of other qualified purchasers, who in the aggregate owns and invests on a discretionary basis, not less than $25,000,000 in "investments."

FOR ENTITIES:

☐ (iii) A company, partnership or trust that owns not less than $5,000,000 in "investments" and that is owned directly or indirectly by or for two or more natural persons who are related as siblings or spouse (including former spouses), or direct lineal descendants by birth or adoption, spouses of such persons, the estates of such persons, or foundations, charitable organizations or trusts established by or for the benefit of such persons (a "**Family Company**").

☐ (iv) A trust that is not covered by (i) above as to which the trustee or other person authorized to make decisions with respect to the trust, and each settlor or other person who has contributed assets to the trust, is a person described in clause (i), (iii) or (vi) of this Exhibit A.

☐ (v) An entity, acting for its own account or the accounts of other qualified purchasers, who in the aggregate owns and invests on a discretionary basis, not less than $25,000,000 in "investments."

☐ (vi) A qualified institutional buyer as defined in paragraph (a) of Rule 144A under the Securities Act, acting for its own account, the account of another qualified institutional buyer, or the account of a qualified purchaser; *provided*, that (i) a dealer described in paragraph (a)(1)(ii) of Rule 144A shall own and invest on a discretionary basis at least $25 million in securities of issuers that are not affiliated persons of the dealer; and (ii) a plan referred to in paragraph (a)(1)(i)(D) or (a)(1)(i)(E) of Rule 144A, or a trust fund referred to in paragraph (a)(1)(i)(F) of Rule 144A that holds the assets of such a plan, will not be deemed to be acting for its own account if investment decisions with respect to the plan are made by the beneficiaries of the plan, except with respect to investment decisions made solely by the fiduciary, trustee or sponsor of such plan.

☐ (vii) A company, partnership or trust, each beneficial owner of the securities of which is a qualified purchaser.

Annex 1

DEFINITION OF "INVESTMENTS"

The term "investments" means:

(1) Securities, other than securities of an issuer that controls, is controlled by, or is under common control with, the Investor that owns such securities, unless the issuer of such securities is:

(i) An investment company or a company that would be an investment company but for the exclusions or exemptions provided by the 1940 Act, or a commodity pool;

(ii) A Public Company (as defined below); or

(iii) A company with shareholders' equity of not less than $50 million (determined in accordance with generally accepted accounting principles) as reflected on the company's most recent financial statements; *provided*, that such financial statements present the information as of a date within 16 months preceding the date on which the Investor acquires Interests;

(2) Real estate held for investment purposes;

(3) Commodity Interests (as defined below) held for investment purposes;

(4) Physical Commodities (as defined below) held for investment purposes;

(5) To the extent not securities, Financial Contracts (as defined below) entered into for investment purposes;

(6) In the case of an Investor that is a company that would be an investment company but for the exclusions provided by Section 3(c)(1) or 3(c)(7) of the 1940 Act, or a commodity pool, any amounts payable to such Investor pursuant to a firm agreement or similar binding commitment pursuant to which a person has agreed to acquire an interest in, or make capital contributions to, the Investor upon the demand of the Investor; and

(7) Cash and cash equivalents (including foreign currencies) held for investment purposes.

Real estate that is used by the owner or a Related Person (as defined below) of the owner for personal purposes, or as a place of business, or in connection with the conduct of the trade or business of such owner or a Related Person of the owner, will NOT be considered real estate held for investment purposes; *provided*, that real estate owned by an Investor who is engaged primarily in the business of investing, trading or developing real estate in connection with such business may be deemed to be held for investment purposes. However, residential real estate will not be deemed to be used for personal purposes if deductions with respect to such real estate are not disallowed by Section 280A of the Internal Revenue Code of 1986, as amended.

A Commodity Interest or Physical Commodity owned, or a Financial Contract entered into, by the Investor who is engaged primarily in the business of investing, reinvesting, or trading in Commodity Interests, Physical Commodities or Financial Contracts in connection with such business may be deemed to be held for investment purposes.

"**Commodity Interests**" means commodity futures contracts, options on commodity futures contracts, and options on physical commodities traded on or subject to the rules of:

(i) Any contract market designated for trading such transactions under the U.S. Commodity Exchange Act, as amended (the "**Commodity Exchange Act**") and the rules thereunder; or

(ii) Any board of trade or exchange outside the United States, as contemplated in Part 30 of the rules under the Commodity Exchange Act.

"**Financial Contract**" means any arrangement that:

(i) takes the form of an individually negotiated contract, agreement, or option to buy, sell, lend, swap, or repurchase, or other similar individually negotiated transaction commonly entered into by participants in the financial markets;

(ii) is in respect of securities, commodities, currencies, interest or other rates, other measures of value, or any other financial or economic interest similar in purpose or function to any of the foregoing; and

(iii) is entered into in response to a request from a counterparty for a quotation, or is otherwise entered into and structured to accommodate the objectives of the counterparty to such arrangement.

"**Physical Commodities**" means any physical commodity with respect to which a Commodity Interest is traded on a market specified in the definition of Commodity Interests above.

"**Public Company**" means a company that:

(i) files reports pursuant to Section 13 or 15(d) of the Exchange Act; or

(ii) has a class of securities that are listed on a Designated Offshore Securities Market, as defined by Regulation S of the Securities Act.

"**Related Person**" means a person who is related to the Investor as a sibling, spouse or former spouse, or is a direct lineal descendant or ancestor by birth or adoption of the Investor, or is a spouse of

such descendant or ancestor, provided that, in the case of a Family Company, a Related Person includes any owner of the Family Company and any person who is a Related Person of such an owner. "**Family Company**" means a company, partnership or trust that owns not less than $5,000,000 in investments and that is owned directly or indirectly by or for two or more natural persons who are related as siblings or spouse (including former spouses), or direct lineal descendants by birth or adoption, spouses of such persons, the estates of such persons, or foundations, charitable organizations or trusts established by or for the benefit of such persons.

For purposes of determining the amount of investments owned by a company, there may be included investments owned by majority-owned subsidiaries of the company and investments owned by a company ("**Parent Company**") of which the company is a majority-owned subsidiary, or by a majority-owned subsidiary of the company and other majority-owned subsidiaries of the Parent Company.

In determining whether a natural person is a qualified purchaser, there may be included in the amount of such person's investments any investment held jointly with such person's spouse, or investments in which such person shares with such person's spouse a community property or similar shared ownership interest. In determining whether spouses who are making a joint investment in the Partnership are qualified purchasers, there may be included in the amount of each spouse's investments any investments owned by the other spouse (whether or not such investments are held jointly). There shall be deducted from the amount of any such investments any amounts specified by paragraph 2(a) of Annex 2 incurred by such spouse.

In determining whether a natural person is a qualified purchaser, there may be included in the amount of such person's investments any investments held in an individual retirement account or similar account the investments of which are directed by and held for the benefit of such person.

Annex 2

VALUATION OF INVESTMENTS

The general rule for determining the value of investments in order to ascertain whether a person is a qualified purchaser is that the value of the aggregate amount of investments owned and invested on a discretionary basis by such person shall be their fair market value on the most recent practicable date or their cost. This general rule is subject to the following provisos:

(1) In the case of Commodity Interests, the amount of investments shall be the value of the initial margin or option premium deposited in connection with such Commodity Interests; and

(2) In each case, there shall be deducted from the amount of investments owned by such person the following amounts:

(a) The amount of any outstanding indebtedness incurred to acquire or for the purpose of acquiring the investments owned by such person.

(b) A Family Company, in addition to the amounts specified in paragraph (a) above, shall have deducted from the value of such Family Company's investments any outstanding indebtedness incurred by an owner of the Family Company to acquire such investments.

FRANKLIN TEMPLETON

Franklin Templeton, Inc.

Code of Ethics and Business Conduct



This Code of Ethics and Business Conduct (this "Code") has been adopted by the Board of Directors (the "Board") of Franklin Templeton, Inc. ("Franklin") in connection with its oversight of the management and business affairs of Franklin.

1. **Purpose and Overview**.

(a) *Application*. This Code is applicable to all officers, directors, employees and temporary employees (each, a "Covered Person") of Franklin and all of its United States ("U.S.") and non-U.S. subsidiaries and affiliates, including specialist investment managers ("SIMs") (Franklin and such entities collectively, the "Company" or "Franklin Templeton"). Many subsidiaries, affiliates and/or business units within the Company, including SIMs, have adopted individual policies and procedures on various topics, including topics covered by this Code, that may be different from and, in some cases, more restrictive than, this Code. Covered Persons must know and comply with any such policies and procedures that apply to them. When this Code conflicts with another Company policy or procedure, Covered Persons must comply with the more restrictive provision.

(b) *Purpose*. This Code summarizes the values, principles and business practices that guide the business conduct of the Company and also provides a set of basic principles to guide Covered Persons regarding the minimum ethical requirements expected of them. This Code supplements the Company's existing employee policies, including those specified in applicable U.S. or non-U.S. employee handbooks. All Covered Persons are expected to become familiar with this Code and to apply these principles in the daily performance of their jobs.

This Code is intended to promote each Covered Person's awareness of their responsibilities on a variety of legal and ethical issues and to help each Covered Person determine the appropriate course of action under a variety of circumstances. This Code is not intended to cover every ethical issue that a Covered Person may confront while working or serving for the Company, but it sets out basic principles designed to guide Covered Persons in their conduct.

(c) *Overriding Responsibilities*. It is the responsibility of all Covered Persons to maintain a work environment that fosters fairness, respect and integrity. The Company requires all Covered Persons to conduct themselves in a lawful, honest and ethical manner in all of the Company's business practices. A Covered Person must never compromise these ethics, or even give the appearance that they may have done so.

(d) *Questions*. Covered Persons should contact their supervisor or manager, representatives of Human Resources, their local Legal and Compliance resources, Franklin Templeton's Legal or Regulatory Compliance groups, or the General Counsel of Franklin, for additional guidance or if there is any question about issues discussed in this Code.

(e) *Violations.* If any Covered Person observes possible unethical or illegal conduct, such concerns or complaints should be reported as set forth in Section 16 below.

(f) *Definition of Executive Officer*. For the purposes of this Code, the term "Executive Officer" shall mean those officers, as shall be determined by the Board from time to time, who are subject to the reporting obligations of Section 16(a) of the Securities Exchange Act of 1934, as amended.

(g) *Definition of Director*. For purposes of this Code, the term "Director" shall mean a member of the Board.

(h) *Definition of Government Agency*. For purposes of this Code, the term "Government Agency" includes any U.S. or non-U.S. national, federal, provincial, regional, state, or local government agency, commission or legislative body, or self-regulatory organization, including, by way of representative example only, any securities, financial, employment and labor regulators.

2. **Compliance with Laws, Rules and Regulations**. The Company operates in a highly regulated industry. While a Covered Person is not expected to be an expert on all applicable laws and regulations, each Covered Person is expected to know the laws and regulations well enough to recognize when an issue arises and to seek the advice of their local Legal and Compliance resources for support. All Covered Persons of the Company are required to comply with all of the applicable laws, rules and regulations of the U.S. and other countries, and the states, counties, cities and other jurisdictions, in which the Company conducts its business, although traffic violations and other minor offenses will not be considered violations of this Code. Local laws may in some instances be less restrictive than the principles set forth in this Code. In those situations, Covered Persons should comply with this Code, even if the conduct would otherwise be legal under applicable local laws. On the other hand, if local laws are more restrictive than this Code, Covered Persons should comply with applicable local laws. Further, any provision of this Code that is contrary to law in a particular jurisdiction will have no force or effect in that

jurisdiction solely with respect to such provision(s), although this Code (including any such provision) will remain applicable in all other jurisdictions.

3. **Securities Transactions.**

(a) *Insider Trading*. Material non-public information is often referred to as inside information. Covered Persons must comply with applicable insider trading laws and Company insider trading policies that prohibit Covered Persons from trading securities, or encouraging others to trade securities, or recommending securities, either personally or on behalf of others, while in possession of applicable material non-public information or communicating such material non-public information to others in violation of the law. Securities include common stocks, bonds, options, futures and other financial instruments. Material information includes any information that a reasonable investor would consider important in a decision to buy, hold, or sell securities, or any information that could reasonably be expected to affect the price of such securities. Information about an issuer is non-public if it has not been publicly disclosed or released. In addition, sharing inside information with another person who buys or sells securities is known as "tipping" and is illegal, even if there is no personal pecuniary benefit. Applicable insider trading laws provide substantial civil and criminal penalties for companies and individuals who fail to comply. Insider trading restrictions are described in more detail in applicable Company insider trading policies, various Company employee handbooks and compliance policies. In addition, the Company has implemented trading restrictions to reduce the risk, or appearance, of insider trading.

(b) *Rule 10b5-1(c) Plans*. The Company may permit exemptions from the insider trading policies and procedures described above for transactions in securities issued by Franklin effected pursuant to pre-approved, written trading plans or arrangements complying with Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended. Rule 10b5-1(c) plans or arrangements may not be entered into or modified either during trading blackout periods or when the Covered Person is aware of material, non-public information relating to Franklin or its securities. All such plans or arrangements (and any modification or termination thereof) must be pre-approved by the General Counsel of Franklin (or such person's designee).

(c) *Rumors*. The dissemination of false or misleading information about companies or securities, particularly in volatile or fragile market conditions, can be a damaging form of market abuse, which can affect both the firm concerned as well as general market conditions. It is against the law to start or circulate a rumor (defined as "information that is circulated purporting to be fact but which has not yet been verified") if that rumor is likely to influence the market price of that security or that a reasonable person would expect to have a material effect on the price of a security if it were widely circulated. Starting or disseminating any rumor with the intention of influencing the

price movement of a security is a breach of this Code and may also constitute a violation of securities laws.

(d) *Short Sales.* Covered Persons are prohibited from effecting short sales, including "short sales against the box" of securities issued by Franklin and securities issued by any closed-end fund sponsored or advised by the Company. Also prohibited are economically equivalent transactions, whether in the form of call or put options, swap transactions or other derivative transactions, that would result in a Covered Person having a net short exposure to Franklin or any closed-end fund sponsored or advised by the Company.

(e) *Short-term Trading.* Covered Persons must comply with the Frequent Trading Policy described in the prospectus of each fund in which they invest and must not engage in trading activity that violates that policy. Accordingly, Covered Persons must not engage in any short-term or excessive trading in funds. Violations are subject to discipline, including termination of employment and permanent suspension of such person's ability to purchase shares in any funds.

(f) *Pledged Securities*.

(i) Unless otherwise previously approved by the Company's Compensation Committee, Directors and Executive Officers are prohibited from directly or indirectly pledging, hypothecating or otherwise encumbering securities issued by Franklin as collateral for indebtedness. This prohibition includes, but is not limited to, holding such securities in a margin account that could cause securities issued by Franklin to be subject to a margin call or serve as collateral for a margin loan. Securities issued by Franklin which were not received by the Director or Executive Officer as compensation are not subject to this prohibition, provided that the pledge of such securities does not cause the holder to be out of compliance with applicable Stock Ownership Guidelines.

(ii) If any person has subject securities issued by Franklin pledged as collateral or held in a margin account when such person becomes a Director or Executive Officer, the pledge must be released within one year from the date the person becomes a Director or Executive Officer.

(iii) Any pledged securities under this provision shall remain subject to Franklin's Trading Blackout Policy.

(g) *Questions Regarding Securities Transactions*. All questions regarding insider trading or reports of impropriety in connection with securities transactions should be directed to Franklin Templeton's Regulatory

Compliance group or through the applicable local Legal and Compliance resources. See also Section 16 below.

4. **Conflicts of Interest**.

(a) *Avoidance of Conflicts*. All Covered Persons are required to conduct themselves in a manner and with such ethics and integrity so as to avoid a conflict of interest, either real or apparent.

(b) *Conflict of Interest Defined*. A conflict of interest is any circumstance where an individual's personal interest interferes with the interests of the Company. All Covered Persons have a duty to avoid financial, business or other relationships that might be opposed to the interests of the Company or might cause a conflict with the performance of their duties.

(c) *Potential Conflict Situations*. A conflict can arise when a Covered Person takes actions or has interests that may make it difficult to perform their Company-related work objectively and effectively. Conflicts also may arise when a Covered Person, or a member of their family, receives improper personal benefits as a result of their position in the Company.

(d) *Examples of Potential Conflicts*. Some of the areas where a conflict could arise include:

(i) Employment by a competitor, regardless of the nature of the employment, while employed by the Company.

(ii) Placement of business with any firm or organization in which a Covered Person, or any member of the Covered Person's family, has a substantial ownership interest or management responsibility.

(iii) Making endorsements or testimonials for third parties.

(iv) Processing a transaction on the Covered Person's personal account(s), or their friends' or family members' account(s), through the Company's internal systems without first submitting the transaction request to the Company's Customer Service Center.

(v) Disclosing the Company's confidential information to a third party (other than as permitted in accordance with Section 9 below) without the prior consent of senior management.

(e) *Questions Regarding Conflicts*. All questions regarding conflicts of interest and whether a particular situation constitutes a conflict of interest should be directed to Franklin Templeton's Regulatory Compliance group or through the applicable local Legal and Compliance resources. See also Section 16 below.

5. **Corporate Opportunities**. Covered Persons are prohibited from (i) taking for themselves opportunities that are discovered through the use of Company property, information or position, (ii) using Company property, information or position for personal gain, and/or (iii) competing with the Company. For example, to the extent that a Covered Person learns of an investment opportunity because of their position with the Company, the Covered Person must not disadvantage fund or client accounts by personally taking advantage of the trading opportunity.

6. **Gifts, Entertainment and Contributions**.

(a) *Receipt of Gifts and Entertainment.* The Company's aim is to deter providers of gifts or entertainment from seeking or receiving special favors from Covered Persons in connection with activities performed by or for, or business relationships established with, the Company. The concern is that gifts of more than a nominal value may cause Covered Persons to feel placed in a position of "obligation" and/or give the appearance of a conflict of interest. Covered Persons should not solicit any third party for any gift, gratuity, entertainment or any other item regardless of its value. Covered Persons, including members of their immediate families, may accept or participate in "reasonable entertainment." Covered Persons are encouraged to be guided by their own sense of ethical responsibility, along with any policies or guidelines adopted from time to time by the Company with respect to gifts and entertainment. This Section 6 is not intended to limit Directors who do not also serve in management positions within the Company from accepting compensation, bonuses, fees and other similar consideration paid in the normal course of business as a result of their outside business activity, employment or directorships.

(b) *Anti-Corruption.* All Covered Persons are strictly prohibited from offering or giving gifts, meals or entertainment to business partners or others (including government officials, government employees, certain other government-related entities and persons, and certain family members of the foregoing) in order to improperly influence them. Covered Persons should consult the Company's Anti-Corruption Policy before providing gifts or other items of value, including entertainment and travel, to others and should seek to avoid even the appearance of any impropriety. Covered Persons should be aware that practices that may be acceptable in the commercial business environment (such as providing certain transportation, meals, entertainment and other things of value) may be unacceptable and even illegal when they involve government officials, government employees, certain other government-related entities and persons, or certain family members of the foregoing, or others who act on behalf of government entities or persons. Therefore, Covered Persons are required to comply with the relevant laws and regulations governing relations between government officials, government employees and related entities or persons, on the one hand, and customers and suppliers, on the other hand, in every country where the Company conducts business.

Additional information regarding anti-corruption can be found in the Company's Anti-Corruption Policy. In addition to these responsibilities, Covered Persons should also remember that a number of the Company's subsidiaries, affiliates and/or business units have specific policies and procedures relating to the prevention of money laundering. Covered Persons must know and comply with any such policies and procedures that apply to them.

(c) *Political Contributions.*

(i) Election laws in many jurisdictions generally prohibit political contributions by corporations to candidates. Many local laws also prohibit corporate contributions to local political campaigns. In accordance with these laws, the Company does not make direct contributions to any candidates for federal, state or local offices where applicable laws make such contributions illegal and, in such cases, contributions to political campaigns must not be made with or reimbursed by the Company's funds or resources. The Company's resources include, but are not limited to, the Company's facilities, office supplies, letterhead, computer equipment, telephones and fax machines.

Political contributions by the Company are subject to restriction and require prior approval by designated members of senior management within the Company.

(ii) Employee's personal political contributions also may be restricted by U.S. and non-U.S. federal, state or local election laws. For certain employees associated with U.S.-registered investment advisers, political contributions are highly restricted and require prior approval and reporting. Employees of regulated entities such as investment advisers or broker/dealers should look to their specific policies and procedures and/or ask their relevant local Legal and Compliance resources for further guidance. The Legal and Compliance resources should escalate applicable questions and concerns regarding political contributions to Franklin Templeton's Regulatory Compliance group as necessary.

7. **Outside Employment/Business Activities**.

(a) *Restrictions*. Subject to any applicable departmental or other restrictions, Covered Persons are permitted to engage in outside employment/outside business activity ("Outside Activity") if it is free of any actions that could be considered a conflict of interest in accordance with the Company's applicable requirements, policies and processes. Outside Activity must not adversely affect a Covered Person's job performance at the Company, and Outside Activity must not result in absenteeism, tardiness or a Covered Person's inability to work overtime when requested or required. Covered

Persons may not engage in Outside Activity that requires or involves using Company time, materials, resources, trademarks, intellectual property, or confidential or other proprietary information or data.

(b) *Self-Employment*. For purposes of this Code, Outside Activity includes self-employment.

(c) *Required Approvals*. Due to the fiduciary nature of the Company's business, there may be potential conflicts of interest that could result from a Covered Person's Outside Activity. Employees should look to their local policies and/or ask their relevant Legal and Compliance resources or Human Resources for further guidance prior to entering any Outside Activity.

(d) *Outside Directors Exempt*. This Section 7 is not applicable to Directors who do not also serve in management positions within the Company.

8. **Service as a Director.** Covered Persons who wish to serve as a director or trustee (or in a similar capacity) for a non-affiliated, for-profit, public or private company or entity should consult the Company's Employee Service as an Outside Director Policy. With respect to non-affiliated, for-profit public entities, Covered Persons may not serve as a director, trustee, or in a similar capacity for any for-profit public entity without approval from an appropriate member of Franklin's Executive Committee and the Head or Co-Head of Franklin Templeton's Regulatory Compliance group, or their respective designees. Covered Persons who are interested in serving on a board of directors, as a trustee or in a similar capacity should, in the first instance, consult with their relevant local Legal and Compliance resources and review and comply with other policies that may apply. This Section 8 is not applicable to Directors who do not also serve in management positions within the Company.

9. **Confidential Information Obligations**.

(a) *Confidentiality*. Covered Persons are responsible for maintaining the confidentiality of information entrusted to them as a result of their roles with the Company, except when disclosure is authorized or legally mandated. The sensitive nature of the investment business requires that Covered Persons be continuously aware of the confidential nature of the information to which they may have access.

As a result of employment or service with the Company, a Covered Person may produce, receive, or become acquainted with the confidential information or trade secrets of the Company, information the Company has received from others that the Company is required to treat as confidential, including information concerning the Company's employees, stockholders, clients, customers, business partners, and mutual fund shareholders and other product investors, and other commercially sensitive information the privacy, confidentiality, and secrecy of which is valued by the Company (collectively, "Confidential Information"). Each Covered Person must

comply with all applicable Company policies concerning confidentiality and/or public statements, as they may be amended from time to time.

(b) *What Is Included in Confidential Information*. Confidential Information includes, without limitation, non-public corporate and mutual fund and other product: financial information, including cost and performance data, debt arrangements, equity structure, investors and holdings, purchasing and sales data, and pricing lists or schedules; client and business prospect identities and information (including but not limited to financial advisors and consultants and sales information); marketing strategies and methods; market analyses or projections; products, services, and the pricing for same; business plans, strategies, methods, templates, models, policies and procedures; software, databases, hardware configurations, or other technology or tools created, developed or compiled by the Company; formulas, discoveries, inventions, designs, improvements, concepts and ideas; client, supplier, or other third party confidential and/or proprietary information received in confidence by the Company, and any information that may be subject to non-disclosure or confidentiality agreements between the Company and said parties; any confidential and privileged legal advice given to the Company, which legal privilege belongs to the Company; applicant and employee private or otherwise protected information or data obtained by a Covered Person in connection with the Covered Person's employment or service with the Company, including, but not limited to, personal information contained in applications and resumes submitted to the Company and in Company performance evaluations, and Company termination information and agreements not otherwise available outside of the Company; the Company's internal reporting or organizational structure information and personnel lists; and the Company's compensation structure and formula information (except with respect to a Covered Person's own compensation amount) for any business purpose competitive to the Company.

Nothing herein is intended to prohibit, limit, or dissuade (or create or suggest any understanding of a Covered Person's rights that would prohibit, limit, or dissuade) a Covered Person from engaging in activities protected by applicable law, including under U.S. federal or state law, such as the National Labor Relations Act or under any similar laws in other jurisdictions, for example by communicating with fellow employees or others about their wages, hours, workplace complaints, benefits or other terms of employment.

Confidential Information shall not include information that has become generally available to the public by the act of one who has the right to disclose such information without violating any right or privilege of the Company, the Company's employees, or the Company's business partners, stockholders, clients, mutual fund shareholders or other product investors.

(c) *Disclosure Restrictions*. Except as provided in Section 9(e) below, both during a Covered Person's employment or service with the Company (except where use and/or disclosure is required and authorized in connection with the Covered Person's enumerated job duties to third parties with confidentiality obligations to the Company) and after a Covered Person's employment or service with the Company ends for any reason, a Covered Person must: (i) keep the Confidential Information confidential; (ii) not disclose any Confidential Information to any non-governmental third parties, including without limitation any former Company employees, without the prior consent of senior management; and (iii) not use Confidential Information for the Covered Person's personal benefit or for the benefit of any third party.

(d) *Continuing Obligations*. The obligations under this Code shall: (i) with regard to Confidential Information, remain in effect for so long as such information constitutes Confidential Information as defined in this Code; and (ii) with regard to any trade secret specifically, remain in effect for as long as such information constitutes a trade secret as defined by applicable law.

(e) *Exception For Disclosure to a Government Agency*. Nothing in this Code shall limit or interfere with a Covered Person's right to file a charge or complaint with any Government Agency or ability, without notice to or authorization from the Company, to communicate with any Government Agency for the purpose of reporting a reasonable belief that a possible violation of law has occurred or may occur, or to participate, cooperate, provide information or cause information to be provided (including documents) or testify in any inquiry, investigation, proceeding or action that may be conducted by any Government Agency.

(f) *Responding to Legal Process*. Separately, to the extent a Covered Person receives any subpoena, court order, or other legal process issued in any private litigation or arbitration regarding any matter or action involving the Company, then to the extent permitted by law or regulation, the Covered Person shall, before providing any Confidential Information, give prompt prior written notice to the Company's General Counsel, or to the Covered Person's local Legal and Compliance resources who will then escalate to Franklin Templeton's Legal or Regulatory Compliance groups as necessary in order to provide the Company with a reasonable opportunity to take appropriate steps to protect its Confidential Information to the fullest extent possible.

(g) *Acknowledgments*. Upon request, all Covered Persons of the Company are expected to sign an agreement or acknowledgment regarding the confidentiality terms set forth herein, including from time to time as the Company may amend its confidentiality provisions.

10. **Ownership of Intellectual Property**.

(a) *Company Ownership*. The Company owns all Intellectual Property, as defined below, in all of the works and inventions created or made by a Covered Person at and/or for the Company, whether partial or completed. A Covered Person shall hold on trust for, and is obligated to assign to, the Company all Intellectual Property that does not by operation of law in any specific jurisdiction automatically vest in the Company, in any works or inventions that the Covered Person creates or develops, alone or with others, while working for the Company.

(b) *What Is Included in Intellectual Property*. "Intellectual Property" includes all trademarks and service marks, trade secrets, patents and patent subject matter and inventor rights in the U.S. and foreign countries and related applications. It includes all U.S. and foreign copyrights and subject matter and all other literary property and author rights, whether or not copyrightable. It includes all creations, not limited to inventions, discoveries, developments, works of authorship, ideas and know-how. It does not matter whether or not the Company can protect them by patent, copyright, trade secrets, trade names, trade or service marks or other intellectual property right. It also includes all materials containing any intellectual property. These materials include but are not limited to flash drives and other electronic media storage devices now known or hereafter developed, electronic files, printouts, notebooks, drawings, artwork and other record types, media, or documentation. To the extent applicable, non-trade secret intellectual property constitutes a "work made for hire" owned by the Company.

(c) *Exceptions*. The Company will not be considered to have a proprietary interest in a Covered Person's work product if: (i) the work product is developed entirely on the Covered Person's own time without the use or aid of any Company resources, including without limitation, equipment, supplies, facilities, or Confidential Information; (ii) the work product does not result from the Covered Person's employment with the Company; and (iii) at the time a Covered Person conceives or reduces the creation to practice, it is neither related to the Company's business nor the Company's actual or expected research or development.

(d) *Required Disclosure and Cooperation*. Upon request, a Covered Person must promptly disclose in writing to the Company, including through their local Human Resources or Legal resources, all Intellectual Property conceived or developed while working for the Company. To the extent not otherwise covered by the power of attorney required to be granted to the Company in accordance with Section 10(f) below, if requested, a Covered Person must sign all documents necessary to memorialize the Company's ownership of Intellectual Property under and in accordance with this Code, including, but not limited to, assignments and patent, copyright and trademark applications. A Covered Person must take any other actions

reasonably required by the Company to accomplish the assignment contemplated in this section, and to assist the Company in any registration, perfection, or enforcement of such assigned rights.

(e) *Prior Inventions*. A Covered Person is not conveying any rights to Intellectual Property that the person may have made, conceived, or first reduced to practice before the person's employment or service with the Company of which the person has provided written notice to the Company.

(f) *Acknowledgments, Powers of Attorney and Waiver of Moral Rights*. Upon request, all Covered Persons of the Company are expected to sign an agreement or acknowledgment regarding the intellectual property terms set forth herein, including from time to time as the Company may amend its intellectual property provisions. Upon request, all employees are expected to (i) execute powers of attorney in favor of the Company to have the Company execute on the person's behalf all applications, specifications, oaths, assignments and all other instruments that the Company shall deem necessary in order to apply for them and obtain such rights and in order to assign and convey to the Company and its successors, assigns and nominees sole and exclusive rights, title and interest in and to such Intellectual Property and/or rights relating thereto; and (ii) waive all applicable moral rights under the United Kingdom Copyright, Designs and Patents Act 1988 (and all similar rights in other jurisdictions) that the person has or will have in any existing or future Intellectual Property referred to in this Section 10.

11. **Fair Dealing**. The Company seeks to succeed through superior performance, service, diligence, effort and knowledge, and not through any unfair advantage. Each Covered Person should deal fairly and in good faith with the Company's customers, suppliers, competitors and Covered Persons and not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

12. **Protection and Use of Company Property**. Each Covered Person is responsible for safeguarding the Company's assets and properties under their control. All Covered Persons should ensure that the Company's assets are used for legitimate business purposes. Improper use includes unauthorized personal appropriation or use of the Company's assets, data or resources, including computer equipment, software and information.

13. **Standards of Business Conduct**.

(a) *Respectful Work Environment*. The Company is committed to fostering a work environment in which all individuals are treated fairly and with respect and dignity. Each individual should be permitted to work in a business-like atmosphere that promotes equal employment opportunities.

(b) *Prohibited Conduct*. The following conduct will not be tolerated and any misconduct, whether or not specifically listed below, could result in disciplinary action (including termination) and civil and/or criminal penalties, subject to applicable laws and regulations:

(i) Any act which causes doubt about a Covered Person's integrity, such as the falsifying of Company records and documents, competing in business with the Company, unauthorized use or disclosure of the Company's Confidential Information, or engaging in any criminal conduct.

(ii) Any act which may create a dangerous situation, such as carrying weapons, firearms or explosives on Company premises or surrounding areas, assaulting another individual, or disregarding property and safety standards.

(iii) The use, sale or purchase or attempted use, sale or purchase of alcohol, unless at a Company-sponsored or approved event, or illegal drugs while at work, or reporting to work in a condition not fit for work, such as reporting to work under the influence of alcohol or illegal drugs.

(iv) Insubordination, including refusal to perform a job assignment or to follow a reasonable request from a Covered Person's supervisor or manager, or discourteous conduct toward customers, associates, or supervisors or managers.

(v) Harassment of any form including threats, intimidation, abusive behavior and/or coercion of any other person in the course of doing business.

(vi) Falsification or destruction of any timekeeping record, intentionally clocking in on another Covered Person's attendance or timekeeping record, assisting another Covered Person's tampering with their attendance record or tampering with one's own attendance record.

(vii) Failure to perform work that meets the standards/expectations of the Covered Person's position.

(viii) Excessive unauthorized absenteeism, chronic tardiness, or consecutive absence of three or more days without notification or authorization.

(ix) Any act of dishonesty or falsification of any Company records or documents, including obtaining employment based on false, misleading, or omitted information.

(c) *Disciplinary Action*. A Covered Person or the Company may terminate the employment or service relationship at will, at any time, without cause or

advance notice (except as may be agreed to in writing or required by law). Thus, the Company does not strictly adhere to a progressive disciplinary system in connection with misconduct by a Covered Person given each incident of misconduct may have a different set of circumstances or differ in its severity. The Company will take such disciplinary action as it deems appropriate and commensurate with any misconduct of the Covered Person, including termination of employment.

(d) Covered Persons are also subject to any standards of business conduct of the particular subsidiary, affiliate or business unit in which they work, which may be different from, and more restrictive than, this Code.

14. **Disclosure in Reports and Documents**.

(a) *Filings and Public Materials*. Any Covered Person involved in the preparation or review of materials that are filed or disseminated to the public must use caution to ensure that the information in the materials is truthful and accurate in all material respects. It is important that the Company's filings with Government Agencies are full, fair, accurate, timely and understandable. The Company also makes many filings with Government Agencies on behalf of the funds that its subsidiaries and affiliates manage. Further, the Company prepares mutual fund account statements, client investment performance information, prospectuses and advertising materials that are sent out to its mutual fund shareholders and clients.

(b) *Disclosure and Reporting Policy*. Each Covered Person is responsible for ensuring the accuracy and completeness of any business information, reports and records under their control. The Company's policy is to comply with all disclosure, financial reporting and accounting regulations applicable to the Company. The Company maintains the highest commitment to its disclosure and reporting requirements, and expects all Covered Persons to record information accurately and truthfully in the books and records of the Company.

(c) *Information for Filings*. Depending on their position with the Company, a Covered Person may be called upon to provide necessary information to ensure that the Company's public reports and regulatory filings are full, fair, accurate, timely and understandable. The Company expects all Covered Persons to be diligent in providing accurate information to the inquiries that are made related to the Company's public disclosure requirements.

(d) *Disclosure Controls and Procedures and Internal Control Over Financial Reporting*. Covered Persons are required to cooperate and comply with the Company's disclosure controls and procedures and internal control over financial reporting so that the Company's reports and documents filed with Government Agencies comply in all material respects with applicable laws, rules and regulations, and provide full, fair, accurate, timely and understandable disclosure.

15. **Accountability for Adherence to this Code**.

(a) *Honesty and Integrity*. The Company is committed to upholding ethical standards in all of its corporate and business activities. All Covered Persons are expected to perform their work with honesty, truthfulness and integrity and to comply with the general principles set forth in this Code. Covered Persons are also expected to perform their work with honesty and integrity in any areas not specifically addressed by this Code.

(b) *Disciplinary Actions*. A violation of this Code may result in appropriate disciplinary action including the possible termination from employment with the Company. Nothing in this Code restricts the Company from taking any disciplinary action on any matters pertaining to the conduct of a Covered Person, whether or not expressly set forth in this Code.

(c) *Annual Certifications*. Directors and Executive Officers will be required to certify annually, on a form to be provided by Franklin Templeton's Regulatory Compliance group, that they have received, read and understand this Code and have complied with the requirements of this Code.

(d) *Training and Educational Requirements*.

(i) *Orientation*. New Covered Persons will receive a copy of this Code during the orientation process conducted by representatives of Human Resources or as part of integration activities in connection with Company acquisitions and shall acknowledge that they have received, read and understand this Code and will comply with the requirements of this Code.

(ii) *Continuing Education*. Covered Persons shall be required to complete such additional training and continuing education requirements regarding this Code and matters related to this Code as the Company shall from time to time establish.

16. **Reporting Violations of this Code**.

(a) *Questions and Concerns*. Described in this Code are procedures generally available for addressing ethical issues that may arise. As a general matter, if a Covered Person has any questions or concerns about compliance with this Code, they are encouraged to speak with their supervisor or manager, representatives of Human Resources, Company Ombudsman, their local Legal and Compliance resources, Franklin Templeton's Legal or Regulatory Compliance groups, or the General Counsel of Franklin.

(b) *Compliance and Ethics Hotline*. If a Covered Person does not feel comfortable talking to any of the persons or resources listed above for any reason, they may report an issue or instance of misconduct, including

anonymously, through the applicable Compliance and Ethics Hotline online or by telephone. Contact information for the Company's Compliance and Ethics Hotline is located below and on the Intranet website of the Company and/or individual subsidiaries. If a Covered Person does not feel comfortable stating their name, reports to the Company Compliance and Ethics Hotline may be made anonymously.

Covered Persons and applicable third parties may access https://franklintempleton.ethicspoint.com to report an issue or instance of misconduct online or for available dialing instructions to make a report by telephone.

(c) *Responsibility to Report Violations of this Code and Law*. As part of its commitment to ethical and lawful conduct, the Company strongly encourages Covered Persons to promptly report any suspected violations of this Code or law. Covered Persons have multiple avenues for reporting such matters, including through the Company Ombudsman, their local Legal and Compliance resources, or to Franklin Templeton's Legal or Regulatory Compliance groups.

(d) *Confidentiality and Investigation*. The Company will treat the information set forth in a report of any suspected violation of this Code or law, including the identity of the caller, in a confidential manner and will conduct a prompt and appropriate evaluation and investigation of any matter reported. Covered Persons are expected to cooperate in any investigations of reported violations.

(e) *Protection of Covered Persons*. It is a violation of this Code to retaliate against anyone for reporting to the Company information that such person reasonably and in good faith believes constitutes a violation of this Code or that is otherwise illegal or unethical, or for participating in an investigation of such a report. It is also a violation of this Code to retaliate against anyone who has communicated with any Government Agency in accordance with Section 9€ above. A Covered Person may not be discharged, demoted, suspended, threatened, harassed or in any other manner discriminated against in the terms and conditions of employment on account of having provided the Company with information about, or otherwise assisted the Company in any investigation regarding, any conduct that the Covered Person reasonably and in good faith believes constitutes a violation of this Code or is otherwise illegal or unethical. Equally, a Covered Person may not be discharged, demoted, suspended, threatened, harassed or in any other manner discriminated against in the terms and conditions of employment because the Covered Person communicated with a Government Agency in accordance with Section 9(e) above.

(f) *Accounting/Auditing Complaints*. The law requires that the Company's Audit Committee have in place procedures for the receipt, retention and treatment of complaints concerning accounting, internal accounting controls, or

auditing matters and procedures for Covered Persons to submit their concerns regarding questionable accounting or auditing matters.

Complaints concerning accounting, internal accounting controls or auditing matters will be directed to the attention of the Audit Committee, or the appropriate members of that committee. For direct access to the Company's Audit Committee, please address complaints regarding accounting, internal accounting controls, or auditing matters to:

Audit Committee
Franklin Templeton, Inc.
One Franklin Parkway
San Mateo, California 94403

Complaints or concerns regarding accounting or auditing matters may also be made to the applicable Compliance and Ethics Hotline, in the manner described in Section 16(b) above.

17. **Waivers of this Code**.

(a) *Waivers by Directors and Executive Officers*. Any change in or waiver of this Code for Directors or Executive Officers may be made only by the Board or a committee thereof in the manner described in Section 17(d) below, and any such waiver (including any implicit waiver) shall be promptly disclosed to stockholders of Franklin to the extent required by the applicable laws, rules and regulations of any Government Agency.

(b) *Waivers by Other Covered Persons*. Any requests for waivers of this Code for Covered Persons other than Directors and Executive Officers may be made to Franklin Templeton's Regulatory Compliance group in the manner described in Section 17(e) below.

(c) *Definition of Waiver*. For the purposes of this Code, the term "waiver" shall mean a material departure from a provision of this Code. An "implicit waiver" shall mean the failure of the Company to take action within a reasonable period of time regarding a material departure from a provision of this Code that has been made known to an Executive Officer.

(d) *Manner for Requesting Director and Executive Officer Waivers*.

(i) *Request and Criteria*. If a Director or Executive Officer wishes to request a waiver of this Code, the Director or Executive Officer may submit to Franklin Templeton's Regulatory Compliance group a written request for a waiver of this Code only if they can demonstrate that such a waiver:

(A) is necessary to alleviate undue hardship or in view of unforeseen circumstances or is otherwise appropriate under all the relevant facts and circumstances;

(B) will not be inconsistent with the purposes and objectives of this Code;

(C) will not adversely affect the interests of clients of the Company or the interests of the Company; and

(D) will not result in a transaction or conduct that would violate provisions of applicable laws or regulations.

(ii) *Discretionary Waiver and Response*. Franklin Templeton's Regulatory Compliance group will forward the waiver request to the Board or a committee thereof for consideration. Any decision to grant a waiver from this Code shall be at the sole and absolute discretion of the Board or committee thereof, as appropriate. The Secretary of Franklin will advise Franklin Templeton's Regulatory Compliance group in writing of the Board's decision regarding the waiver, including the grounds for granting or denying the waiver request. Franklin Templeton's Regulatory Compliance group shall promptly advise the Director or Executive Officer in writing of the Board's decision.

(e) *Manner for Requesting Other Covered Person Waivers*.

(i) *Request and Criteria*. If a Covered Person who is a non-Director and non-Executive Officer wishes to request a waiver of this Code, the Covered Person may submit to Franklin Templeton's Regulatory Compliance group a written request for a waiver of this Code only if they can demonstrate that such a waiver would satisfy the same criteria set forth in Section 17(d).

(ii) *Discretionary Waiver and Response*. The Head or Co-Head of Franklin Templeton's Regulatory Compliance group (or their designee) shall, after appropriate consultation with the applicable business unit head, forward the waiver request to the General Counsel of Franklin for consideration. The decision to grant a waiver request shall be at the sole and absolute discretion of the General Counsel of Franklin. The General Counsel will advise Franklin Templeton's Regulatory Compliance group in writing of their decision regarding the waiver, including the grounds for granting or denying the waiver request. Franklin Templeton's Regulatory Compliance group shall promptly advise the Covered Person in writing of the General Counsel's decision.

18. **Internal Usage**. This Code is intended solely for the internal usage by the Company and does not constitute an admission, by or on behalf of the Company, as to any fact, circumstance, or legal conclusion.

19. **Other Policies and Procedures**. The following nonexclusive list of policies and procedures adopted by the Company or entities within the Company provide additional requirements that, depending upon the specific terms of such policies and procedures and the applicable subsidiary, affiliate or business unit involved, may apply to a Covered Person:

- Franklin Templeton Anti-Corruption Policy
- Franklin Templeton Anti-Fraud and Fraud Reporting and Investigations Policy
- Franklin Templeton Global Human Rights Policy
- Franklin Templeton Trading Blackout Policy
- Franklin Templeton Corporate Policy on Public and Media Communications
- Franklin Templeton Employee Service as an Outside Director Policy
- Franklin Templeton Global Social Media Policy
- Franklin Templeton Outside Employment/Business Activities Policy and Procedures
- Franklin Templeton Personal Investments and Insider Trading Policy

In addition, individual subsidiaries, affiliates and business units within the Company, including SIMs, may have their own applicable policies with which their respective employees are required to comply.

Effective August 17, 2026.

FRANKLIN TEMPLETON, INC.

TRADING BLACKOUT POLICY

Effective August 17, 2026

Overview and Purpose

This Trading Blackout Policy (this "Policy") has been adopted by the Board of Directors ("Board") of Franklin Templeton, Inc. (the "Company") and addresses the implementation of trading blackout periods (as described below) in the Company's securities (including, common stock, debt, options and other related derivative securities) for officers, directors and other designated employees.

Covered Persons

This Policy is applicable to all designated executive officers, directors, employees and temporary employees of the Company and its subsidiaries and affiliates (each, a "Covered Person"). The Company shall maintain a list of Covered Persons subject to this Policy. Covered Persons shall receive a notice that they are subject to this Policy when they are added to the list. Covered Persons shall receive reminder notices via email at the beginning and end of all blackout periods.

Covered Accounts and Transactions

The following types of accounts and transactions are covered by this Policy:

- Direct or Indirect Beneficial Ownership. This Policy covers securities accounts and transactions in which a Covered Person has a direct or indirect beneficial ownership interest. A Covered Person is deemed have "beneficial ownership" of a security if such person, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares a direct or indirect economic interest in the security. There is a presumption that a Covered Person has an economic interest in Company securities held or acquired by an immediate family member sharing the same household. Therefore, a transaction in Company securities by or for the account of a Covered Person's immediate family member sharing the same household is treated as though the transaction was conducted by the Covered Person. A person's "immediate family member" includes such person's spouse, parents, children, siblings, stepparents, stepchildren, mothers- and fathers-in-law, sons- and daughters-in-law, and brothers- and sisters-in-law.
- Economic Interest and Investment Control. This Policy covers transactions for an account in which a Covered Person has an economic interest *and* has or shares investment control. For example, if a Covered Person invests in a corporation that invests in Company securities and the Covered Person has or shares control over that corporation's investments, that corporation's transactions in Company securities would generally be treated as though they were conducted by the Covered Person.
- Control. This Policy covers transactions by immediate family members not sharing the same household as a Covered Person, but whose transactions in Company securities are directed by the Covered Person or subject to the Covered Person's influence or control (such as parents or children who consult the Covered Person before trading). This Policy

also covers transactions where a Covered Person does not have an economic interest (for example, the Company securities are held by a partnership, corporation, trust or similar entity), but the Covered Person either has control of such entity, or has or shares control over investment decisions of the entity. For example, a transaction of a trust or foundation of which a Covered Person is the trustee in which the Covered Person does not have an economic interest (i.e., the Covered Person is not the settlor or beneficiary) is treated as though the transaction was conducted by the Covered Person if the Covered Person had voting or investment control of the trust's assets or had or shared control over the trust's investments at the time of the transaction.

Blackout Periods

Quarterly Earnings Blackout Periods. Unless otherwise specified herein, for a period commencing approximately seven (7) calendar days before the end of each fiscal quarter and ending on the second (2nd) trading day after the announcement of earnings for the quarter (the "Quarterly Blackout Period"), no trading will be permitted in the Company's securities by any Covered Person. If public disclosure occurs on a trading day during the period when the markets are open, then such date of disclosure shall not be considered the first trading day with respect to such public disclosure. A Quarterly Blackout Period may be expanded from time to time as may be determined by the Company's Legal Department.

Other Potentially Material Information. On occasion, the Company may issue potentially material information by means of a press release, filing with the Securities and Exchange Commission (the "SEC"), posting on its website or other means designated to achieve widespread dissemination of information. Covered Persons should anticipate that trading may be blacked out while the Company is in the process of assembling the information to be released and until the information has been released and fully absorbed by the market. Persons subject to such blackout periods will be notified when these periods are instituted and terminated.

Event-Specific Blackout Periods. The Company reserves the right to impose trading blackout periods from time to time when, in the judgment of the Company, a blackout period is warranted. A blackout period may be imposed for any reason, including the Company's involvement in a material transaction or the anticipated issuance of material public announcements. The existence of an event-specific blackout period may not be announced, or may be announced only to those who are aware of the transaction or event giving rise to the event-specific blackout period. Persons made aware of the existence of an event-specific blackout period should not disclose the existence of such blackout period to any other person. Persons subject to event-specific blackout periods will be notified when these periods are instituted and terminated.

Transactions

Prohibited Transactions. The following is a nonexclusive list of transactions involving Company securities that are prohibited by this Policy during a blackout period, unless otherwise specified:

- Buying or selling Company securities in the open market or through a broker.
- Exercise of stock options where all or a portion of the acquired stock is sold during the blackout period. This includes any sale of stock as part of a broker-assisted cashless exercise of an option, including a sale for the purpose of generating the cash needed to pay the exercise price of an option. Accordingly, Covered Persons are responsible for

paying the exercise price payable in connection with such exercise, and any and all taxes recognized upon exercise, from their own funds.

- Switching existing balances into or out of the Company's 401(k) Retirement Plan or other benefit plans or changing salary deferral or investment elections, with respect to Company securities.
- Selling Company stock purchased pursuant to the Company's benefit plans and making elections to participate in the Company's benefit plans for any enrollment period. For example, a Covered Person may not elect to participate in a plan or withdraw from a plan if such Covered Person is otherwise prohibited from trading in the Company's securities.

Hardship Exception

Specific exceptions may be made, with proper pre-approval, for a Covered Person who has an unexpected and urgent need to sell Company securities in order to generate cash if such individual does not possess material nonpublic information (as defined in the Company's Insider Trading Compliance Policy and Procedures), and the exception would not otherwise contravene the law or the purposes of this Policy. All hardship requests must be made in writing to and may only be granted by the General Counsel or the Corporate Secretary in the Company's Legal Department (or their authorized designees) and must specify the circumstances of the hardship and the amount and nature of the proposed trade. In addition, the Covered Person seeking the exception must certify in writing that he or she is not aware of material nonpublic information concerning the Company. Approval for a proposed hardship transaction will remain valid until the close of the business day following the day pre-clearance is granted, but may be extended, shortened or rescinded depending on the circumstances. Hardship exceptions are expected to be granted infrequently.

Permitted Transactions. The following is a nonexclusive list of transactions that do *not* fall under the coverage of this Policy and are therefore permissible and do not require pre-approval even during blackout periods:

- Transactions pursuant to a pre-approved, written trading plan or arrangements complying with Rule 10b5-1(c) under the Securities and Exchange Act of 1934, as amended, provided that such plans may not be entered into, amended or modified during a blackout period.
- Sales of common stock to the Company to pay taxes due in connection with the vesting of restricted stock and restricted stock unit awards, provided that such sales are reported to the Company's Audit Committee.
- Exercise of stock options where no Company stock is sold in the market to fund the option exercise and where all exercised shares continue to be held by the option holder.
- Making regular contributions to the Company's 401(k) plan or other benefit plans pursuant to elections made at the time of enrollment in the plans.
- Gifts of Company stock to charitable organizations or family members, provided that no consideration is received from the recipient and there is no reason to believe that the recipient intends to sell the securities during the current blackout period.

If you are uncertain whether a particular transaction is permitted under this Policy, please contact the Corporate Secretary in the Company's Legal Department.

Company-Imposed Sanctions

The failure to comply with this Policy may subject Covered Persons to Company-imposed sanctions, including dismissal for cause, whether or not the failure to comply results in a violation of law.

Insider Trading Policy

EVEN AT TIMES THAT DO NOT FALL WITHIN ANY SPECIFIED BLACKOUT PERIOD, ANY PERSON POSSESSING MATERIAL NONPUBLIC INFORMATION CONCERNING THE COMPANY SHOULD NOT ENGAGE IN ANY TRANSACTIONS IN COMPANY SECURITIES. ALL DIRECTORS AND EMPLOYEES ARE SUBJECT TO THE COMPANY'S GENERAL INSIDER TRADING COMPLIANCE POLICY AND PROCEDURES, AND CODE OF ETHICS AND BUSINESS CONDUCT, WHICH AMONG OTHER THINGS, PROHIBIT TRADING IN COMPANY SECURITIES WHEN IN POSSESSION OF MATERIAL NONPUBLIC INFORMATION.

EXHIBIT 21

FRANKLIN RESOURCES, INC.
LIST OF SUBSIDIARIES*
(as of September 30, 2026)

Name**	State or Jurisdiction of Incorporation or Organization
AdvisorEngine Inc.	Delaware
AdvisorEngine Portfolio Solutions Inc.	Delaware
Benefit Street Partners, LLC	Delaware
Benji Staking, LLC	Delaware
BSP Agency, LLC	Delaware
BSP CLO Management LLC	Delaware
Clarion Partners (Deutschland) Europe GmbH	Germany
Clarion Partners EMEA Limited	United Kingdom
Clarion Partners Europe Limited	Jersey
Clarion Partners Europe (UK) Limited	United Kingdom
Clarion Partners Holdings LLC	Delaware
Clarion Partners, LLC	New York
Clarion Partners Securities, LLC	Delaware
Clarion REIM South America Holdings, LLC	Delaware
Clarion REIM South America Invsetimentos Imobiliarios Ltda	Brazil
ClearBridge Investments Limited	Australia
ClearBridge Investments (North America) Pty Limited	Australia
CP Industrial Management, LLC	Delaware
CP Intermediate Holdco, Inc.	Delaware
FCIP GP Inc.	Canada
FCIP SLP, LP	Canada
Fiduciary International Holding, Inc.	New York
Fiduciary Trust Company International	New York
Fiduciary Trust Company International of Pennsylvania	Pennsylvania
Fiduciary Trust Company of Canada	Canada
Fiduciary Trust International, LLC	Delaware
Fiduciary Trust International of California	California
Fiduciary Trust International of Delaware	Delaware
Fiduciary Trust International of the South	Florida
Franklin Advisers GP, LLC	Delaware
Franklin Advisers, Inc.	California
Franklin Advisory Services, LLC	Delaware
Franklin BSP Capital Adviser L.L.C	Delaware
Franklin BSP Lending Adviser, L.L.C.	Delaware
Franklin BSP Private Markets Fund GP S.à r.l.	Luxembourg
Franklin Digital Lending GP, LLC	Delaware
Franklin Distributors, LLC	Delaware
Franklin Holdings, LLC	Delaware
Franklin Lexington Private Markets Fund GP S.à r.l.	Luxembourg
Franklin Managed Options Strategies, LLC	Delaware

Name**	State or Jurisdiction of Incorporation or Organization
Franklin Mutual Advisers, LLC	Delaware
Franklin SystematiQ Advisers, LLC	Delaware
Franklin Templeton Alternative Investments (India) Private Limited	India
Franklin Templeton Asset Management (IFSC) Private Limited	India
Franklin Templeton Asset Management (India) Private Limited	India
Franklin Templeton Asset Management (Malaysia) Sdn. Bhd.	Malaysia
Franklin Templeton Asset Management Mexico, S.A. de C.V., Sociedad Operadora de Fondos de Inversion	Mexico
Franklin Templeton Asset Management FE LLC	Uzbekistan
Franklin Templeton Austria GmbH	Austria
Franklin Templeton (Australia) Holdings Pty Ltd	Australia
Franklin Templeton Australia Limited	Australia
Franklin Templeton Blockchain Fund II GP, LLC	Cayman Islands
Franklin Templeton Blockchain GP, LLC	Delaware
Franklin Templeton Capital Holdings Private Limited	Singapore
Franklin Templeton Chile SpA. V.	Chile
Franklin Templeton Companies, LLC	Delaware
Franklin Templeton Financial Company	Kingdom of Saudi Arabia
Franklin Templeton Fund Adviser, LLC	Delaware
Franklin Templeton Fund Management Limited	United Kingdom
Franklin Templeton Global Investors Limited	United Kingdom
Franklin Templeton GSC Asset Management Sdn. Bhd.	Malaysia
Franklin Templeton Holding (Cayman) Ltd.	Cayman Islands
Franklin Templeton Holding Limited	Mauritius
Franklin Templeton International Services (India) Private Limited	India
Franklin Templeton International Services S.à r.l.	Luxembourg
Franklin Templeton Investímentos (Brasil) Ltda.	Brazil
Franklin Templeton Investment Advisors Korea Co., Ltd.	South Korea
Franklin Templeton Investment Management Limited	United Kingdom
Franklin Templeton Investment Services Mexico S. de R.L.	Mexico
Franklin Templeton Investments (Asia) Limited	Hong Kong
Franklin Templeton Investments Corp.	Canada
Franklin Templeton Investments (ME) Limited	U.A.E.
Franklin Templeton Investments Poland sp. z o.o.	Poland
Franklin Templeton Investments South Africa (Pty) Ltd	South Africa
Franklin Templeton Investor Services, LLC	Delaware
Franklin Templeton Luxembourg S.A.	Luxembourg
Franklin Templeton Magyarorszag Kft.	Hungary
Franklin Templeton Overseas Investment Fund Management (Shanghai) Co., Limited	China
Franklin Templeton Private Fund Management (Shanghai) Co., Limited	China
Franklin Templeton Private Portfolio Group, LLC	Delaware
Franklin Templeton Services, LLC	Delaware
Franklin Templeton Services (India) Private Limited	India
Franklin Templeton Servicios de Consultoría México, S. de R.L. de C.V.	Mexico
Franklin Templeton Slovakia, s.r.o.	Slovakia

Name**	State or Jurisdiction of Incorporation or Organization
Franklin Templeton Social Infrastructure GP, S.à r.l.	Luxembourg
Franklin Templeton Strategic Investments Ltd.	Cayman Islands
Franklin Templeton Switzerland Ltd.	Switzerland
Franklin Templeton Trustee Services Private Limited	India
Franklin Templeton Turkey Advisory Services A.S.	Turkey
Franklin Templeton UK Property Limited	United Kingdom
Franklin Templeton Uruguay S.A.	Uruguay
Franklin Templeton Value Add Social Infrastructure GP, S.à r.l	Luxembourg
Franklin Venture Partners, LLC	Delaware
Franklin Venture Partners (Talos Cayman GP), LLC	Delaware
FT Alternatives Partners GP LLC	Delaware
FT Alternatives Partners L.P.	Delaware
FT FinTech Holdings, LLC	Delaware
FTC Investor Services Inc.	Canada
FTCI (Cayman) Ltd.	Cayman Islands
Goldberry Wealth GmbH	Germany
Legg Mason Australia Holdings Pty Limited	Australia
Legg Mason & Co., LLC	Maryland
Legg Mason, Inc.	Maryland
Legg Mason Royce Holdings, LLC	Delaware
Lexington Partners L.P.	Delaware
LM (BVI) Limited	British Virgin Islands
LM Holdings 2 Limited	United Kingdom
LM International Holding LP	Cayman Islands
O'Shaughnessy Asset Management, L.L.C.	Delaware
Putnam Advisory Holdings II, LLC	Delaware
Putnam Advisory Holdings, LLC	Delaware
Putnam Capital, L.L.C.	Delaware
Putnam Fiduciary Trust Company, LLC	New Hampshire
Putnam International Distributors, Ltd.	Cayman Islands
Putnam Investment Holdings, LLC	Delaware
Putnam Investment Management, LLC	Delaware
Putnam Investments Australia Pty Limited	Australia
Putnam Investments Canada ULC	Canada
Putnam Investments Limited	United Kingdom
Putnam Investor Services, Inc.	Massachusetts
Putnam U.S. Holdings I, LLC	Delaware
Random Forest Capital, LLC	California
Royce & Associates GP, LLC	Delaware
Royce & Associates, LP	Delaware
Royce Fund Services, LLC	New York
Savings Investments, LLC	Delaware
Templeton Asset Management Ltd.	Singapore
Templeton Asset Management (Poland) TFI S.A.	Poland

Name**	State or Jurisdiction of Incorporation or Organization
Templeton do Brasil Ltda.	Brazil
Templeton Global Advisors Limited	The Bahamas
Templeton Global Holdings Ltd.	The Bahamas
Templeton Hana Asset Management Co., Ltd.	South Korea
Templeton International, Inc.	Delaware
Templeton Investment Counsel, LLC	Delaware
Templeton Restructured Investments, L.L.C.	Delaware
Templeton Turkey Fund GP Ltd.	Cayman Islands
Templeton Turkey Fund GP S.à r.l.	Luxembourg
Templeton Worldwide, Inc.	Delaware
The Putnam Advisory Company, LLC	Delaware
Western Asset Management (Brazil) Holdings Limitada	Brazil
Western Asset Management (Cayman) Holdings Limited	Cayman Islands
Western Asset Management Company Limitada	Brazil
Western Asset Management Company Limited	United Kingdom
Western Asset Management Company, LLC	California
Western Asset Management Company Pte. Ltd.	Singapore
Western Asset Management Company Pty Ltd	Australia
37 Capital Bluescale General Partner, LLC	Delaware
37 Capital General Partner, LLC	Delaware
37 Capital Private Mortgage II General Partner, LLC	Delaware
37 Capital Structured Credit General Partner, LLC	Delaware

* Certain subsidiaries have been omitted because, when considered in the aggregate, they do not constitute a significant subsidiary.

** Our subsidiaries currently do business principally under their respective corporate names except as follows:

- some of our subsidiaries may use the names Franklin Templeton, Franklin Templeton International and Templeton Worldwide;
- Fiduciary Trust Company of Canada may use the names Fiduciary Trust Canada and Franklin Templeton Multi-Asset Solutions in various Canadian jurisdictions;
- Franklin Templeton Investments Corp. may use the names Franklin Templeton Canada, Franklin Templeton Investments Canada, Franklin Bissett Investment Management, Franklin Templeton Investments and Franklin Templeton Institutional in various Canadian jurisdictions;
- Legg Mason, Inc. may use the name Legg Mason Global Asset Management; and
- Royce & Associates, LP may use the name Royce Investment Partners.

EXHIBIT 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-280632 and 333-284711) and Form S-8 (Nos. 333-293168, 333-173905, 333-143402, 333-128691, 333-103869, 333-100801, 333-89517, 333-83377, 333-70035, 333-57682, 333-48171, 333-240145, 333-249336, 333-254488, 333-261101 and 333-278153) of Franklin Templeton, Inc. of our report dated November 9, 2026 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
San Francisco, California
November 9, 2026

EXHIBIT 31.1

CERTIFICATION

I, Jennifer M. Johnson, certify that:

1. I have reviewed this annual report on Form 10-K of Franklin Templeton, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2026

/s/ Jennifer M. Johnson

Jennifer M. Johnson

Chief Executive Officer (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Matthew Nicholls, certify that:

1. I have reviewed this annual report on Form 10-K of Franklin Templeton, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2026

/s/ Matthew Nicholls

Matthew Nicholls

Co-President, Chief Financial Officer and Chief Operating Officer (Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002 (FURNISHED HEREWITH)

I, Jennifer M. Johnson, Chief Executive Officer of Franklin Templeton, Inc. (the "Company"), certify, as of the date hereof and solely for purposes of and pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Annual Report on Form 10-K of the Company for the fiscal year ended September 30, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Dated: November 9, 2026

/s/ Jennifer M. Johnson

Jennifer M. Johnson

Chief Executive Officer (Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002 (FURNISHED HEREWITH)

I, Matthew Nicholls, Co-President, Chief Financial Officer and Chief Operating Officer of Franklin Templeton, Inc. (the "Company"), certify, as of the date hereof and solely for purposes of and pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Annual Report on Form 10-K of the Company for the fiscal year ended September 30, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Dated: November 9, 2026

/s/ Matthew Nicholls

Matthew Nicholls

Co-President, Chief Financial Officer and Chief Operating Officer (Principal Financial Officer)

Franklin Templeton, Inc.
Executive Compensation Clawback Policy
Effective August 17, 2026

I. Purpose

The Board of Directors (the **"Board"**) of Franklin Templeton, Inc. (formerly Franklin Resources, Inc.) (the **"Corporation"**) has adopted this executive compensation clawback policy (this **"Policy"**) that provides for the recoupment of incentive-based compensation in the event of an accounting restatement. This Policy is intended to comply with Section 10D of the Securities Exchange Act of 1934 (as amended, the **"Act"**), the rules promulgated thereunder by the Securities and Exchange Commission (the **"SEC"**), and the listing standards of the New York Stock Exchange (collectively, the **"Applicable Rules"**), and will be interpreted consistent therewith.

II. Applicability and Effective Date

This Policy is initially effective October 1, 2023, or such later date as may be required by the Applicable Rules (the **"Effective Date"**), and is applicable to all Incentive-Based Compensation (as defined below) received by Covered Officers (as defined below) after the Effective Date. This Policy will be administered by the Board or, if so designated by the Board, the Compensation Committee of the Board (the **"Committee"**), in which case references to the Board will be deemed to be references to the Committee. Any determination made by the Board under this Policy will be final and binding on all affected individuals.

III. Clawback

A. Clawback Trigger and Repayment/Forfeiture Requirement

In the event the Corporation is required to prepare an Accounting Restatement (as defined below), any Covered Officer who received Excess Compensation (as defined below) during the Look-Back Period (as defined below) shall be required to repay or forfeit to the Corporation such Excess Compensation reasonably promptly. For purposes of this Policy: Incentive-Based Compensation and Excess Compensation are deemed **"received"** during the fiscal year during which the applicable Financial Reporting Measure upon which the grant or payment is based in whole or in part, is achieved, even if the grant or payment occurs after the end of such period. Compensation received by a Covered Officer from any direct or indirect subsidiary of the Corporation shall, for purposes of this Policy only, be deemed to have been paid by the Corporation and will be subject to this Policy on the same basis as if it had actually been paid by the Corporation.

B. No-Fault Application; No Indemnification

Recovery of Excess Compensation under this Policy is on a "no fault" basis, meaning that it will occur regardless of whether the Covered Officer engaged in misconduct or was otherwise directly or indirectly responsible, in whole or in part, for the Accounting Restatement. No Covered Officer may be indemnified by the Corporation, or any of its affiliates, from losses arising from the application of this Policy, and the Corporation shall not enter into any agreement that exempts any Incentive-Based Compensation from the application of this Policy or that waives the Corporation's right to recovery of any Excess Compensation and this Policy shall supersede any such agreement (whether entered into before, on or after the Effective Date).

C. Conditions for Non-Recovery

The Committee may determine that repayment of Excess Compensation (or a portion thereof) is not required under this Policy only where it determines that recovery would be impracticable in one of the following circumstances: (i) the direct expense that would be payable to a third party to assist in enforcing this Policy would exceed the amount to be recovered, provided the Corporation has (A) made a reasonable attempt to recover such Incentive-Based Compensation, (B) documented such reasonable attempt, and (C) provided such documentation to the New York Stock Exchange; (ii) recovery would violate home country law where the law was adopted prior to November 28, 2022, provided the Corporation has (A) obtained an opinion of home country counsel acceptable to the New York Stock Exchange that recovery would result in such violation and (B) provided such opinion to the New York Stock Exchange; or (iii) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Corporation, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and the regulations thereunder.

IV. Definitions

For purposes of this Policy, the following definitions will apply:

"Accounting Restatement" means an accounting restatement due to the material noncompliance of the Corporation with any financial reporting requirement under securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that corrects an error that is not material to previously issued financial statements but would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

Changes to financial statements that do not constitute an Accounting Restatement include retroactive: (i) application of a change from one generally accepted accounting principle to another generally accepted accounting principle; (ii) revisions to reportable segment information due to a change in internal organization; (iii) reclassification due to a discontinued operation; (iv) application of a change in reporting entity, such as from a reorganization of entities under common control; (v) adjustments to provisional amounts in connection with a prior business combination; and (vi) revisions for stock splits, reverse stock splits, stock dividends, or other changes in capital structure.

"Covered Officer" means an individual who is, or was during the Look-Back Period, an executive officer of the Corporation within the meaning of Rule 10D-1(d) under the Act.

"Excess Compensation" means any amount of Incentive-Based Compensation received by a Covered Officer during the Look-Back Period and after commencement of service as a Covered Officer that exceeds the amount of Incentive-Based Compensation that otherwise would have been received by the Covered Officer during such period had the achievement of the applicable performance metrics been determined based on the performance set forth in the Accounting Restatement, computed without regard to any taxes paid. For Incentive-Based Compensation based on (or derived from) stock price or total stockholder return, where the amount to be recovered is not subject to mathematical recalculation directly from information in the Accounting Restatement, the amount to be recovered shall be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total stockholder return, as applicable, and the Corporation shall retain documentation of the determination of such estimate and provide such documentation to the New York Stock Exchange if so required by the Applicable Rules.

"Financial Reporting Measures" means measures that are determined and presented in accordance with the accounting principles used in preparing the Corporation's financial statements, and all other measures that are derived wholly or in part from such measures. Stock price and total shareholder return (and any measures that are derived wholly or in part from stock price or total shareholder return) shall for purposes of this Policy be considered Financial Reporting Measures. A Financial Reporting Measure need not be presented in the Corporation's financial statements or included in a filing with the SEC.

"Incentive-Based Compensation" means any compensation that is granted, earned or vested based wholly or in part on the achievement of a Financial Reporting Measure. Compensation that does not constitute Incentive-Based Compensation includes, without limitation, (i) equity incentive awards for which the grant is not contingent upon achieving (or determined based on the achievement of) any performance goal(s) based on a Financial Reporting Measure and that vest exclusively upon completion of a specified employment period, without any performance condition, (ii) discretionary bonus awards that are not paid from a bonus pool that is determined based on any Financial Reporting Measure, and (iii) bonus awards that are based on subjective goals or goals unrelated to Financial Reporting Measures and that are not paid from a bonus pool that is determined based on any Financial Reporting Measure.

"Look-Back Period" means, with respect to any Accounting Restatement, the three completed fiscal years of the Corporation immediately preceding the Restatement Date and any transition period (that results from a change in the Corporation's fiscal year) of less than nine months within or immediately following those three completed fiscal years.

"Restatement Date" means the earlier to occur of (i) the date the Board, a committee of the Board or the officers of the Corporation authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Corporation is required to prepare an Accounting Restatement, or (ii) the date a court, regulator or other legally authorized body directs the Corporation to prepare an Accounting Restatement.

V. Administration

The Board shall have discretion to determine the appropriate means of recovery of any amounts due under this Policy, which may include payment from the Covered Officer, recovery over time, the reduction of future pay and/or awards, and/or any other method which the Board determines is advisable to achieve reasonably prompt recovery of such amounts. At the direction of the Board, the Corporation shall take all actions reasonable and appropriate to recover amounts due under this Policy from any applicable Covered Officer, and such individual shall be required to reimburse the Corporation for any and all expenses reasonably incurred (including legal fees) by the Corporation in recovering such Incentive-Based Compensation in accordance with this Policy.

This Policy will be enforced and, if applicable, appropriate proxy and other disclosures and exhibit filings will be made in accordance with the Applicable Rules.

The Board will have the authority to (i) exercise all of the powers granted to it under this Policy, (ii) construe, interpret, and implement this Policy, (iii) correct any defect, supply any omission and reconcile any inconsistency in this Policy, and (iv) make all determinations necessary or advisable in administering this Policy.

VI. Amendment and Termination

The Board may amend this Policy from time to time, in its discretion, and shall amend this Policy as it deems necessary, including to reflect changes in applicable law. The Board may terminate this Policy at any time. Any such amendment (or provision thereof) or termination shall not be effective if such amendment or termination would (after taking into account any actions taken by the Corporation contemporaneously with such amendment or termination) cause the Corporation to violate the Applicable Rules.

In the event of any conflict or inconsistency between this Policy and any other policies, plans, or other materials of the Corporation (including any agreement between the Corporation and any Covered Officer subject to this Policy), this Policy will govern, and all applicable policies, plans, or other materials of the Corporation setting forth the terms and conditions of any compensation covered by this Policy shall be deemed to include the restrictions imposed herein and incorporate this Policy by reference. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Corporation under applicable law, regulation or rule, or pursuant to the terms of any similar provision or term in any employment agreement, equity award agreement, or similar agreement, or any other clawback or similar policy of the Corporation or in connection with any other legal remedies available to the Corporation.

This Policy will be deemed to be automatically updated to incorporate any requirement of law, the SEC, exchange listing standard, rule or regulation applicable to the Corporation.

* * *

Appendix A

Franklin Templeton, Inc.
Executive Compensation Clawback Policy

ACKNOWLEDGMENT

The undersigned acknowledges and agrees that the undersigned (i) is, and will be, subject to the Executive Compensation Clawback Policy (the **"Policy"**) to which this acknowledgement is appended, (ii) will abide by the terms of the Policy, including by returning Excess Compensation, pursuant to whatever method the Board determines is advisable to achieve reasonably prompt recovery of such amounts, as prescribed under the Policy, and (iii) understands that the Policy applies to all Incentive-Based Compensation that is received on or after the Effective Date, regardless of the date on which the award agreement or other document setting forth the terms and conditions of such compensation became effective.

Capitalized terms used but not defined have the meanings set forth in the Policy.

_____
Print Name

_____
Signature

Date: _____