

PUTNAM CONVERTIBLE SECURITIES FUND  
Form PRE 14A  
November 27, 2013

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 14A  
(RULE 14A-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a)  
of the Securities Exchange Act of 1934

Filed by the Registrant / X /

Filed by a Party other than the Registrant / /

**Check the appropriate box:**

- / X / Preliminary Proxy Statement.
- / / Confidential, for use of the Commission Only (as permitted by Rule 14a-6(e) (2)).
- / / Definitive Proxy Statement.
- / / Definitive Additional Materials.
- / / Soliciting Material under § 240.14a-12.

**PUTNAM AMERICAN GOVERNMENT INCOME FUND  
PUTNAM ARIZONA TAX EXEMPT INCOME FUND  
PUTNAM ASSET ALLOCATION FUNDS  
PUTNAM CALIFORNIA TAX EXEMPT INCOME FUND  
PUTNAM CONVERTIBLE SECURITIES FUND  
PUTNAM DIVERSIFIED INCOME TRUST  
PUTNAM EQUITY INCOME FUND  
PUTNAM EUROPE EQUITY FUND  
THE PUTNAM FUND FOR GROWTH AND INCOME  
PUTNAM FUNDS TRUST**

**THE GEORGE PUTNAM FUND OF BOSTON (d/b/a GEORGE PUTNAM BALANCED  
FUND)**

**PUTNAM GLOBAL EQUITY FUND**  
**PUTNAM GLOBAL HEALTH CARE FUND**  
**PUTNAM GLOBAL INCOME TRUST**  
**PUTNAM GLOBAL NATURAL RESOURCES FUND**  
**PUTNAM GLOBAL UTILITIES FUND**  
**PUTNAM HIGH INCOME SECURITIES FUND**  
**PUTNAM HIGH YIELD ADVANTAGE FUND**  
**PUTNAM HIGH YIELD TRUST**

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**PUTNAM INCOME FUND**  
**PUTNAM INTERNATIONAL EQUITY FUND**  
**PUTNAM INVESTMENT FUNDS**  
**PUTNAM INVESTORS FUND**  
**PUTNAM MANAGED MUNICIPAL INCOME TRUST**  
**PUTNAM MASSACHUSETTS TAX EXEMPT INCOME FUND**  
**PUTNAM MASTER INTERMEDIATE INCOME TRUST**  
**PUTNAM MUNICIPAL OPPORTUNITIES TRUST**  
**PUTNAM MICHIGAN TAX EXEMPT INCOME FUND**  
**PUTNAM MINNESOTA TAX EXEMPT INCOME FUND**  
**PUTNAM MONEY MARKET FUND**  
**PUTNAM MULTI-CAP GROWTH FUND**  
**PUTNAM MUNICIPAL OPPORTUNITIES TRUST**  
**PUTNAM NEW JERSEY TAX EXEMPT INCOME FUND**  
**PUTNAM NEW YORK TAX EXEMPT INCOME FUND**  
**PUTNAM OHIO TAX EXEMPT INCOME FUND**  
**PUTNAM PENNSYLVANIA TAX EXEMPT INCOME FUND**  
**PUTNAM PREMIER INCOME TRUST**  
**PUTNAM RETIREMENTREADY FUNDS**  
**PUTNAM TAX EXEMPT INCOME FUND**  
**PUTNAM TAX EXEMPT MONEY MARKET FUND**  
**PUTNAM TAX-FREE INCOME TRUST**  
**PUTNAM U.S. GOVERNMENT INCOME TRUST**  
**PUTNAM VARIABLE TRUST**  
**PUTNAM VOYAGER FUND**

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement,

if Other Than the Registrant)

**Payment of Filing Fee (Check the appropriate box):**

/ No fee required.

/ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

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/ Fee paid previously with preliminary materials.

/ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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## **A message from Putnam Investments and the Trustees of the Putnam funds**

A few minutes of your time now can help save time and expenses later.

**Dear Fellow Shareholder:**

We are asking for your vote on important matters affecting your investment in the Putnam funds. The Putnam funds will hold a special shareholder meeting on February 27, 2014 in Boston, Massachusetts. We are asking you  and all shareholders  to consider and vote on the important matters described below.

You may conveniently vote by:

**Visiting** the website listed on the proxy card.

**Calling** by telephone, using the toll-free number listed on the proxy card.

**Mailing** the enclosed proxy card  be sure to sign, date, and return the card in the enclosed postage-paid envelope.

Of course, you are also welcome to attend the special shareholder meeting on February 27, 2014 and vote your shares in person.

**The Trustees of the Putnam funds unanimously recommend that you vote FOR all proposals described below.**

**1. Approving new management contracts.** Shareholders of all Putnam funds, including your fund, are being asked to approve a new management contract with Putnam Investment Management, LLC (Putnam Management), your fund's investment adviser. The proposed new management contract is identical (except for its effective date and initial term) to your fund's current management contract with Putnam Management.

On October 8, 2013, The Honourable Paul G. Desmarais, who was the controlling shareholder of Power Corporation of Canada, Putnam Management's ultimate parent company, passed away. Upon his death, voting control of the shares of Power Corporation of Canada that Mr. Desmarais controlled was transferred to a family trust. (See pages [ ] to [ ] for further details.) The transfer of voting control of these shares may have constituted an assignment of the management contract between Putnam Management and your fund, resulting in its automatic termination as required by law. The transfer of voting control will not have any practical impact on the operations of Putnam Management or your fund. You are being asked to approve a new management contract for your fund to ensure that Putnam Management is able to continue to manage your fund.

**2. Electing Trustees.** Shareholders of all open-end Putnam funds are being asked to elect Trustees at the upcoming special meeting. (Shareholders of the closed-end Putnam funds will be asked to elect Trustees at their 2014 annual meeting, expected to be held in April 2014.) Although Trustees do not manage fund portfolios, they play an important role in protecting shareholders. Trustees are responsible for approving the fees paid to your fund's investment adviser and its affiliates, reviewing overall fund expenses, selecting the fund's auditors, monitoring conflicts of interest, overseeing the fund's compliance with federal securities laws, and voting proxies for the fund's portfolio securities. All but one of your fund's Trustees currently is independent of the fund and Putnam Management.

**3. Approving an Amended and Restated Declaration of Trust.** Shareholders of all open-end Putnam funds are being asked to authorize the Trustees to adopt a single form of Amended and Restated Declaration of Trust for each Trust. The open-end Putnam funds operate under thirty-eight distinct

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declarations of trust, which were created at different times in the past and differ from each other in several ways. The Amended and Restated Declaration of Trust will benefit the affected funds by harmonizing the terms of these governing documents, eliminating the inefficiencies inherent in operating under a variety of declarations of trust, allowing increased flexibility in the management of your fund, modernizing and streamlining governance provisions, reducing the risks and costs of potential litigation and eliminating certain ambiguities and inconsistencies.

**4. Other Matters.** Shareholders of three funds are being asked to approve changes to certain investment policies designed to conform their operations with those of other Putnam funds.

Detailed information regarding these proposals may be found in the enclosed proxy statement.

**Please vote today**

We encourage you to sign and return your proxy card today or, alternatively, online or by telephone using the voting control number that appears on your proxy card. Delaying your vote will increase fund expenses if further mailings are required. Your shares will be voted on your behalf exactly as you have instructed. **If you sign the proxy card without specifying your vote, your shares will be voted in accordance with the Trustees' recommendations.**

Your vote is extremely important. If you have questions, please call toll-free [[ ]] or contact your financial advisor.

We appreciate your participation and prompt response, and thank you for investing in the Putnam funds.

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**PROXY CARD(S) ENCLOSED**

If you have any questions, please call toll-free [ ] or call your financial advisor.

**Important Notice Regarding the Availability of Proxy Materials for the Special Shareholder Meeting to be Held on February 27, 2014.**

The proxy statement is available at [https:// ]

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## **Notice of a Special Meeting of Shareholders**

To the Shareholders of:

**PUTNAM AMERICAN GOVERNMENT INCOME FUND**

**PUTNAM ARIZONA TAX EXEMPT INCOME FUND**

**PUTNAM ASSET ALLOCATION FUNDS**

PUTNAM DYNAMIC ASSET ALLOCATION

BALANCED FUND

PUTNAM DYNAMIC ASSET ALLOCATION

CONSERVATIVE FUND

PUTNAM DYNAMIC ASSET ALLOCATION GROWTH FUND

**PUTNAM CALIFORNIA TAX EXEMPT INCOME FUND**

**PUTNAM CONVERTIBLE SECURITIES FUND**

**PUTNAM DIVERSIFIED INCOME TRUST**

**PUTNAM EQUITY INCOME FUND**

**PUTNAM EUROPE EQUITY FUND**

**THE PUTNAM FUND FOR GROWTH AND INCOME**

**PUTNAM FUNDS TRUST**

PUTNAM ABSOLUTE RETURN 100 FUND

PUTNAM ABSOLUTE RETURN 300 FUND

PUTNAM ABSOLUTE RETURN 500 FUND

PUTNAM ABSOLUTE RETURN 700 FUND

PUTNAM ASIA PACIFIC EQUITY FUND

PUTNAM CAPITAL SPECTRUM FUND

PUTNAM DYNAMIC ASSET ALLOCATION EQUITY FUND

PUTNAM DYNAMIC RISK ALLOCATION FUND

PUTNAM EMERGING MARKETS EQUITY FUND

PUTNAM EMERGING MARKETS INCOME FUND

PUTNAM EQUITY SPECTRUM FUND

PUTNAM FLOATING RATE INCOME FUND

PUTNAM GLOBAL CONSUMER FUND

PUTNAM GLOBAL DIVIDEND FUND

PUTNAM GLOBAL ENERGY FUND

PUTNAM GLOBAL FINANCIALS FUND

PUTNAM GLOBAL INDUSTRIALS FUND

PUTNAM GLOBAL SECTOR FUND

PUTNAM GLOBAL TECHNOLOGY FUND

PUTNAM GLOBAL TELECOMMUNICATIONS FUND

PUTNAM INTERMEDIATE-TERM MUNICIPAL INCOME FUND

PUTNAM INTERNATIONAL VALUE FUND

PUTNAM LOW VOLATILITY EQUITY FUND

PUTNAM MONEY MARKET LIQUIDITY FUND

PUTNAM MULTI-CAP CORE FUND

PUTNAM RETIREMENT INCOME FUND LIFESTYLE 2

PUTNAM RETIREMENT INCOME FUND LIFESTYLE 3

PUTNAM SHORT DURATION INCOME FUND

PUTNAM SHORT TERM INVESTMENT FUND

PUTNAM SHORT-TERM MUNICIPAL INCOME FUND

PUTNAM SMALL CAP GROWTH FUND

PUTNAM STRATEGIC VOLATILITY EQUITY FUND

**THE GEORGE PUTNAM FUND OF BOSTON (d/b/a GEORGE**

**PUTNAM BALANCED FUND)**

**PUTNAM GLOBAL EQUITY FUND**  
**PUTNAM GLOBAL HEALTH CARE FUND**  
**PUTNAM GLOBAL INCOME TRUST**  
**PUTNAM GLOBAL NATURAL RESOURCES FUND**  
**PUTNAM GLOBAL UTILITIES FUND**  
**PUTNAM HIGH INCOME SECURITIES FUND\***  
**PUTNAM HIGH YIELD ADVANTAGE FUND**  
**PUTNAM HIGH YIELD TRUST**  
**PUTNAM INCOME FUND**  
**PUTNAM INTERNATIONAL EQUITY FUND**  
**PUTNAM INVESTMENT FUNDS**  
PUTNAM CAPITAL OPPORTUNITIES FUND  
PUTNAM GROWTH OPPORTUNITIES FUND  
PUTNAM INTERNATIONAL CAPITAL  
OPPORTUNITIES FUND  
PUTNAM INTERNATIONAL GROWTH FUND  
PUTNAM MULTI-CAP VALUE FUND  
PUTNAM RESEARCH FUND  
PUTNAM SMALL CAP VALUE FUND  
**PUTNAM INVESTORS FUND**  
**PUTNAM MANAGED MUNICIPAL INCOME TRUST\***  
**PUTNAM MASSACHUSETTS TAX EXEMPT INCOME FUND**  
**PUTNAM MASTER INTERMEDIATE INCOME TRUST\***  
**PUTNAM MUNICIPAL OPPORTUNITIES TRUST\***  
**PUTNAM MICHIGAN TAX EXEMPT INCOME FUND**  
**PUTNAM MINNESOTA TAX EXEMPT INCOME FUND**  
**PUTNAM MONEY MARKET FUND**  
**PUTNAM MULTI-CAP GROWTH FUND**  
**PUTNAM NEW JERSEY TAX EXEMPT INCOME FUND**  
**PUTNAM NEW YORK TAX EXEMPT INCOME FUND**  
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**PUTNAM TAX-FREE INCOME TRUST**  
PUTNAM AMT-FREE MUNICIPAL FUND  
PUTNAM TAX-FREE HIGH YIELD FUND  
**PUTNAM U.S. GOVERNMENT INCOME TRUST**  
**PUTNAM VARIABLE TRUST**

PUTNAM VT ABSOLUTE RETURN 500 FUND  
 PUTNAM VT AMERICAN GOVERNMENT INCOME FUND

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PUTNAM VT CAPITAL OPPORTUNITIES FUND  
 PUTNAM VT DIVERSIFIED INCOME FUND  
 PUTNAM VT EQUITY INCOME FUND  
 PUTNAM VT GEORGE PUTNAM BALANCED FUND  
 PUTNAM VT GLOBAL ASSET ALLOCATION FUND  
 PUTNAM VT GLOBAL EQUITY FUND  
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 PUTNAM VT GLOBAL UTILITIES FUND  
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 PUTNAM VT GROWTH OPPORTUNITIES FUND  
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 PUTNAM VT MULTI-CAP VALUE FUND  
 PUTNAM VT RESEARCH FUND  
 PUTNAM VT SMALL CAP VALUE FUND  
 PUTNAM VT VOYAGER FUND  
**PUTNAM VOYAGER FUND**

**\* Denotes closed-end funds; all other funds are open-end funds This is the formal agenda for your fund's special shareholder meeting. It tells you what proposals will be voted on and the time and place of the special meeting, in the event you attend in person.**

A special meeting of Shareholders of your fund will be held on February 27, 2014 at 11:00 a.m., Boston time, at the principal offices of the funds, One Post Office Square, Boston, Massachusetts 02109, to consider the following proposals, in each case as applicable to the particular funds listed in the table below:

<b>Proposal</b>	<b>Proposal Description</b>	<b>Affected Funds</b>
1.	Approving a proposed new management contract for your fund	All funds
2.	Electing Trustees	All open-end funds
3.	Approving an Amended and Restated Declaration of Trust for your fund	All open-end funds

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- |       |   |  |
|-------|---|--|
| 4.    | Approving an amendment to a fundamental investment restriction with respect to investments in commodities | Putnam Dynamic Asset Allocation Conservative Fund            |
| <hr/> |   |  |
| 5.    | Approving a change in fundamental investment policy with respect to diversification of investments        | Putnam Global Consumer Fund<br>Putnam Global Financials Fund |
- 

By Michael J. Higgins, Clerk, and by the Trustees

Jameson A. Baxter, Chair

Liaquat Ahamed  
Ravi Akhoury  
Barbara M. Baumann  
Charles B. Curtis  
Robert J. Darretta  
Katinka Domotorffy  
John A. Hill  
Paul L. Joskow  
Kenneth R. Leibler  
Robert E. Patterson  
George Putnam, III  
Robert L. Reynolds  
W. Thomas Stephens

**In order for you to be represented at your fund's special shareholder meeting, we urge you to record your voting instructions over the Internet or by telephone or to mark, sign, date, and mail the enclosed proxy card(s) in the postage-paid envelope provided.**

December 23, 2013

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## Proxy Statement

**This document gives you the information you need to vote on the proposals. Much of the information is required under rules of the Securities and Exchange Commission; some of it is technical. If there is anything you don't understand, please call our proxy information line at \_\_\_\_\_ or call your financial advisor.**

### **Why has a special meeting of shareholders been called?**

The 1940 Act, which regulates investment companies such as your fund, requires management contracts to terminate automatically upon an "assignment" of the contract, which includes a "change of control" affecting an investment company's investment adviser. Until his death on October 8, 2013, The Honourable Paul G. Desmarais, directly and through holding companies controlled by him, controlled a majority of the voting shares of Power Corporation of Canada, the ultimate parent company of Putnam Management, your fund's investment adviser. Upon Mr. Desmarais' death, voting control over Power Corporation of Canada shares was transferred to The Desmarais Family Residuary Trust. Throughout this proxy statement, this transfer of voting control of Power Corporation of

Canada shares is referred to as the "Transfer." Because Putnam Management is indirectly controlled by Power Corporation of Canada, the Transfer may have resulted in a change of control of Putnam Management and an assignment of your fund's management contract within the meaning of the Investment Company Act of 1940, as amended (the "1940 Act"). This means that, even though the Transfer will not have any impact on the operations of Putnam Management, it is possible that your fund's management contract with Putnam Management terminated automatically upon the Transfer. To eliminate any ambiguity as to the effectiveness of your fund's management contract, a special meeting of shareholders has been called so that shareholders may approve a new management contract with Putnam Management to allow Putnam Management to continue as your fund's investment adviser.

**Will the Transfer affect Putnam Management?**

The Transfer will not have any effect on Putnam Management or your fund.

**Does the proposed new management contract differ from your fund's current management contract?**

The proposed new management contract is identical to your fund's current management contract, except for its effective date and initial term and other non-substantive changes. There will be no change in the services that your fund will receive or to the fees and costs that your fund will bear.

**What other proposals are being presented to shareholders at the special meeting?**

In addition to being asked to approve a new management contract with Putnam Management, you are being asked to vote for the election of trustees and to authorize the Trustees to adopt an Amended and Restated Declaration of Trust for your fund. Shareholders of Putnam Dynamic Asset Allocation Conservative Fund are also being asked to approve an amendment to that fund's fundamental investment restriction with respect to commodities, and shareholders of Putnam Global Consumer Fund and Putnam Global Financials Fund are also being asked to approve an amendment to those funds' fundamental investment policies with respect to diversification of investments.

**Who is asking for your vote?**

The enclosed proxy is solicited by the Trustees of the Putnam funds for use at the special meeting of shareholders of each fund to be held on Thursday, February 27, 2014 and, if your fund's meeting is adjourned, at any later meetings, for the purposes stated in the Notice of a Special Meeting (see previous pages). The Notice of a Special Meeting, the proxy card and this proxy statement are being mailed beginning on or about December 23, 2013.

**How do your fund's Trustees recommend that shareholders vote on the proposals?**

The Trustees unanimously recommend that you vote **FOR** each proposal.

Please see the table beginning on page [ ] for a list of the affected funds for each proposal.

**Who is eligible to vote?**

Shareholders of record of each fund at the close of business on Monday, December 2, 2013 (the "Record Date") are entitled to be present and to vote at the special meeting or any adjournment.

The number of shares of each fund outstanding on the Record Date is shown in **Appendix A**. Each share is entitled to one vote, with fractional shares voting proportionately. Shares represented by your duly executed proxy card will be voted in accordance with your instructions. If you sign and return the proxy card but don't fill in a vote, your shares will be voted in accordance with the Trustees' recommendations. If any other business comes before your fund's special meeting, your shares will be voted at the discretion of the persons designated on the proxy card.

Shareholders of each fund vote separately with respect to the proposal to approve a new management contract and the proposed changes in investment policies. Shareholders of all series of a trust vote together with respect to the other proposals. The name of each trust is indicated in bold in the Notice of a Special Meeting of Shareholders, with the funds that are series of that trust appearing below its name. The outcome of a vote affecting one fund does not affect any other fund, except where series of a trust vote together as a single class. No proposal is contingent upon the outcome of any other proposal.

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## The Proposals

### 1. APPROVING A NEW MANAGEMENT CONTRACT FOR YOUR FUND

#### Background Information

Putnam Management, your fund's investment adviser, is majority owned (indirectly through other companies) by Power Corporation of Canada, a diversified international management and holding company with interests in companies in the financial services, communications and other business sectors. Until his death on October 8, 2013, The Honourable Paul G. Desmarais controlled a majority of the voting shares of Power Corporation of Canada, directly and through holding companies that he controlled.

Since 1996, Mr. Desmarais' two sons, Paul Desmarais, Jr. and André Desmarais, have managed the day-to-day affairs of Power Corporation of Canada, serving as Chairman and Co-Chief Executive Officer and President and Co-Chief Executive Officer, respectively. Until his death, The Honourable Paul G. Desmarais served as Director of Power Corporation of Canada and Chairman of the Executive Committee of the Board of Directors. He also served as Director of Power Financial Corporation, a majority-owned subsidiary of Power Corporation of Canada, and continued to exercise voting control over a majority of the voting shares of Power Corporation of Canada. However, he did not participate actively in the management or affairs of Putnam Investments, LLC, the parent company of Putnam Management ("Putnam Investments"). Paul Desmarais, Jr. and André Desmarais, in addition to their executive roles at Power Corporation of Canada, are active members of the Boards of Directors of numerous subsidiaries of Power Corporation of Canada, including Putnam Investments.

Following Mr. Desmarais' death, voting control of the shares of Power Corporation of Canada that he owned directly and controlled indirectly was transferred to The Desmarais Family Residuary Trust, a trust established pursuant to the Last Will and Testament of The Honourable Paul G. Desmarais. (This transfer of voting control of Power Corporation of Canada shares is referred to as the "Transfer" throughout this proxy statement.) There are five trustees of The Desmarais Family Residuary Trust, consisting of Mr. Desmarais' two sons, Paul Desmarais, Jr. and André Desmarais, his widow, Jacqueline Desmarais, and Guy Fortin and Michel Plessis-Bélair. The family member trustees (or the family member successor trustees) effectively determine how the shares of Power Corporation of Canada owned or controlled by The Desmarais Family Residuary Trust will be voted.

The Transfer has not impacted the ownership of any of the companies owned, directly or indirectly, by Power Corporation of Canada. As indicated in the accompanying chart, Power Corporation of Canada continues to own a majority of the voting shares of Power Financial Corporation, which in turn owns a majority of the voting shares of Great-West Lifeco Inc. All of the voting shares of Putnam Investments are owned by Great-West Lifeco Inc. Putnam Investments, through a series of wholly-owned holding companies, is the sole owner of Putnam Management. The address of The Desmarais Family Residuary Trust is 759 Victoria Square, Montreal, Quebec H2Y 2J7. The address of Power Corporation of Canada and Power Financial Corporation is 751 Victoria Square, Montreal, Quebec H2Y 2J3. The address of Great-West Lifeco Inc. is 100 Osborne Street North, Winnipeg, Manitoba, R3C 3A5. The address of Putnam Investments and Putnam Management is One Post Office Square, Boston, Massachusetts 02109.

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Representatives of Power Corporation of Canada, Power Financial Corporation, and Great-West Lifeco have confirmed that the Transfer will not impact Putnam Investments' operations. Paul Desmarais, Jr. and André Desmarais, who as trustees of The Desmarais Family Residuary Trust determine how to vote the shares of Power Corporation of Canada that are controlled by the trust, continue to serve as Co-Chief Executive Officers of Power

Corporation of Canada and as Directors of Putnam Investments. In these roles, they will continue to oversee the operations and affairs of Power Corporation of Canada and its subsidiary companies, including Putnam Investments. Putnam Investments will continue to operate as a separate business unit within the Power Corporation of Canada group of companies, overseen by its separate Board of Directors, and will retain its existing management team. There are no current plans to make any changes to the operations of the funds as a result of the Transfer. In particular, the funds have been advised that there are no current plans to make changes with respect to existing management fees, expense limitations, distribution arrangements, or the quality of any services provided to the funds or their shareholders as a result of the Transfer. In addition, the Putnam brand, Putnam Investments' current business strategy and Putnam Management's investment management philosophy will not change as a result of the Transfer and there will not be any disruption or change for fund shareholders or the Putnam organization.

Although the Transfer is unrelated to, and will not have any impact on, the operations of Putnam Management and your fund, it is possible that the Transfer, as a technical matter under the 1940 Act, constitutes a "change of control" of Putnam Management. Under the 1940 Act, which regulates investment companies such as the Putnam funds, investment advisory contracts are required to terminate automatically when there is a change of control of the investment adviser. Fund shareholders must then approve new investment advisory contracts so that the fund may continue to receive advisory services.

### **The Interim Management Contracts**

Each of the Putnam funds' management contracts with Putnam Management terminates automatically in the event of an "assignment." In light of the possibility that the Transfer constituted a change of control of Putnam Management and therefore an assignment of your fund's management contract, Putnam Management is currently providing services to your fund under an interim management contract.

Rule 15a-4 under the 1940 Act allows an investment company to enter into an interim management contract with a maximum term of 150 days without first obtaining shareholder approval, so that the investment company may receive investment management services without interruption following an assignment of a previous management contract. Shortly after Mr. Desmarais' death, the Putnam funds' Board of Trustees met in person on October 18, 2013 and approved interim management contracts for each of the Putnam funds, effective as of October 8, 2013. Consistent with the 1940 Act and Rule 15a-4 thereunder, each interim management contract will continue in effect until the earlier to occur of (i) approval by a "majority of the outstanding voting securities," as defined in the 1940 Act, of a new management contract and (ii) March 7, 2014, which is the 150th day after October 8, 2013, unless the Securities and Exchange Commission or its staff permit the contract to remain in effect for a longer period. Each fund's interim management contract is identical to the contract it replaced, except for its date and the provisions regarding the term of the contract and for certain non-substantive changes.

### **The Proposed New Management Contract; Comparison with your Fund's Prior Management Contract**

To eliminate any ambiguity as to the status of your fund's management contract, the Trustees have concluded that it is in the best interests of your fund's shareholders to call a special meeting so that shareholders may approve a new management contract with Putnam Management and Putnam Management can continue as your fund's investment adviser. At an in-person meeting on November 21 and 22, 2013, the Trustees unanimously approved, and recommend to the shareholders of each fund that they approve, a new management contract between each fund and Putnam Management. The form of the proposed new management contract for your fund is attached at **Appendix B**. You should refer to **Appendix B** for the complete terms of your fund's proposed management contract.

The terms of the proposed new management contract (described generally below) are identical to those of the previous management contract except for the effective dates and initial term and for certain non-substantive changes. The date of each fund's previous management contract, the date on which it was last submitted to a vote of shareholders, and the purpose of the submission is set forth in **Appendix C**.

**Fees.** There is no change in the rate of the fees that the funds will pay Putnam Management under the proposed new management contracts. The current fee schedule for investment management services and administrative services for each fund is set forth in **Appendix D**. The actual fees paid by some funds are subject to expense limitations, which are unaffected by the Transfer.

**Investment Management Services.** The proposed new management contract for your fund provides that Putnam Management will furnish continuously an investment program for the fund, determining what investments to purchase, hold, sell or exchange and what portion of the fund's assets will be held uninvested, in compliance with the fund's governing documents, investment objectives, policies and restrictions, and subject to the oversight and control of the Trustees. As indicated above, Putnam Management's responsibilities under the proposed new management contract are identical to those under both the previous management contract and the current interim management contract.

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Putnam Management is authorized under the proposed new management contract to place orders for the purchase and sale of portfolio investments for your fund with brokers or dealers that Putnam Management selects. Putnam Management must select brokers and dealers, and place orders, using its best efforts to obtain for the funds the most favorable price and execution available, except that Putnam Management may pay higher brokerage commissions if it determines in good faith that the commission is reasonable in relation to the value of brokerage and research services provided by the broker or dealer (a practice commonly known as "soft dollars"). Putnam Management may make this determination in terms of either the particular transaction or Putnam Management's overall responsibilities with respect to a fund and to other clients of Putnam Management for which Putnam Management exercises investment discretion. Putnam Management's use of soft dollars is subject to policies established by the Trustees from time to time and applicable guidance issued by the Securities and Exchange Commission.

**Delegation of Responsibilities.** The proposed new management contract for your fund expressly provides that Putnam Management may, in its discretion and with the approval of the Trustees (including a majority of the Trustees who are not "interested persons") and, if required, the approval of shareholders, delegate responsibilities under the contract to one or more sub-advisers or sub-administrators. The separate costs of employing any sub-adviser or sub-administrator must be borne by Putnam Management or the sub-adviser or sub-administrator, not by the fund. Putnam Management is responsible for overseeing the performance of any sub-adviser or sub-administrator and remains fully responsible to the fund under the proposed new management contract regardless of whether it delegates any responsibilities.

At present, Putnam Management has delegated certain responsibilities to affiliated sub-advisers, as described below under the heading "Sub-Adviser Arrangements." The sub-management and sub-advisory contracts governing these arrangements, like the management contracts, terminate upon a change of control of Putnam Management. In connection with their approval of the interim management contracts, the Trustees approved the continuance of the existing sub-management and sub-advisory contracts with these sub-advisers at their in-person meeting held on October 18, 2013. If your fund's shareholders approve the proposed new management contract, pursuant to the new management contract Putnam Management will enter into equivalent sub-management and sub-advisory contracts with these affiliated sub-advisers, effective at the time the new management contract becomes effective. See "Sub-Adviser Arrangements" below for a description of the sub-advisers, and see **Appendix E** for copies of the current sub-management and sub-advisory contracts. The new sub-management and sub-advisory contracts will be identical to the current sub-management and sub-advisory contracts except for their effective dates and initial term. Consistent with current law and interpretations of the Securities and Exchange Commission staff, it is not necessary for shareholders to approve the sub-management and sub-advisory contracts. (Shareholder approval would be required were Putnam Management to delegate any of its advisory responsibilities to advisers that are not subsidiaries of Putnam Investments.) Shareholders should be aware that a vote to approve your fund's new management contract will have the effect of voting for the continuation of these arrangements.

**Administrative Services.** Like the previous management contract and the current interim management contract, the proposed new management contract provides that Putnam Management will manage, supervise and conduct the other (*i.e.*, non-investment) affairs and business of each fund and incidental matters. These administrative services include providing suitable office space for the fund and administrative facilities, such as bookkeeping, clerical personnel and equipment necessary for the efficient conduct of the fund's affairs, including determination of the net asset value of the fund, but excluding shareholder accounting services.

Putnam Management has delegated certain administrative, pricing and bookkeeping services to State Street Bank and Trust Company. This delegation was not affected by the Transfer.

**Expenses.** Like the previous management contract and the current interim management contract, the proposed new management contract requires Putnam Management to bear the expenses associated with (i) furnishing all necessary investment and management facilities, including salaries of personnel, required for it to execute its duties faithfully, (ii) providing suitable office space for each fund and (iii) providing administrative services. The proposed new management contract also provides that the fund will pay the fees of its Trustees and will reimburse Putnam Management for compensation paid to officers and persons assisting officers of the fund, and all or part of the cost of suitable office space, utilities, support services and equipment used by such officers and persons, as the Trustees may determine. Under this provision, the fund will bear the costs of the Trustees' independent staff, which assists the Trustees in overseeing each of the funds.

**Term and Termination.** If approved by shareholders of your fund, the proposed new management contract will become effective upon its execution and will remain in effect continuously, unless terminated under the termination provisions of the contract. Like the previous management contract and the current interim management contract, the proposed new management contract provides that the management contract may be terminated at any time, by either Putnam Management or the fund by not less than 60 days' written notice to the other party and without the payment of any penalty by Putnam Management or the fund. A fund may effect termination by vote of a majority of its Trustees or by the affirmative vote of a "majority of the

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outstanding voting securities" of the fund, as defined in the 1940 Act. The proposed new management contract also will terminate automatically in the event of its "assignment."

The proposed new management contract will, unless terminated as described above, continue until June 30, 2014 and will continue in effect from year to year thereafter so long as its continuance is approved at least annually by (i) the Trustees of the fund or the shareholders by the affirmative vote of a majority of the outstanding shares of the fund and (ii) a majority of the Trustees who are not "interested persons" of the fund or of Putnam Management, by vote cast in person at a meeting called for the purpose of voting on such approval.

**Limitation of Liability.** Under the proposed new management contract, Putnam Management is not liable to a fund or to any shareholder of the fund for any act or omission in the course of, or connected with, rendering services under the proposed management contract, unless there is willful misfeasance, bad faith or gross negligence on the part of Putnam Management or reckless disregard of its obligations and duties under the proposed management contract.

As required under each fund's Declaration of Trust, the proposed new management contract contains a notice provision stating that the fund's Declaration of Trust is on file with the Secretary of The Commonwealth of Massachusetts and that the proposed management contract is executed on behalf of the Trustees as Trustees of the fund and not individually. Also, the fund's obligations arising out of the proposed management contract are limited only to the assets and property of the fund and are not binding on any of the Trustees, officers or shareholders individually.

**Amendments; Defined Terms.** The proposed new management contract may only be amended in writing, and any amendments must be approved in a manner consistent with the 1940 Act, the rules and regulations under the 1940 Act and any applicable guidance or interpretations of the Securities and Exchange Commission or its staff. Similarly, certain terms used in the proposed new management contract are used as defined in the 1940 Act, the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff.

#### **Sub-Adviser Arrangements**

**Sub-Management Contract.** Putnam Management has retained an affiliate, Putnam Investments Limited (“PIL”), as the sub-manager for a portion of the funds’ assets as determined by Putnam Management from time to time (an “Allocated Sleeve”). PIL is currently authorized to serve as the sub-manager, to the extent determined by Putnam Management from time to time, for each of the funds. PIL is a wholly owned subsidiary of The Putnam Advisory Company, LLC (“PAC”), which is itself a subsidiary of Putnam Investments.

PIL serves as sub-manager for the funds under a sub-management contract between Putnam Management and PIL. Under the sub-management contract, Putnam Management (and not the fund) pays a quarterly sub-management fee to PIL for its services at the annual rates set forth in the accompanying table, in each case measured as a percentage of the average aggregate net asset value of assets invested in an Allocated Sleeve.

<b>Fee</b>	<b>Funds Covered by Sub-Management Fee</b>	
0.40%	Putnam Arizona Tax Exempt Income Fund	Putnam Municipal Opportunities Trust
	Putnam California Tax Exempt Income Fund	Putnam Michigan Tax Exempt Income Fund
	Putnam Diversified Income Trust	Putnam Minnesota Tax Exempt Income Fund
	Putnam Emerging Markets Income Fund	Putnam New Jersey Tax Exempt Income Fund
	Putnam Floating Rate Income Fund	Putnam New York Tax Exempt Income Fund
	Putnam Intermediate-Term Municipal Income Fund	Putnam Ohio Tax Exempt Income Fund
	The George Putnam Fund of Boston (d/b/a George Putnam Balanced Fund)	Putnam Pennsylvania Tax Exempt Income Fund
	Putnam Global Income Trust	Putnam Premier Income Trust
	Putnam High Income Securities Fund	Putnam Tax Exempt Income Fund
	Putnam High Yield Advantage Fund	Putnam AMT-Free Municipal Fund
	Putnam High Yield Trust	Putnam Tax-Free High Yield Fund
	Putnam Managed Municipal Income Trust	Putnam VT Diversified Income Fund
	Putnam Massachusetts Tax Exempt Income Fund	Putnam VT High Yield Fund
	Putnam Master Intermediate Income Trust	Putnam VT George Putnam Balanced Fund
	0.25%	Putnam American Government Income Fund
Putnam Income Fund		Putnam U.S. Government Income Trust
Putnam Money Market Fund		Putnam VT American Government Income Fund
Putnam Short Duration Income Fund		Putnam VT Income Fund
Putnam Short-Term Municipal Income Fund		Putnam VT Money Market Fund
0.20%	Putnam Money Market Liquidity Fund	
	Putnam Short Term Investment Fund	
0.35%	All other funds	

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Under the terms of the sub-management contract, PIL, at its own expense, furnishes continuously an investment program for the portion of each fund that Putnam Management allocates to PIL from time to time and makes investment decisions on behalf of these portions of the fund, subject to Putnam Management's supervision. Putnam Management may also, at its discretion, request PIL to provide assistance with purchasing and selling securities for the fund, including order placement with certain broker-dealers. PIL, at its expense, furnishes all necessary investment and management facilities, including salaries of personnel, required for it to execute its duties.

The sub-management contract provides that PIL is not subject to any liability to Putnam Management, the fund or any shareholder of the fund for any act or omission in the course of or connected with rendering services to the fund in the absence of PIL's willful misfeasance, bad faith, gross negligence or reckless disregard of its obligations and duties.

The sub-management contract may be terminated with respect to a fund without penalty by vote of the Trustees or the shareholders of the fund, or by PIL or Putnam Management, on not less than 30 days' nor more than 60 days' written notice. The sub-management contract also terminates without payment of any penalty in the event of its assignment. Subject to applicable law, it may be amended by a majority of the Trustees who are not "interested persons" of Putnam Management or the fund. The sub-management contract provides that it will continue in effect only so long as such continuance is approved at least annually by vote of either the Trustees or the shareholders and, in either case, by a majority of the Trustees who are not "interested persons" of Putnam Management or the fund. In each of the foregoing cases, the vote of the shareholders is the affirmative vote of a "majority of the outstanding voting securities" as defined in the 1940 Act.

**Sub-Advisory Contract.** PAC has been retained as a sub-adviser for a portion of the assets of the funds identified in the accompanying table (collectively referred to herein as the "PAC Funds") as determined from time to time by Putnam Management or, with respect to portions of such fund's assets for which PIL acts as sub-adviser as described above, by PIL.

### **The following is a complete list of the PAC Funds:**

Putnam Absolute Return 100 Fund	Putnam Global Natural Resources Fund
Putnam Absolute Return 300 Fund	Putnam Global Sector Fund
Putnam Absolute Return 500 Fund	Putnam Global Technology Fund
Putnam Absolute Return 700 Fund	Putnam Global Telecommunications Fund
Putnam Asia Pacific Equity Fund	Putnam Global Utilities Fund
Putnam Capital Spectrum Fund	Putnam International Equity Fund
Putnam Dynamic Asset Allocation Balanced Fund	Putnam International Growth Fund
Putnam Dynamic Asset Allocation Conservative Fund	Putnam International Value Fund
Putnam Dynamic Asset Allocation Equity Fund	Putnam Research Fund
Putnam Dynamic Asset Allocation Growth Fund	Putnam Retirement Income Fund Lifestyle 2
Putnam Emerging Markets Equity Fund	Putnam Retirement Income Fund Lifestyle 3
Putnam Equity Spectrum Fund	Putnam VT Absolute Return 500 Fund
Putnam Europe Equity Fund	Putnam VT Global Asset Allocation Fund
Putnam Global Consumer Fund	Putnam VT Global Equity Fund
Putnam Global Dividend Fund	Putnam VT Global Health Care Fund
Putnam Global Energy Fund	Putnam VT Global Utilities Fund
Putnam Global Equity Fund	Putnam VT International Equity Fund
Putnam Global Financials Fund	Putnam VT International Growth Fund
Putnam Global Health Care Fund	Putnam VT International Value Fund
Putnam Global Industrials Fund	Putnam VT Research Fund

PAC serves as sub-adviser under the sub-advisory contract. Pursuant to the terms of the sub-advisory contract, Putnam Management or, with respect to portions of a PAC Fund's assets for which PIL acts as sub-adviser, PIL (and not the fund) pays a quarterly sub-advisory fee to PAC for its services at the annual rate of 0.35% of the average aggregate net asset value of the portion of such fund with respect to which PAC acts as sub-adviser.

Under the terms of the sub-advisory contract, PAC, at its own expense, furnishes continuously an investment program for that portion of a fund that is allocated to PAC from time to time by Putnam Management or PIL, as applicable, and makes investment decisions on behalf of such portion of the fund, subject to the supervision of Putnam Management or PIL, as applicable. PAC, at its expense, furnishes all necessary investment and management facilities, including salaries of personnel, required for it to execute its duties.

The sub-advisory contract provides that PAC is not subject to any liability to Putnam Management, PIL, a PAC Fund or any shareholder of such fund for any act or omission in the course of or connected with rendering services to the fund in the absence of PAC's willful misfeasance, bad faith, gross negligence or reckless disregard of its obligations and duties.

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The sub-advisory contract may be terminated without penalty by vote of the Trustees or the shareholders of the relevant PAC Fund, or by PAC, PIL or Putnam Management, on not less than 30 days' nor more than 60 days' written notice. The sub-advisory contract also terminates without payment of any penalty in the event of its assignment. Subject to applicable law, it may be amended by a majority of the Trustees who are not "interested persons" of Putnam Management or the PAC fund. The sub-advisory contract provides that it will continue in effect only so long as its continuance is approved at least annually by vote of either the Trustees or shareholders of the respective PAC Fund and, in either case, by a majority of the Trustees who are not "interested persons" of Putnam Management or the PAC Fund. In each of the foregoing cases, the vote of the shareholders of a PAC Fund is the affirmative vote of a "majority of the outstanding voting securities" as defined in the 1940 Act.

To the extent that the Transfer may have constituted a "change of control" of Putnam Management, terminating automatically the funds' previous management contracts, then the funds' sub-management contract and the sub-advisory contract would also have terminated. To ensure that your fund did not lose the benefit of PIL's or PAC's services, at their in-person meeting held on October 18, 2013, the Trustees approved the continuance of the sub-management contract with PIL and the sub-advisory contract with PIL and PAC. The sub-management contract and sub-advisory contract are not interim in nature and will continue in effect through June 30, 2014. However, as described above, Putnam Management, PIL and PAC intend to enter into new sub-management and sub-advisory contracts contemporaneously with the execution of the proposed new management contracts if the new management contracts are approved by fund shareholders. See **Appendix E** for copies of the current sub-management and sub-advisory contracts.

#### **What did the Trustees consider in evaluating the proposed new management contracts?**

In considering whether to approve the proposed new management contracts, as well as the interim management contracts, the Trustees took into account that they had recently approved the annual continuation of all of the previous management contracts and the sub-management and sub-advisory contracts for the Putnam funds in June 2013. That approval, on which the Trustees voted at an in-person meeting held on June 20 and 21, 2013, followed a lengthy process during which the Trustees considered a variety of factors that the Trustees considered to have a bearing on the contracts. **Appendix F** contains a general description of the Trustees' deliberations.

At their in-person meeting on October 18, 2013, the Trustees, including the Trustees who are not "interested persons" as defined in the 1940 Act, considered the potential implications of Mr. Desmarais' death and the Transfer. To address the possibility that the Transfer constituted an assignment of the funds' management contracts, on October 18, 2013, the Trustees unanimously voted to approve interim management contracts for the funds. The Trustees considered that, except for the effective date (October 8, 2013) and duration (until the earlier of either (i) March 7, 2014 (which, pursuant to Rule 15a-4 under the 1940 Act, represents the maximum allowable 150-day duration of an interim management contract) or (ii) the effective date of new management contracts that have been approved by fund shareholders, unless the Securities and Exchange Commission or its staff permits the

contracts' continuance through a later date), the interim management contracts were identical to the funds' previous management contracts. Under the interim management contracts, Putnam Management provides investment advisory services to each fund on essentially the same terms and conditions, and for the same fees, as it did under the previous management contracts.

On November 21 and 22, 2013, the Trustees met in person to discuss further the Transfer and the possibility that a change of control of Putnam Management had occurred. The Trustees considered the approval of new management contracts for each fund, proposed to become effective upon their execution following approval by shareholders, as well as calling a special meeting of fund shareholders and filing a preliminary proxy statement. They reviewed the terms of the proposed new management contracts and the disclosure included in the preliminary proxy statement. They noted that, as described above, the terms of the proposed new management contracts were identical to the previous management contracts, except for the effective dates and initial terms and for certain non-substantive changes. In particular, the Trustees considered:

- Information about the operations of The Desmarais Family Residuary Trust, including that Paul Desmarais, Jr. and André Desmarais, Mr. Desmarais' sons, were expected to exercise, jointly, voting control over the Power Corporation of Canada shares controlled by The Desmarais Family Residuary Trust.
- That Paul Desmarais, Jr. and André Desmarais had been playing active managerial roles at Power Corporation of Canada, with responsibility for the oversight of Power Corporation of Canada's subsidiaries, including Putnam Investments, since Power Corporation of Canada had acquired Putnam Investments in 2007, including serving as Directors of Putnam Investments, and that the Transfer would not affect their responsibilities as officers of Power Corporation of Canada.
- The intention expressed by representatives of Power Corporation of Canada, Power Financial Corporation, and Great-West Lifeco that there would be no change to the operations or management of Putnam Investments, to Putnam Management's management of the funds or to investment, advisory and other services provided to the funds by Putnam Management and its affiliates as a result of the Transfer.
- Putnam Management's assurances that, following the Transfer, Putnam Management would continue to provide the same level of services to each fund and that the Transfer will not have an adverse impact on the ability of Putnam Management and

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its affiliates to continue to provide high quality investment advisory and other services to the funds.

- Putnam Management's assurances that there are no current plans to make any changes to the operations of the funds, existing management fees, expense limitations, distribution arrangements, or the quality of any services provided to the funds or their shareholders, as a result of the Transfer.
- The benefits that the funds have received and may potentially receive as a result of Putnam Management being a member of the Power Corporation of Canada group of companies, which promotes the stability of the Putnam organization.
- The commitment of Putnam Investments to bear a reasonable share of the expenses incurred by the Putnam funds in connection with the Transfer, including one-half of the costs associated with this proxy solicitation (see page [ ] below).

Based upon the foregoing considerations, the Trustees concluded that, to eliminate any ambiguity as to the status of your fund's management contract, it was in the best interests of your fund's shareholders to call a special meeting so that shareholders may approve a new management contract with Putnam Management and Putnam Management can continue as your fund's investment adviser. On November 22, 2013, the Trustees, including all of the Trustees present who are not "interested persons" of the funds or Putnam Investments, unanimously approved the proposed new management contracts and determined to recommend their approval to the shareholders of the Putnam funds.

### **What is the voting requirement for approving the proposal?**

Approval of your fund's proposed new management contract requires the affirmative vote of a "majority of the outstanding voting securities" of the fund, which is defined under the 1940 Act to be the lesser of (a) more than 50% of the outstanding shares of the fund, or (b) 67% or more of the shares of the fund present (in person or by proxy) at the special meeting if more than 50% of the outstanding shares of the fund are present at the meeting in person or by proxy. **The Trustees unanimously recommend that shareholders vote FOR the proposed new management contracts.**

## **2. ELECTING TRUSTEES**

**Affected funds:** All open-end funds (i.e. all funds except Putnam High Income Securities Fund, Putnam Managed Municipal Income Trust, Putnam Master Intermediate Income Trust, Putnam Municipal Opportunities Trust, and Putnam Premier Income Trust)

### **Who are the nominees for Trustees?**

The Board Policy and Nominating Committee of the Board is responsible for making recommendations concerning the nominees for Trustees of your fund. The Board Policy and Nominating Committee consists solely of Trustees who are not "interested persons" (as defined in the 1940 Act) of your fund. Those Trustees who are not "interested persons" of your fund are referred to as "Independent Trustees" in this Section II. of this proxy statement.

The Board, based on the recommendation of the Board Policy and Nominating Committee, has fixed the number of Trustees of your fund at 14 and recommends that you vote for the election of the nominees described in the following pages. Each nominee is currently a Trustee of your fund and of the other Putnam funds.

Your fund does not regularly hold an annual shareholder meeting, but may from time to time schedule a special meeting. Except for Putnam Asia Pacific Equity Fund and Putnam International Value Fund, each of which held a special meeting in 2011, the last such meeting was held in 2009.

### **Biographical Information For The Fund's Nominees.**

The Board's nominees for Trustees and their backgrounds are shown in the following pages. This information includes each nominee's name, year of birth, principal occupation(s) during the past 5 years, and other information about the nominee's professional background, including other directorships the nominee holds. Each Trustee oversees all of the Putnam funds and serves until the election and qualification of his or her successor, or until he or she sooner dies, resigns, retires, or is removed. The address of all of the Trustees is One Post Office Square, Boston, Massachusetts 02109. As of September 30, 2013, there were 116 Putnam funds.

### **Independent Trustees**

**Liaquat Ahamed** (Born 1952)  
Trustee since 2012

Mr. Ahamed is the Pulitzer Prize-winning author of *Lords of Finance: The Bankers Who Broke the World*. His articles on economics have appeared in the New York Times, Foreign Affairs, and the Financial Times.

Mr. Ahamed serves as a director of Aspen Insurance Co., a New York Stock Exchange company, and is the Chair of the Aspen Board's Investment Committee. He is a Trustee of the Brookings Institution, where he serves as Chair of the Investment Committee. He is also a director of the Rohatyn Group, an emerging-market fund complex that manages money for institutions. Mr. Ahamed was previously the Chief Executive Officer of Fischer Francis Trees & Watts, Inc., a fixed income investment management subsidiary of BNP Paribas. He was formerly the head of the investment division at the World Bank, and is a member of the Foreign Affairs Policy Board of the U.S. Department of State.

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Mr. Ahamed holds a B.A. in economics from Trinity College, Cambridge University and an M.A. in economics from Harvard University.

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### **Ravi Akhoury** (Born 1947) Trustee since 2009

Mr. Akhoury serves as a Trustee of the Rubin Museum, serving on the Investment Committee, and of the American India Foundation. Mr. Akhoury is also a Director of RAGE Frameworks, Inc. and English Helper, Inc. (each a private software company).

Previously, Mr. Akhoury served as a Director of Jacob Ballas Capital India (a non-banking finance company focused on private equity advisory services) and a member of its Compensation Committee. He was also a Director and on the Compensation Committee of MaxIndia/New York Life Insurance Company in India. He was also Vice President and Investment Policy Committee member of Fischer Francis Trees & Watts, a fixed income investment management firm. He has also served on the Board of Bharti Telecom (an Indian telecommunications company), serving as a member of its Audit and Compensation Committees, and as a Director and member of the Audit Committee on the Board of Thompson Press (a publishing company). From 1992 to 2007, he was Chairman and CEO of MacKay Shields, a multi-product investment management firm with over \$40 billion in assets under management.

Mr. Akhoury graduated from the Indian Institute of Technology with a B.S. in Engineering and obtained an M.S. in Quantitative Methods from SUNY at Stony Brook.

### **Barbara M. Baumann** (Born 1955) Trustee since 2010

Ms. Baumann is President and Owner of Cross Creek Energy Corporation, a strategic consultant to domestic energy firms and direct investor in energy projects.

Ms. Baumann currently serves as a Director of SM Energy Company (a publicly held U.S. exploration and production company) and UNS Energy Corporation (a publicly held electric and gas utility in Arizona). She is a director of Cody Resources management (a private company in the energy and ranching businesses). Ms. Baumann is a Trustee of Mount Holyoke College. She is a former Chair of the Board and a current Board member of Girls Inc. of Metro Denver, and serves on the Finance Committee of The Children's Hospital of Colorado, as well as the Investment Committee of The Denver Foundation.

Until May 2012, Ms. Baumann was a Director of CVR Energy (a publicly held petroleum refiner and fertilizer manufacturer). Prior to 2003, Ms. Baumann was Executive Vice President of Associated Energy Managers, a domestic private equity firm. From 1981 until 2000, she held a variety of financial and operational management positions with the global energy company Amoco Corporation and its successor, BP, most recently serving as Commercial Operations Manager of its Western Business Unit. Ms. Baumann holds an M.B.A. from The Wharton School of the University of Pennsylvania and a B.A. from Mount Holyoke College.

### **Jameson A. Baxter** (Born 1943) Trustee since 1994, Vice Chair from 2005 to 2011 and Chair since 2011

Ms. Baxter is the President of Baxter Associates, Inc., a private investment firm.

Ms. Baxter serves as Chair of the Mutual Fund Directors Forum, Director of the Adirondack Land Trust and Trustee of the Nature Conservancy's Adirondack Chapter. Until 2011, Ms. Baxter was a director of ASHTA Chemical, Inc. Until 2007, she was a Director of Banta Corporation (a printing and supply chain management company), Ryerson, Inc. (a metals service corporation), and Advocate Health Care. She has also served as a director on a number of other boards, including BoardSource (formerly the National Center for Nonprofit Boards), Intermatic Corporation (a manufacturer of energy control products), and MB Financial. She is Chair Emeritus of the Board of Trustees of Mount Holyoke College, having served as Chair for five years.

Ms. Baxter has held various positions in investment banking and corporate finance, including Vice President of and Consultant to First Boston Corporation and Vice President and Principal of the Regency Group. She is a graduate of Mount Holyoke College.

**Charles B. Curtis** (Born 1940)

Trustee since 2001

Mr. Curtis serves as Senior Advisor to the Center for Strategic and International Studies and is President Emeritus of the Nuclear Threat Initiative (a private foundation dealing with national security issues).

Mr. Curtis is a member of the Council on Foreign Relations and the U.S. State Department International Security Advisory Board. He also serves as a Director of Edison International and Southern California Edison.

Mr. Curtis is an attorney with over 15 years in private practice and 19 years in various positions in public service, including service at the Department of Treasury, the U.S. House of Representatives, the Securities and Exchange Commission, the Federal Energy Regulatory Commission and the Department of Energy.

**Robert J. Darretta** (Born 1946)

Trustee since 2007

Mr. Darretta serves as Director of UnitedHealth Group, a diversified health-care company.

Until April 2007, Mr. Darretta was Vice Chairman of the Board of Directors of Johnson & Johnson, one of the world's largest and most broadly based health-care companies. Prior to 2007, he had responsibility for Johnson & Johnson's finance, investor relations, information technology, and procurement functions. He served as Johnson & Johnson Chief Financial Officer for a decade, prior to which he spent two

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years as Treasurer of the corporation and over 10 years leading various Johnson & Johnson operating companies. From 2009 until 2012, Mr. Darretta served as the Health Care Industry Adviser to Permira, a global private equity firm.

Mr. Darretta received a B.S. in Economics from Villanova University.

**Katinka Domotorffy** (Born 1975)

Trustee since 2012

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Ms. Domotorffy is a voting member of the Investment Committee of the Anne Ray Charitable Trust, part of the Margaret A. Cargill Philanthropies. She also serves as the Vice Chair of Reach Out and Read of Greater New York, an organization dedicated to promoting childhood literacy.

Until December 2011, Ms. Domotorffy was Partner, Chief Investment Officer, and Global Head of Quantitative Investment Strategies at Goldman Sachs Asset Management.

Ms. Domotorffy holds a BSc in Economics from the University of Pennsylvania and an MSc in Accounting and Finance from the London School of Economics.

### **John A. Hill** (Born 1942)

Trustee since 1985 and Chairman from 2000 to 2011

Mr. Hill is founder and Vice-Chairman of First Reserve Corporation, the leading private equity buyout firm specializing in the world-wide energy industry, with offices in Greenwich, Connecticut; Houston, Texas; London, England; and Hong Kong, China. The firm's investments on behalf of some of the nation's largest pension and endowment funds are currently concentrated in 31 companies with annual revenues in excess of \$15 billion, which employ over 100,000 people in 23 countries.

Mr. Hill is a Director of Devon Energy Corporation (a leading independent natural gas and oil exploration and production company) and various private companies owned by First Reserve, and serves as a Trustee of Sarah Lawrence College where he serves as Chairman and also chairs the Investment Committee. He is also a member of the Advisory Board of the Millstein Center for Global Markets and Corporate Ownership at The Columbia University Law School.

Prior to forming First Reserve in 1983, Mr. Hill served as President of F. Eberstadt and Company, an investment banking and investment management firm. Between 1969 and 1976, Mr. Hill held various senior positions in Washington, D.C. with the federal government, including Deputy Associate Director of the Office of Management and Budget and Deputy Administrator of the Federal Energy Administration during the Ford Administration.

Born and raised in Midland, Texas, he received his B.A. in Economics from Southern Methodist University and pursued graduate studies as a Woodrow Wilson Fellow.

### **Paul L. Joskow** (Born 1947)

Trustee since 1997

Dr. Joskow is an economist and President of the Alfred P. Sloan Foundation (a philanthropic institution focused primarily on research and education on issues related to science, technology, and economic performance). He is the Elizabeth and James Killian Professor of Economics, Emeritus at the Massachusetts Institute of Technology (MIT), where he joined the faculty in 1972. Dr. Joskow was the Director of the Center for Energy and Environmental Policy Research at MIT from 1999 through 2007.

Dr. Joskow serves as a Trustee of Yale University, as a Director of TransCanada Corporation (an energy company focused on natural gas transmission, oil pipelines, and power services) and of Exelon Corporation (an energy company focused on power services), and as a member of the Board of Overseers of the Boston Symphony Orchestra. Prior to August 2007, he served as a Director of National Grid (a UK-based holding company with interests in electric and gas transmission and distribution and telecommunications infrastructure). Prior to July 2006, he served as President of the Yale University Council. Prior to February 2005, he served on the Board of the Whitehead Institute for Biomedical Research (a non-profit research institution). Prior to February 2002, he was a Director of State Farm Indemnity Company (an automobile insurance company), and prior to March 2000, he was a Director of New England Electric System (a public utility holding company).

Dr. Joskow has published seven books and numerous articles on industrial organization, government regulation of industry, and competition policy. He is active in industry restructuring, environmental, energy, competition, and

privatization policies — having served as an advisor to governments and corporations worldwide. Dr. Joskow holds a Ph.D. and M.Phil. from Yale University and a B.A. from Cornell University.

**Kenneth R. Leibler** (Born 1949)

Trustee since 2006

Mr. Leibler is a founder and former Chairman of the Boston Options Exchange, an electronic marketplace for the trading of derivative securities.

Mr. Leibler currently serves on the Board of Trustees of Beth Israel Deaconess Hospital in Boston. He is also a Director of Northeast Utilities, which operates New England's largest energy delivery system, and, until November 2010, was a Director of Ruder Finn Group, a global communications and advertising firm. Prior to December 2006, he served as a Director of the Optimum Funds group. Prior to October 2006, he served as a Director of ISO New England, the organization responsible for the operation of the electric generation system in the New England states. Prior to 2000, Mr. Leibler was a Director of the Investment Company Institute in Washington, D.C.

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Prior to January 2005, Mr. Leibler served as Chairman and Chief Executive Officer of the Boston Stock Exchange. Prior to January 2000, he served as President and Chief Executive Officer of Liberty Financial Companies, a publicly traded diversified asset management organization. Prior to June 1990, Mr. Leibler served as President and Chief Operating Officer of the American Stock Exchange (AMEX), and at the time was the youngest person in AMEX history to hold the title of President. Prior to serving as AMEX President, he held the position of Chief Financial Officer, and headed its management and marketing operations. Mr. Leibler graduated with a degree in Economics from Syracuse University.

**Robert E. Patterson** (Born 1945)

Trustee since 1984

Mr. Patterson is Co-Chairman of Cabot Properties, Inc. (a private equity firm investing in commercial real estate) and Chairman of its Investment Committee.

Mr. Patterson is past Chairman and served as a Trustee of the Joslin Diabetes Center. He previously was a Trustee of the Sea Education Association. Prior to December 2001, Mr. Patterson was President and Trustee of Cabot Industrial Trust (a publicly traded real estate investment trust). Prior to February 1998, he was Executive Vice President and Director of Acquisitions of Cabot Partners Limited Partnership (a registered investment adviser involved in institutional real estate investments). Prior to 1990, he served as Executive Vice President of Cabot, Cabot & Forbes Realty Advisors, Inc. (the predecessor company of Cabot Partners).

Mr. Patterson practiced law and held various positions in state government, and was the founding Executive Director of the Massachusetts Industrial Finance Agency. Mr. Patterson is a graduate of Harvard College and Harvard Law School.

**George Putnam, III** (Born 1951)

Trustee since 1984

Mr. Putnam is Chairman of New Generation Research, Inc. (a publisher of financial advisory and other research services), and President of New Generation Advisors, LLC (a registered investment adviser to private funds). Mr.

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Putnam founded the New Generation companies in 1986.

Mr. Putnam is a Director of The Boston Family Office, LLC (a registered investment adviser). He is a Trustee of Epiphany School and a Trustee of the Marine Biological Laboratory in Woods Hole, Massachusetts. Prior to June 2007, Mr. Putnam was President of the Putnam funds. Until 2010, he was a Trustee of St. Mark's School, until 2006, he was a Trustee of Shore Country Day School, and until 2002, he was a Trustee of the Sea Education Association.

Mr. Putnam previously worked as an attorney with the law firm of Dechert LLP (formerly known as Dechert Price & Rhoads) in Philadelphia. He is a graduate of Harvard College, Harvard Business School, and Harvard Law School.

### **W. Thomas Stephens** (Born 1942)

Trustee from 1997 to 2008, and since 2009

Mr. Stephens retired as Chairman and Chief Executive Officer of Boise Cascade, LLC (a paper, forest products and timberland assets company) in December 2008.

Mr. Stephens is a Director of TransCanada Pipelines, Ltd. (an energy infrastructure company). Until 2010, Mr. Stephens was a Director of Boise Inc. (a manufacturer of paper and packaging products). Until 2004, Mr. Stephens was a Director of Xcel Energy Incorporated (a public utility company), Qwest Communications and Norske Canada, Inc. (a paper manufacturer). Until 2003, Mr. Stephens was a Director of Mail-Well, Inc. (a diversified printing company). He served as Chairman of Mail-Well until 2001 and as CEO of MacMillan-Bloedel, Ltd. (a forest products company) until 1999.

Prior to 1996, Mr. Stephens was Chairman and Chief Executive Officer of Johns Manville Corporation (a manufacturing company). He holds B.S. and M.S. degrees from the University of Arkansas.

### **Interested Trustee\***

### **Robert L. Reynolds** (Born 1952)

Trustee since 2008 and President of the Putnam funds since July 2009

Mr. Reynolds is President and Chief Executive Officer of Putnam Investments, a member of Putnam Investments' Executive Board of Directors, and President of the Putnam funds. He has more than 30 years of investment and financial services experience.

Prior to joining Putnam Investments in 2008, Mr. Reynolds was Vice Chairman and Chief Operating Officer of Fidelity Investments from 2000 to 2007. During this time, he served on the Board of Directors for FMR Corporation, Fidelity Investments Insurance Ltd., Fidelity Investments Canada Ltd., and Fidelity Management Trust Company. He was also a Trustee of the Fidelity Family of Funds. From 1984 to 2000, Mr. Reynolds served in a number of increasingly responsible leadership roles at Fidelity.

Mr. Reynolds serves on several not-for-profit boards, including those of the West Virginia University Foundation, Concord Museum, Dana-Farber Cancer Institute and Boston Chamber of Commerce. He is a member of the Chief Executives Club of Boston, the National Innovation Initiative, and the Council on Competitiveness, and he is a former President of the Commercial Club of Boston.

Mr. Reynolds received a B.S. in Business Administration/Finance from West Virginia University.

\* Trustee who is an "interested person" as defined in the 1940 Act of the fund and Putnam Management. Mr. Reynolds is deemed an "interested person" by virtue of his position as an officer of the fund and Putnam Management. Mr. Reynolds is the President and Chief Executive Officer of Putnam Investments and the President of your fund and each of the other Putnam funds.

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The Board Policy and Nominating Committee is responsible for recommending proposed nominees for election to the Board of Trustees for its approval. In recommending the election or appointment of the current Board members as Trustees, the Committee generally considered the educational, business and professional experience of each Trustee in determining his or her qualifications to serve as a Trustee of the fund, including the Trustee's record of service as a director or trustee of public and private organizations. This included, as applicable, their previous service as a member of the Board of Trustees of the Putnam funds, during which they have demonstrated a high level of diligence and commitment to the interests of fund shareholders and the ability to work effectively and collegially with other members of the Board. The Committee also considered, among other factors, the particular attributes described below with respect to the various individual Trustees.

**Independent Trustees:**

Liaquat Ahamed — Mr. Ahamed's experience as Chief Executive Officer of a major investment management organization and as head of the investment division at the World Bank, as well as his experience as an author of economic literature.

Ravi Akhoury — Mr. Akhoury's experience as Chairman and Chief Executive Officer of a major investment management organization.

Barbara M. Baumann — Ms. Baumann's experience in the energy industry as a consultant, an investor, and in both financial and operational management positions at a global energy company, and her service as a director of three NYSE companies.

Jameson A. Baxter — Ms. Baxter's experience in corporate finance acquired in the course of her career at a major investment bank, her experience as a director and audit committee chair of two NYSE companies and her role as Chair of the Mutual Fund Directors Forum.

Charles B. Curtis — Mr. Curtis's experience in public and regulatory policy matters relating to energy and finance acquired in the course of his service in various senior positions in government and on numerous boards of public and private organizations.

Robert J. Darretta — Mr. Darretta's experience as the Chief Financial Officer and Vice Chairman of the board of a major NYSE health products company.

Katinka Domotorffy — Ms. Domotorffy's experience as Chief Investment Officer and Global Head of Quantitative Investment Strategies at a major asset management organization.

John A. Hill — Mr. Hill's experience as founder and Chairman of an open-end mutual fund and as a founder and lead managing partner of one of the largest private equity firms in the United States.

Paul L. Joskow — Dr. Joskow's education and experience as a professional economist familiar with financial economics and related issues and his service on multiple for-profit boards.

Kenneth R. Leibler — Mr. Leibler's extensive experience in the financial services industry, including as Chief Executive Officer of a major asset management organization, and his service as a director of various public and private companies.

Robert E. Patterson — Mr. Patterson's training and experience as an attorney and his experience as president of a NYSE company.

George Putnam, III — Mr. Putnam's training and experience as an attorney, his experience as the founder and Chief Executive Officer of an investment management firm and his experience as an author of various publications on the subject of investments.

W. Thomas Stephens — Mr. Stephens's extensive business experience, including his service as Chief Executive Officer of four public companies, as non-executive chairman of two public companies and as a director of numerous other public companies.

**Interested Trustee:**

Robert L. Reynolds — Mr. Reynolds's extensive experience as a senior executive of one of the largest mutual fund organizations in the United States and his current role as the President and Chief Executive Officer of Putnam Investments.

Each of the nominees has agreed to serve as a Trustee, if elected. If any of the nominees is unavailable for election at the time of the special meeting, which is not anticipated, the Trustees may vote for other nominees at their discretion, or the Trustees may fix the number of Trustees at fewer than 14 for your fund.

**What are the Trustees' responsibilities?**

Your fund's Trustees are responsible for the general oversight of your fund's affairs and for assuring that your fund is managed in the best interests of its shareholders. The Trustees regularly review your fund's investment performance as well as the quality of other services provided to your fund and its shareholders by Putnam Management and its affiliates, including administration, distribution and shareholder servicing. At least annually, the Trustees review and evaluate the fees and operating expenses paid by your fund for these services and negotiate changes if they deem it appropriate. In carrying out these responsibilities, the Trustees are assisted by an independent administrative staff and by your fund's auditors, independent counsel and other experts as appropriate, selected by and responsible to the Trustees.

**Board Leadership Structure.** Currently, 13 of the 14 Trustees of your fund are Independent Trustees. These Independent Trustees must vote separately to approve all financial arrangements and other agreements with your fund's investment manager and other affiliated parties. The role of the Independent Trustees has been characterized as that of a "watchdog" charged with oversight to protect shareholders' interests against overreaching and abuse by those who are in a position

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to control or influence a fund. Your fund's Independent Trustees meet regularly as a group in executive session. An Independent Trustee currently serves as chair of the Board.

**Board Committees.** Taking into account the number, the diversity and the complexity of the funds overseen by the Board and the aggregate amount of assets under management, your fund's Trustees have determined that the efficient conduct of the Board's affairs makes it desirable to delegate responsibility for certain specific matters to committees of the Board. Certain committees (the Executive Committee, Distributions Committee and Audit and Compliance Committee) are authorized to act for the Trustees as specified in their charters. The other committees review and evaluate matters specified in their charters and make recommendations to the Trustees as they deem appropriate. Each committee may utilize the resources of your fund's auditors, independent staff and counsel as well as other experts. The committees meet as often as necessary, either in conjunction with regular meetings of the Trustees or otherwise. The membership and chair of each committee are appointed by the Trustees upon recommendation of the Board Policy and Nominating Committee. Each committee is chaired by an Independent Trustee and, except as noted below, the membership and chairs of each committee consist exclusively of Independent Trustees.

The Trustees have determined that this committee structure also allows the Board to focus more effectively on the oversight of risk as part of its broader oversight of the fund's affairs. While risk management is the primary responsibility of the fund's investment manager, the Trustees regularly receive reports regarding investment risks and compliance risks. The Board's committee structure allows separate committees to focus on different aspects of these risks and their potential impact on some or all of the funds and to discuss with the fund's investment manager how it monitors and controls such risks.

**Audit and Compliance Committee.** The Audit and Compliance Committee provides oversight on matters relating to the preparation of the Putnam funds' financial statements, compliance matters, internal audit functions, and Codes of Ethics issues. This oversight is discharged by regularly meeting with management and the funds' auditors and keeping current on industry developments. Duties of this Committee also include the review and evaluation of all matters and relationships pertaining to the funds' auditors, including their independence. Information about the fees billed to the fund by the funds' auditors, as well as information about the Committee's pre-approval policies relating to the work performed by the funds' auditors, is included in **Appendix G** of this proxy statement. The members of the Committee include only Independent Trustees. Each member of the Committee also is "independent," as that term is interpreted for purposes of Rule 10A-3(b)(1) of the Exchange Act, and the listing standards of the New York Stock Exchange. The Board has adopted a written charter for the Committee, a current copy of which is available at [putnam.com/about-putnam/](http://putnam.com/about-putnam/). The Committee currently consists of Messrs. Leibler (Chairperson), Curtis, Darretta and Hill and Mses. Baumann and Domotorffy.

**Board Policy and Nominating Committee.** The Board Policy and Nominating Committee reviews matters pertaining to the operations of the Board and its committees, the compensation of the Trustees and their staff, and the conduct of legal affairs for the Putnam funds. The Committee also oversees the voting of proxies associated with portfolio investments of the Putnam funds, with the goal of ensuring that these proxies are voted in the best interest of each fund's shareholders.

The Committee evaluates and recommends all candidates for election as Trustees and recommends the appointment of members and chairs of each Board committee. The Committee also identifies prospective nominees for election as Trustee by considering individuals that come to its attention through the recommendation of current Trustees, Putnam Management or shareholders. Candidates properly submitted by shareholders (as described below) will be considered and evaluated on the same basis as candidates recommended by other sources. The Committee may, but is not required to, engage a third-party professional search firm to assist it in identifying and evaluating potential nominees.

When evaluating a potential candidate for membership on the Board, the Committee considers the skills and characteristics that it determines would most benefit the Putnam funds at the time the evaluation is made. The Committee may take into account a wide variety of attributes in considering potential Trustee candidates, including, but not limited to: (i) availability and commitment of a candidate to attend meetings and perform his or her responsibilities to the Board, (ii) other board experience, (iii) relevant industry and related experience, (iv) educational background, (v) financial expertise, (vi) an assessment of the candidate's ability, judgment and expertise, (vii) an assessment of the perceived needs of the Board and its committees at that point in time and (viii) overall Board composition. The Committee generally believes that the Board benefits from diversity of background, experience and views among its members, and considers this as a factor in evaluating the composition of the Board, but has not adopted any specific policy in this regard. In connection with this evaluation, the Committee will determine whether to interview prospective nominees, and, if warranted, one or more members of the Committee, and other Trustees and representatives of the funds, as appropriate, will interview prospective nominees in person or by telephone. Once this evaluation is completed, the Committee recommends such candidates as it determines appropriate to the Independent Trustees for nomination, and the Independent Trustees select the nominees after considering the recommendation of the Committee.

The Committee will consider nominees for Trustee recommended by shareholders of a fund provided shareholders submit their recommendations by the date disclosed in the paragraph entitled "Date for receipt of shareholders' proposals"

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for subsequent meetings of shareholders" in the section "Further Information About Voting and the Special Meeting," and provided the shareholders' recommendations otherwise comply with applicable securities laws, including Rule 14a-8 under the Exchange Act.

The Committee consists only of Independent Trustees. The Trustees have adopted a written charter for the Board Policy and Nominating Committee, a current copy of which is available at [putnam.com/about-putnam/](http://putnam.com/about-putnam/). The Board Policy and Nominating Committee currently consists of Messrs. Hill (Chairperson), Curtis, Patterson and Putnam

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and Ms. Baxter.

**Brokerage Committee.** The Brokerage Committee reviews the Putnam funds' policies regarding the execution of portfolio trades and Putnam Management's practices and procedures relating to the implementation of those policies. The Committee reviews periodic reports on the cost and quality of execution of portfolio transactions and the extent to which brokerage commissions have been used (i) by Putnam Management to obtain brokerage and research services generally useful to it in managing the portfolios of the funds and of its other clients, and (ii) by the funds to pay for certain fund expenses. The Committee reports to the Trustees and makes recommendations to the Trustees regarding these matters. The Committee currently consists of Dr. Joskow (Chairperson), Ms. Baxter and Messrs. Ahamed, Akhoury, Patterson, Putnam and Stephens.

**Contract Committee.** The Contract Committee reviews and evaluates at least annually all arrangements pertaining to (i) the engagement of Putnam Management and its affiliates to provide services to the Putnam funds, (ii) the expenditure of the funds' assets for distribution purposes pursuant to Distribution Plans of the funds, and (iii) the engagement of other persons to provide material services to the funds, including in particular those instances where the cost of services is shared between the funds and Putnam Management and its affiliates or where Putnam Management or its affiliates have a material interest. The Committee also reviews the proposed organization of new fund products, proposed structural changes to existing funds and matters relating to closed-end funds. The Committee reports and makes recommendations to the Trustees regarding these matters. The Committee currently consists of Mr. Patterson (Chairperson), Dr. Joskow, Ms. Baxter and Messrs. Ahamed, Akhoury, Putnam and Stephens.

**Distributions Committee.** The Distributions Committee oversees all dividends and distributions by the Putnam funds. The Committee makes recommendations to the Trustees of the funds regarding the amount and timing of distributions paid by the funds, and determines such matters when the Trustees are not in session. The Committee also oversees the policies and procedures pursuant to which Putnam Management prepares recommendations for distributions, and meets regularly with representatives of Putnam Management to review the implementation of these policies and procedures. The Committee reports to the Trustees and makes recommendations to the Trustees regarding these matters. The Committee currently consists of Ms. Baumann (Chairperson), Ms. Domotorffy and Messrs. Curtis, Darretta, Hill and Leibler.

**Executive Committee.** The functions of the Executive Committee are twofold. The first is to ensure that the Putnam funds' business may be conducted at times when it is not feasible to convene a meeting of the Trustees or for the Trustees to act by written consent. The Committee may exercise any or all of the power and authority of the Trustees when the Trustees are not in session. The second is to establish annual and ongoing goals, objectives and priorities for the Board, and to ensure coordination of all efforts between the Trustees and Putnam Management on behalf of the shareholders of the funds. The Committee currently consists of Ms. Baxter (Chairperson) and Messrs. Hill, Leibler, Patterson and Putnam.

**Investment Oversight Committees.** The Investment Oversight Committees regularly meet with investment personnel of Putnam Management to review the investment performance and strategies of the Putnam funds in light of their stated investment objectives and policies. The Committees seek to identify any compliance issues that are unique to the applicable categories of funds and work with the appropriate Board committees to ensure that any such issues are properly addressed. Investment Oversight Committee A currently consists of Messrs. Akhoury (Chairperson), Ahamed, Darretta, Hill, Patterson and Reynolds and Ms. Baxter. Investment Oversight Committee B currently consists of Messrs. Putnam (Chairperson), Curtis, Leibler and Stephens, Dr. Joskow and Ms. Baumann and Domotorffy.

**Pricing Committee.** The Pricing Committee oversees the valuation of assets of the Putnam funds and reviews the funds' policies and procedures for achieving accurate and timely pricing of fund shares. The Committee also oversees implementation of these policies, including fair value determinations of individual securities made by Putnam Management or other designated agents of the funds. The Committee also oversees compliance by money market funds with Rule 2a-7 under the 1940 Act and the correction of occasional pricing errors. The Committee also reviews matters related to the liquidity of portfolio holdings. The Committee reports to the Trustees and makes recommendations to the Trustees regarding these matters. The Committee currently consists of Messrs. Darretta (Chairperson), Curtis, Hill and Leibler and Ms. Baumann and Domotorffy.

**How large a stake do the Trustees have in the Putnam family of funds?**

The Trustees allocate their investments among the Putnam funds based on their own investment needs. The number of shares beneficially owned by each nominee for Trustee, as well as the value of each nominee's holdings in each fund and in all of the Putnam funds as of September 30, 2013 is included in **Appendix H**. As a group, the Trustees owned shares of the Putnam funds valued at approximately \$[[ ]] million, as of September 30, 2013.

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As of September 30, 2013, to the knowledge of your fund, each Trustee, and the officers and Trustees of the fund as a group, owned less than 1% of the outstanding shares of each class of each fund, except as listed in **Appendix H**.

#### **How can shareholders communicate with the Trustees?**

The Board provides a process for shareholders to send communications to the Trustees. Shareholders may direct communications to the Board as a whole or to specified individual Trustees by submitting them in writing to the following address:

The Putnam funds  
Attention: "Board of Trustees" or any specified Trustee(s)  
One Post Office Square  
Boston, Massachusetts 02109

Written communications must include the shareholder's name, be signed by the shareholder, refer to the Putnam fund(s) in which the shareholder holds shares and include the class and number of shares held by the shareholder as of a recent date.

Representatives of the funds' transfer agent will review all communications sent to Trustees and, as deemed appropriate, will provide copies and/or summaries of communications to the Trustees.

#### **How often do the Trustees meet?**

The Trustees currently hold regular in-person meetings eight times each year, usually over a two-day period, to review the operations of the Putnam funds. A portion of these meetings is devoted to meetings of various committees of the Board that focus on particular matters. Each Independent Trustee generally attends at least two formal committee meetings during each regular meeting of the Trustees. In addition, the Trustees meet in small groups with senior investment personnel and portfolio managers to review recent performance and the current investment climate for selected funds. These meetings ensure that fund performance is reviewed in detail on at least an annual basis. The committees of the Board, including the Executive Committee, may also meet on special occasions as the need arises. During calendar year 2012, the average Trustee participated in approximately 37 committee and Board meetings.

The number of times each committee met during calendar year 2012 is shown in the table below:

Audit and Compliance Committee	8
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Board Policy and Nominating Committee	8
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Brokerage Committee	5
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Contract Committee	8
Distributions Committee	8
Executive Committee	3
Investment Oversight Committees A	8
Investment Oversight Committee B	8
Pricing Committee	8

The funds do not have a formal policy with respect to Trustee attendance at shareholder meetings, although, where possible, the Chair of the Trustees generally seeks to attend all meetings involving non-routine business matters. With the exception of Putnam Asia Pacific Equity Fund, Putnam High Income Securities Fund, Putnam International Value Fund, Putnam Managed Municipal Income Trust, Putnam Master Intermediate Income Trust, Putnam Municipal Opportunities Trust and Putnam Premier Income Trust, your fund's Trustees other than John A. Hill did not attend the last shareholder meeting of your fund. The Trustees are generally represented at routine shareholder meetings by their independent staff and independent counsel.

### **What are some of the ways in which the Trustees represent shareholder interests?**

Among other ways, the Trustees seek to represent shareholder interests:

- by reviewing your fund's investment performance with your fund's investment personnel;
- by discussing with senior management of Putnam Management steps being taken to address any performance deficiencies;
- by reviewing the quality of the various other services provided to your fund and its shareholders by Putnam Management and its affiliates;
- by reviewing in depth the fees paid by each fund and by negotiating with Putnam Management, if appropriate, to ensure that such fees remain reasonable and competitive with those of comparable funds, while at the same time providing Putnam Management sufficient resources to continue to provide high quality services in the future;
- by reviewing brokerage costs and fees, allocations among brokers, soft dollar expenditures and similar expenses of your fund;
- by monitoring potential conflicts of interest between the Putnam funds, including your fund, and Putnam Management and its affiliates to ensure that the funds continue to be managed in the best interests of their shareholders; and
- by monitoring potential conflicts among funds managed by Putnam Management to ensure that shareholders continue to realize the benefits of participation in a large and diverse family of funds.

### **What are the Trustees paid for their services?**

Each Independent Trustee of the fund receives an annual retainer fee and additional fees for each Trustee meeting attended and for certain related services. Independent Trustees also are reimbursed for expenses they incur relating to their service as Trustees. All of the current Independent Trustees of the fund are Trustees of all of the Putnam funds and receive fees for their services.

The Trustees periodically review their fees to ensure that the fees continue to be appropriate in light of their responsibilities as well as in relation to fees paid to trustees of other mutual fund complexes. The Board Policy and Nominating Committee, which consists solely of Independent Trustees of the fund, estimates that committee and Trustee meeting time, together with the appropriate preparation, requires the equivalent of at least four business days per Trustee meeting. The table found in **Appendix I** includes the year each Trustee became a Trustee of the Putnam funds, the fees paid to each of those Trustees by each fund included in this proxy statement for its most recent fiscal year (ended prior to October 1, 2013) and the fees paid to each of those Trustees by all of the Putnam funds during calendar year 2012.

Under a Retirement Plan in effect for Trustees of the Putnam funds elected to the Board before 2003 (the "Plan"), each eligible Trustee who retires with at least five years of service as a Trustee of the funds is entitled to receive an annual retirement benefit equal to one-half of the average annual attendance and retainer fees paid to such Trustee for calendar years 2003, 2004 and 2005. This retirement benefit is payable during a Trustee's lifetime, beginning the year following retirement, for the number of years of service through December 31, 2006. A death benefit, also available under the Plan, ensures that the Trustee and his or her beneficiaries will receive benefit payments for the lesser of an aggregate period of (i) ten years or (ii) such Trustee's total years of service.

The Plan Administrator (currently the Board Policy and Nominating Committee) may terminate or amend the Plan at any time, but no termination or amendment will result in a reduction in the amount of benefits (i) currently being paid to a Trustee at the time of such termination or amendment, or (ii) to which a current Trustee would have been entitled had he or she retired immediately prior to such termination or amendment. The Trustees have terminated the Plan with respect to any Trustee first elected to the Board after 2003.

#### **Why should you vote for your fund's nominees?**

Your current Trustees are independent, experienced, and highly qualified fiduciaries who exercise strong fund governance practices.

##### *Independent*

- The Chair of your fund, Jameson Baxter, is independent of Putnam Management and has served on the Board for nearly 20 years. She also serves as the Chair of the Mutual Fund Directors Forum, which provides educational and outreach programs for independent directors;
- 13 of the 14 Trustees are independent of Putnam Management; and
- The Independent Trustees are assisted by an independent administrative staff and legal counsel who are selected by the Independent Trustees and are independent of Putnam Management.

##### *Highly Qualified*

- The Trustees have significant current and past related industry experience, and have a demonstrated history of actively pursuing the interests of the fund's shareholders; and
- The Board includes individuals with substantial professional accomplishments and prior experience in a variety of fields, including investment management, economics, finance, energy, health care, manufacturing, national security and real estate; and

##### *Strong Governance Practices*

- The Board includes a combination of long-tenured and newer members, bringing diverse perspectives to fund oversight;

- The Board has a well-established committee and oversight structure for the Putnam funds, including your fund, which has been developed over a long period of time; and
- The fund does not have a staggered board structure or other takeover defenses.

### **What is the voting requirement for electing Trustees?**

All of the funds within a trust will vote together on the election of Trustees as a single class. If a quorum for your trust is present at the special meeting, the fourteen nominees for election as Trustees who receive the greatest number of votes cast at the meeting will be elected as Trustees of your trust. The table in **Appendix N** includes each Trust, and if applicable, its constituent series. **The Trustees unanimously recommend that shareholders vote “FOR” the election of your fund’s nominees.**

### **3. APPROVING AN AMENDED AND RESTATED DECLARATION OF TRUST FOR YOUR FUND**

**Affected funds:** All open-end funds (i.e. all funds except Putnam High Income Securities Fund, Putnam Managed Municipal Income Fund, Putnam Master Intermediate Income Trust, Putnam Municipal Opportunities Trust, and Putnam Premier Income Trust)

Each Putnam fund is organized as a series of a Massachusetts business trust or as a stand-alone Massachusetts business trust (each, a “Trust”). Each Trust is governed by a declaration of trust established under the laws of The Commonwealth of Massachusetts. The declaration of trust sets forth, among other things, details regarding the organization and operation of a fund, shareholder rights, powers of the Trustees and the characteristics of fund shares.

The Putnam funds affected by this proposal currently operate under thirty-eight distinct declarations of trust (each a “Current Declaration” and together, the “Current Declarations”). The Current Declarations were created at different times in the past and differ from each other in a number of ways. These differences create certain inefficiencies in the operations of the Putnam funds that can be disadvantageous to the funds and their shareholders. In addition, the terms of many of the Current Declarations do not provide for the flexibility and the

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same limitations of liabilities that more recent declarations of trust provide to many other mutual funds organized as Massachusetts business trusts and to their trustees and officers. The Trustees of your fund believe that the adoption of a single form of Amended and Restated Declaration of Trust (the “Revised Declaration”) for each Trust will, among other things: (i) provide the Trustees and Putnam Management increased flexibility in managing the affairs of the funds in an efficient and cost-effective manner in the best interests of shareholders; (ii) modernize and streamline certain corporate governance provisions, potentially resulting in a reduction or elimination of costs and delays over time and a reduction in the risks and costs of litigation; and (iii) eliminate certain ambiguities in and among the Current Declarations. On the basis of these and other considerations noted below, the Trustees recommend that shareholders of your Fund vote to authorize the Trustees to adopt the Revised Declaration, a form of which is included herein as **Appendix M**.

The discussion below highlights certain differences between the Current Declarations and the Revised Declaration. The most significant changes are described below under the caption “Significant Changes.” There are other differences between the Revised Declaration and the Current Declarations, mostly in the nature of clarifying and conforming changes, certain of which are described below under the caption “Other Changes.” Because there are many variations among the Current Declarations, not all of the changes described below will necessarily pertain to your fund. In addition, not all of the differences between the Current Declarations and the Revised Declaration are described below, so you should carefully review the form of the Revised Declaration in **Appendix M**. For a copy of your fund’s Current Declaration, you may call Putnam Investments at (800) 225-1581. Your fund’s Current Declaration is also on file with the Secretary of the Commonwealth of Massachusetts.

### **Significant Changes**

*1. Class Reorganizations and Terminations (all funds)*

Each Current Declaration permits the Trustees to divide the shares of any series into one or more classes. The Trustees have historically used this power to create classes of shares that reflect different methods of distribution. It may be desirable at some point in the future for the Trustees discontinue certain share classes, in which case it may be desirable to reorganize the shares of a discontinued class with another series or class or to liquidate the shares of such class. The Revised Declaration (Article III, Section 1) clarifies the Trustees' authority to combine shares of two or more classes of a fund into a single class without shareholder approval. Likewise, the Revised Declaration (Article IX, Section 5) permits the Trustees to authorize the reorganization of a class (by way of merger, consolidation or sale of assets) with another entity (including another series or class) without shareholder approval to the extent permitted by law. Finally, the Revised Declaration permits the Trustees to terminate and liquidate a particular class without shareholder approval. These additional powers are intended to provide the Board the flexibility to implement changes in a fund's class structure that it believes to be in the shareholders' best interests, without causing the funds to incur the time and expense of soliciting shareholder approval. Putnam Management has advised the Trustees that it has no present intention of proposing any changes in the current class structure of the funds.

*2. Derivative Actions and Exclusive Selection of Forum for Certain Shareholder Actions (all funds)*

The Revised Declaration (Article III, Section 6) provides that a shareholder may not bring or maintain any court action, proceeding or claim on behalf of a Trust without first making demand on the Trustees requesting the Trustees to bring the action. The Current Declarations do not contain a similar provision, although Massachusetts courts have generally imposed a similar demand requirement in the past based on the Trustees' inherent authority to manage all affairs of the Trust, including the bringing of litigation on behalf of the Trust. This requirement also conforms to a recent change in Massachusetts law applicable to business corporations requiring that demand be made in all circumstances. The requirement for shareholder demand is intended to prevent the potential disruption and expense that could result when a shareholder attempts to bring a suit that the Trustees in their judgment do not believe would be in the best interests of a Trust. The effect of these changes may be to discourage suits brought on behalf of the funds by shareholders against Putnam Management or the Trustees, but is not intended to affect any right of shareholders to bring actions in their own name.

The Revised Declaration (Article III, Section 7) also provides that any action brought by a shareholder seeking to enforce any right or privilege of shareholders under the Revised Declaration, challenging the powers of the Trustees thereunder, alleging a breach of fiduciary duty by any Trustee or officer of a Trust, or otherwise involving primarily the internal affairs of a Trust may be brought only in the courts of The Commonwealth of Massachusetts. The Current Declarations do not contain a similar provision. This proposed change is intended to ensure that the courts of The Commonwealth of Massachusetts will be the exclusive forum in which certain lawsuits against a fund, its Trustees or officers may be brought. In recent years, lawsuits against mutual funds and their officers and directors have often been brought and decided outside of a fund's state of organization. Forum selection provisions can benefit funds and their shareholders by reducing the cost and disruption of multi-forum litigation (*i.e.*, litigation brought by shareholders simultaneously in different forums that challenges the same action) and limiting the ability of plaintiffs' lawyers to seek out judicial forums that are particularly favorable to plaintiffs' actions, sometimes referred to as "forum shopping." Forum selection provisions are intended to permit a fund and its shareholders to benefit from the special expertise and long history of Massachusetts courts in dealing with declarations of trust governing the affairs of entities organized as Massachusetts business trusts. This provision would not, however, limit the

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ability of plaintiffs to bring actions outside of Massachusetts with respect to claims that do not fall within the scope of the forum selection provision, such as claims based on violations of federal securities law, contract claims or tort claims.

*3. Removal of a Trustee (all funds)*

The Revised Declaration (Article IV, Section 2) provides that a Trustee may be removed by the vote of two-thirds of the remaining Trustees or by the vote of two-thirds of a fund's outstanding shares. Under the Current Declarations, the only mechanism for removing a Trustee is by the vote of two-thirds of the fund's outstanding shares. This change is intended to increase administrative efficiency by providing Trustees the authority to remove a Trustee without causing the funds to incur the time and expense of soliciting shareholder approval. A Trustee would only be removed if the remaining Trustees deem such removal as necessary to ensure the effective operation of the Board or otherwise serve the best interests of shareholders, for example, to deal with the situation of a trustee who has become incapacitated, who refuses to resign in accordance with the Board's retirement policy, or who has become involved in personal or business-related legal matters that could call into question his or her continuing fitness to serve. The ability of the Board to remove a Trustee without shareholder action is also consistent with recent changes in Massachusetts law applicable to business corporations.

#### *4. Involuntary Redemptions (all funds)*

The Current Declarations generally provide that the Trustees have the power to redeem the shares of any shareholder if either (i) the shareholder owns fewer shares than, or shares having an aggregate net asset value less than, an amount determined from time to time by the Trustees (the current minimum is 20 shares) or (ii) the shareholder owns shares of the fund in excess of a maximum amount set by the Trustees. In addition to these circumstances, the Revised Declaration (Article VI, Section 3) permits a fund to make involuntary redemptions in certain additional circumstances, including: (i) if a shareholder fails to supply appropriate personal and tax identification information requested by the fund; (ii) if a shareholder fails to meet or maintain the qualifications for ownership of a particular series or class; (iii) to collect a small account fee imposed on certain accounts (as described further below); or (iv) if the Trustees determine for any other reason, in their sole discretion, that the ownership of fund shares by a shareholder is not in the best interests of the remaining shareholders of the Trust or of the applicable series or class. A fund will provide advance notice to a shareholder of the intention to redeem shares involuntarily.

It is common for mutual funds to pay transfer agent and other shareholder servicing costs that are incurred in whole or in part on a per account basis. As a result, having a large number of relatively small shareholder accounts can potentially increase a fund's expense ratio, with larger shareholders bearing a disproportionate amount of such costs. The Current Declarations already permit the Trustees to redeem all shares held in an account falling below a number fixed by the Trustees. The Revised Declaration would provide the Trustees the additional flexibility to impose fees on accounts that do not meet a minimum investment amount and to redeem shares in any such account in an amount required to pay such fees. This would allow a fund to cause those shareholders who maintain small accounts to bear a fair portion of the costs of maintaining small accounts in lieu of redeeming such accounts altogether. A fund will provide advance notice to shareholders of its intention to impose fees on accounts that do not exceed a minimum investment size. Any such action would be subject to approval by the Trustees on such terms as they consider to be in the best interests of all shareholders.

#### *5. Indemnification of Trustees, Officers, etc. (all funds)*

The Revised Declaration (Article VIII, Section 2) modifies certain provisions relating to the availability of indemnification to the Trust's Trustees and officers (including persons who serve at the Trust's request as directors, officers or trustees of another organization in which the Trust has any interest as a shareholder, creditor or otherwise) (each a "Covered Person"). Under the Revised Declaration, a Covered Person would not be indemnified with respect to any matter as to which such person had been finally adjudicated (i) not to have acted in good faith, (ii) not to have acted in the reasonable belief that his or her action was in the best interest of a Trust or at least was not opposed to the best interest of the Trust, (iii) in the case of a criminal proceeding, to have had reasonable cause to believe his or her action was unlawful, or (iv) to be liable by reason of such person's willful misfeasance, bad faith, gross negligence or reckless disregard of his or her duties (referred to below as "Disabling Conduct"). The Current Declarations contain a similar provision but do not expressly permit indemnification in circumstances where such person has been finally adjudicated to have acted in good faith in the reasonable belief that his or her action was not opposed to the best interest of the Trust. The Current Declarations also do not contain the exception noted above for criminal proceedings. These changes are intended to conform to recent changes in law applicable to Massachusetts corporations.

The Revised Declaration (Article VIII, Section 1) also adds a provision that creates a rebuttable presumption in favor of a Covered Person when determining whether there is reason to believe the Covered Person ultimately will be entitled to indemnification and hence may receive advancements of expenses in connection with indemnification. The Revised Declaration provides that the persons making determinations concerning advance payments will afford the Covered Person a rebuttable presumption that he or she did not engage in Disabling

Conduct. This rebuttable presumption is consistent with recent guidance of the Securities and Exchange Commission staff. The Revised Declaration both provides greater certainty to Trustees and other indemnified persons as to the circumstances where they might be denied indemnification, and makes it less likely in most circumstances that a Covered Person will be denied

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indemnification. The Trustees believe that providing for indemnification to the extent permitted by law is consistent with best corporate practices and will aid in attracting and retaining high quality members of the Board.

#### *6. Limitation of Liability (all funds)*

The Revised Declaration (Article VIII, Sections 1 and 2) clarifies that the duties, obligations and liability imposed upon a Trustee that is appointed, designated or identified as an officer of the fund or a member of any committee of the Trustees, or as an expert with respect to certain matters (including an audit committee financial expert), or a Trustee who has special skills or expertise shall be the same as those imposed on a Trustee in the absence of such appointment, designation, identification or expertise. The Revised Declaration also clarifies that no such appointment, designation, identification or expertise would affect any right or privilege to which the Trustee would otherwise be entitled as a Trustee, including the right to indemnification. While the Current Declarations do not address the standard of care with respect to Trustees with special skills or designations, nothing herein is intended to suggest that a different result was intended by the Current Declarations.

In the Security and Exchange Commission's 2003 adopting release for disclosure requirements related to the "audit committee financial expert" designation, the Securities and Exchange Commission stated that "[w]e find no support in the Sarbanes-Oxley Act or in related legislative history that Congress intended to change the duties, obligations or liability of any audit committee member, including the audit committee financial expert, through this provision." Although this is persuasive guidance, the standard of care imposed on a Trustee is primarily a matter governed by Massachusetts law rather than by federal law or regulations. The proposed change is intended to provide an extra safeguard for the Trustees in the event of litigation, making it clear that one standard of liability applies for all Trustees without regard to designation of additional responsibilities or titles or any actual or implied individual expertise or qualifications. By providing greater clarity regarding the applicable standard of care, the Trustees hope to reduce the uncertainties associated with potential litigation and enhance the ability of the funds to attract and retain high quality members of the Board.

#### *7. Merger, Consolidation, Sale of Assets and Other Reorganizations (all funds)*

The Revised Declaration (Article VIII, Section 5) permits the Trustees to authorize various types of reorganization transactions in which a Trust, or a series or class, may be combined with another entity, typically another mutual fund. Such transactions are typically contemplated when a fund has declined in size to a point where it is no longer able to operate at an efficient cost level or to effectively distribute its shares, to reduce existing overlap in portfolios within the same asset class of a family of funds, and to change a fund's investment philosophy, among others. For most funds, the Current Declarations already permit the Trustees to sell or exchange all or substantially all of the assets of the Trust without shareholder authorization, but is otherwise silent with regard to other types of reorganization transactions. However, in the case of those Affected Funds listed below, shareholder authorization is explicitly required before any sale or exchange of all or substantially all of the assets of the Trust or before any merger or consolidation of the Trust with any other trust or corporation.

The proposed changes would expand the authority of the Trustees to authorize reorganization transactions without shareholder approval where permitted by applicable law. The proposed changes would permit the Trustees to make decisions they believe are in the shareholders' best interests when considering a reorganization of a Trust (or a series or class of the Trust) without causing a Trust to incur the time and expense of soliciting shareholder approval, unless the law otherwise requires it.

Any exercise of the Trustees' increased authority under the Revised Declaration would be subject to the Trustees' general fiduciary responsibilities to act in the best interests of all shareholders and subject to the requirements of applicable law, including the 1940 Act. For example, Rule 17a-8 under the 1940 Act requires reorganizations

involving affiliated funds to be approved by the shareholders of the trust or series being acquired unless certain conditions are satisfied. Because of this regulatory requirement, some transactions will continue to require shareholder approval. Should shareholders approve the Revised Declaration, shareholders would not have the right to vote under the trust's organizational document on any reorganization that may be effected without a shareholder vote pursuant to Rule 17a-8, unless the Trustees determined that it would be appropriate in the circumstance to permit shareholders to vote on the reorganization.

*Affected Funds: Putnam Convertible Securities Fund, The Putnam Fund for Growth and Income, The George Putnam Fund of Boston (d/b/a George Putnam Balanced Fund), Putnam Global Equity Fund, Putnam Income Fund, Putnam Investors Fund, and Putnam Voyager Fund are currently not permitted to engage in any form of reorganization without shareholder approval; the remaining open-end funds would be affected only by the additional authority to engage in mergers or consolidations.*

#### 8. Redemption Fees (listed funds only)

The Revised Declaration (Article VI, Section 3) makes explicit that fees or charges may be imposed on shares being redeemed. Such fees or charges would typically be applied in circumstances where the Trustees believe that such fees are necessary or appropriate to protect non-redeeming shareholders from the transaction costs associated with redemptions, for example, during periods of market turmoil resulting in reduced trading liquidity. While the Current Declarations for most funds state that the Trustees may impose redemption fees, the declarations of trust of the Affected Funds listed below do not explicitly contemplate this power. In order to conform your fund's Current Declaration with the majority of the Putnam funds' declarations of trust and to avoid

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any ambiguity with respect to the ability of a fund to impose redemption fees, the Trustees believe it is prudent to make this power explicit in each fund's Revised Declaration.

*Affected Funds: Putnam American Government Income Fund, Putnam California Tax Exempt Income Fund, Putnam Convertible Securities Fund, Putnam Equity Income Fund, Putnam Global Equity Fund, Putnam Global Health Care Fund, Putnam Global Income Trust, Putnam Global Natural Resources Fund, Putnam High Yield Advantage Fund, Putnam High Yield Trust, Putnam Income Fund, Putnam International Equity Fund, Putnam Investors Fund, Putnam Massachusetts Tax Exempt Income Fund, Putnam Michigan Tax Exempt Income Fund, Putnam Minnesota Tax Exempt Income Fund, Putnam Money Market Fund, Putnam New York Tax Exempt Income Fund, Putnam Ohio Tax Exempt Income Fund, Putnam Tax Exempt Income Fund, Putnam U.S. Government Income Trust, and Putnam Voyager Fund.*

#### 9. In-Kind Redemptions and Distributions (listed funds only)

The Revised Declaration (Article VI, Section 2) clarifies that redemption and distribution payments made to shareholders may be made in cash, fund shares or other property, or a combination thereof, as determined by the Trustees. While the Current Declarations for most funds expressly permit the Trustees to make redemption payments in property other than cash or fund shares (e.g., a fund's portfolio securities), the Current Declarations for the Affected Funds listed below do not explicitly contemplate such an "in-kind" redemption or distribution. The Trustees believe that standardizing the provisions relating to in-kind redemptions and distributions across the funds' declarations of trust would enhance efficiency in administering the Putnam funds. The Trustees expect that the flexibility to pay redemptions in-kind would be used only in extraordinary circumstances, for example, to ensure that transaction costs associated with unusually large and unanticipated redemptions or large redemptions during periods of unusually limited market liquidity are not borne by all other fund shareholders. In addition, if the Revised Declaration is approved by a trust, the trust intends to file an election with the Securities and Exchange Commission under Rule 18f-1 under the 1940 Act, which will commit the trust to pay in cash in all cases involving requests for redemption by a single shareholder during any 90-day period of up to the lesser of \$250,000 or 1% of the relevant fund's net asset value measured at the beginning of the 90-day period.

*Affected Funds for In-Kind Distributions: Putnam American Government Income Fund, Putnam AMT-Free Municipal Fund, Putnam California Tax Exempt Income Fund, Putnam Convertible Securities Fund, Putnam Diversified Income Trust, Putnam Equity Income Fund, The Putnam Fund for Growth and Income, The George Putnam Fund of Boston*

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*(d/b/a George Putnam Balanced Fund), Putnam Global Equity Fund, Putnam Global Health Care Fund, Putnam Global Income Trust, Putnam Global Natural Resources Fund, Putnam High Yield Advantage Fund, Putnam High Yield Trust, Putnam Income Fund, Putnam International Equity Fund, Putnam Investors Fund, Putnam New York Tax Exempt Income Fund, Putnam Massachusetts Tax Exempt Income Fund, Putnam Michigan Tax Exempt Income Fund, Putnam Minnesota Tax Exempt Income Fund, Putnam Money Market Fund, Putnam Ohio Tax Exempt Income Fund, Putnam Tax Exempt Income Fund, Putnam Tax-Free High Yield Fund, Putnam U.S. Government Income Trust, and Putnam Voyager Fund.*

*Affected Fund for In-Kind Redemptions: Putnam American Government Income Fund, Putnam AMT-Free Municipal Fund, Putnam Arizona Tax Exempt Income Fund, Putnam California Tax Exempt Income Fund, Putnam Capital Opportunities Fund, Putnam Convertible Securities Fund, Putnam Diversi-fied Income Trust, Putnam Dynamic Asset Allocation Balanced Fund, Putnam Dynamic Asset Allocation Conservative Fund, Putnam Dynamic Asset Allocation Growth Fund, Putnam Equity Income Fund, Putnam Europe Equity Fund, The Putnam Fund for Growth and Income, The George Putnam Fund of Boston (d/b/a George Putnam Balanced Fund), Putnam Growth Opportunities Fund, Putnam Global Equity Fund, Putnam Global Health Care Fund, Putnam Global Income Trust, Putnam Global Natural Resources Fund, Putnam Global Utilities Fund, Putnam High Yield Advantage Fund, Putnam High Yield Trust, Putnam Income Fund, Putnam International Capital Opportunities Fund, Putnam International Equity Fund, Putnam International Growth Fund, Putnam Investors Fund, Putnam Massachusetts Tax Exempt Income Fund, Putnam Michigan Tax Exempt Income Fund, Putnam Minnesota Tax Exempt Income Fund, Putnam Money Market Fund, Putnam Multi-Cap Growth Fund, Putnam Multi-Cap Value Fund, Putnam New Jersey Tax Exempt Income Fund, Putnam New York Tax Exempt Income Fund, Putnam Ohio Tax Exempt Income Fund, Putnam Pennsylvania Tax Exempt Income Fund, Putnam Research Fund, Putnam Small Cap Value Fund, Putnam U.S. Government Income Trust, Putnam Tax Exempt Income Fund, Putnam Tax Exempt Money Market Fund, Putnam Tax-Free High Yield Fund, and Putnam Voyager Fund.*

### 10. Amendment of the Declaration of Trust (all funds)

Under the Revised Declaration (Article VIII, Section 8), the Trustees have the authority to amend the declaration of trust without shareholder approval if (i) the amendment would be for the purpose of changing the name of the Trust or curing any omission, ambiguity, defect or inconsistency or (ii) the amendment would not, in the judgment of the Trustees, have a material adverse effect on the shareholders of any series or class of shares. In contrast, the Current Declarations for most funds permit the Trustees to amend the declaration of trust without shareholder authorization only for the purpose of changing the name of the trust or curing any omission, ambiguity, defect or inconsistency. (In the case of The George Putnam Fund of Boston (d/b/a George Putnam Balanced Fund) and The Putnam Fund for Growth and Income, the Current Declarations permit the

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Trustees to amend the declaration of trust without shareholder authorization to change the name of the Trust only in certain limited circumstances.) The proposed changes would expand, to a certain extent, the Trustees' authority to amend a declaration of trust without obtaining a shareholder vote. The proposed changes are designed to give the Trustees the flexibility to react quickly to future contingencies, changes to applicable law or other changes, and to take action without causing the Trust to incur the time and expense of soliciting shareholder approval. These situations could arise as a result of regulatory changes or changes in markets or mutual fund structures generally. In addition, any exercise of this power by the Trustees would be subject to their general fiduciary responsibilities to act in the best interests of all shareholders.

Where a shareholder vote is required to authorize an amendment of the Revised Declaration, approval requires the affirmative vote of at least a majority of shares voted, subject to applicable quorum requirements and applicable law. Under the Current Declarations, approval requires a vote of at least a majority of the outstanding shares entitled to vote on the matter. Obtaining the favorable vote of a majority of the outstanding shares can be difficult and expensive when shareholders do not return their proxies in sufficient numbers, even though a substantial majority of those shareholders voting have voted in favor of a proposal. These proposed changes are designed to enhance the ability of the Trustees to obtain shareholder approval of amendments to the declarations of trust provided that the current 30% quorum requirement is satisfied.

### Other Changes

In addition to the changes described above, the Revised Declaration would result in numerous minor changes to many of the Current Declarations for the purposes of eliminating immaterial inconsistencies in language and clarifying potential ambiguities. None of these additional changes is considered to have a material impact on the rights and privileges of shareholders and, in many cases, the Trustees would have the power under the Current Declarations to implement such changes in any event without shareholder approval.

**What is the voting requirement for approving the proposal?**

All of the funds within a Trust will vote together on the Revised Declaration, as a single class. Approval of the Revised Declaration with respect to a Trust requires the vote of a majority of the shares of such Trust outstanding and entitled to vote. If the shareholders of a Trust fail to approve the Revised Declaration, the Current Declaration will remain in effect for that Trust. The table in **Appendix N** includes each Trust, and if applicable, its constituent series.

**4. APPROVING AN AMENDMENT TO A FUNDAMENTAL INVESTMENT RESTRICTION WITH RESPECT TO INVESTMENTS IN COMMODITIES**

**Affected fund:** Putnam Dynamic Asset Allocation Conservative Fund only

**What is this proposal?**

Under the 1940 Act, a fund's investment policy relating to the purchase and sale of commodities must be fundamental, which means that it can be modified only by a vote of a majority of the fund's outstanding voting securities. Commodities include physical commodities, such as gold and other metals, agricultural products, and oil, as well as certain financial instruments, such as futures contracts and related options.

Putnam Dynamic Asset Allocation Conservative Fund's current fundamental investment restriction with respect to investments in commodities states that the fund may not:

Purchase or sell physical commodities unless acquired as a result of ownership of securities or other instruments.

This restriction shall not prevent the fund from purchasing or selling financial instruments representing interests in commodities (or the values of which are determined by reference to commodities), but which do not involve the delivery of physical commodities to or by the fund, or from entering into financial futures contracts, options, foreign exchange contracts and other financial transactions.

Although the fund's current restriction expressly permits investments in financial instruments whose values are determined by reference to physical commodities, it generally prohibits direct investment in physical commodities.

The proposed amended fundamental investment restriction would state that your fund may not:

Purchase or sell commodities, except as permitted by applicable law.

This proposal would permit your fund to obtain exposure to commodities, whether through direct investment in physical commodities or through related financial instruments, in the manner Putnam Management deems most efficient, as from time to time authorized by the Trustees.

**What effect will amending the current restriction with respect to investments in commodities have on your fund?**

Under the proposed fundamental investment restriction, the fund will be able to invest directly in gold and other physical commodities, as well as engage in a variety of transactions involving the use of commodity-linked investments, including commodity-based exchange-traded funds or notes (ETFs or ETNs) and commodity-linked notes, to the extent permitted by law and consistent with the fund's investment objectives and policies.

Putnam Management believes that this added investment flexibility could assist your fund in achieving its investment objective, both because commodities and commodity-linked investments may offer the opportunity for attractive investment returns

and because economic exposure to gold or other commodities through these investments may enhance the ability of the fund to diversify risks, particularly to the extent that the returns of commodities are not correlated with the returns of other asset classes in which the fund invests. The proposed fundamental investment restriction amendment would also align your fund's investment restriction with the investment restriction of many other Putnam funds, which had the same amendment approved by shareholders in 2009.

The fund intends to continue to qualify for treatment as a regulated investment company (a "RIC") under the Internal Revenue Code of 1986, as amended (the "Code"). If the fund qualifies as a RIC, the fund will generally not be subject to federal income tax on income and gains it distributes to its shareholders. In order to maintain its special status as a RIC, the fund must limit any "non-qualifying income" to a maximum of 10% of its annual gross income. Generally, the fund's investments in commodity-linked derivatives or physical commodities will be limited by this requirement. Putnam Management presently has no specific intention to change the fund's exposures to commodities or commodity-linked investments in response to the revision of the fund's investment restriction, but this intention is subject to change based on Putnam Management's assessment of both market conditions at any given time and those investments most likely to assist your fund in meeting its investment objective.

While commodities and commodity-linked investments offer significant potential benefits to the fund, investment in this asset class presents particular risks as well, as described in the fund's prospectus. The values of commodities and commodity-linked investments may be highly volatile, and may be subject to a wide variety of risks relevant to particular physical commodities (such as the risks of drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments) to which the markets for other investments are not typically subject. Investments in physical commodities may also involve different custody arrangements and greater custody risks than other types of commodity-related investments. Putnam Management will take these risks into account in determining whether to invest directly in physical commodities.

#### **What are the Trustees recommending?**

**The Trustees unanimously recommend that shareholders approve an amendment to the fund's fundamental investment restriction with respect to investments in commodities.**

#### **What is the voting requirement for approving the proposal?**

Approval of the proposed amendment to the fund's fundamental investment restriction requires the affirmative vote of "a majority of the outstanding voting securities" of the fund, which is defined under the 1940 Act to be the lesser of (a) more than 50% of the outstanding shares of the fund, or (b) 67% or more of the shares of the fund present (in person or by proxy) at the meeting if more than 50% of the outstanding shares of the fund are present at the meeting in person or by proxy.

### **5. APPROVING AN AMENDMENT TO A FUNDAMENTAL INVESTMENT POLICY REGARDING DIVERSIFICATION OF INVESTMENTS**

#### **Affected funds:**

Putnam Global Consumer Fund  
Putnam Global Financials Fund

#### **What is this proposal?**

The Trustees recommend that each affected fund adopt a fundamental investment policy to operate as a "non-diversified" fund.

Each affected fund is currently sub-classified as a "diversified" fund for purposes of Section 5(b)(1) of the 1940 Act. As a diversified fund, with respect to 75% of its total assets, no more than 5% of each fund's total assets may be

invested in the securities of any single issuer, and it may not hold more than 10% of the outstanding voting securities of any single issuer. With respect to the remaining 25% of its total assets, there is no limit on the percentage of assets each fund may invest in the securities of a single issuer or on the outstanding voting securities of an issuer that may be held by each fund. These 1940 Act limits do not apply to securities issued or guaranteed by the U.S. government, its agencies or instrumentalities, or to securities issued by other investment companies. These limits apply only at the time a fund purchases a security. Each affected fund may exceed these limits if positions it already holds increase in value relative to the rest of the fund's holdings.

The Trustees, subject to shareholder approval, have approved a change to each affected fund's sub-classification under the 1940 Act from a "diversified" fund to a "non-diversified" fund under the 1940 Act. The Trustees and Putnam Management believe that changing each affected fund from a diversified fund to a non-diversified fund would give Putnam Investments more flexibility in implementing each fund's investment strategies, in response to market or industry developments or to changes in Putnam Management's views about issuers in the relevant sector. The proposed change would also conform the affected funds' fundamental investment restriction to the standard restriction currently used by Putnam's other global sector funds, which operate as non-diversified funds.

Each affected fund was originally organized and operated as a non-diversified fund pursuant to the following fundamental investment policy, which matches that of other global sector funds. The policy provides that the fund may not:

With respect to 50% of its total assets, invest in securities of any issuer if, immediately after such investment, more than 5% of the total assets of the fund (taken at current value) would be invested in the securities of such issuer; provided that this limitation does not apply to obligations issued or guaranteed as to interest or principal by the U.S. government or its agencies or instrumentalities or to securities issued by other investment companies.

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As discussed above, the affected funds are currently operating as diversified funds. Shareholder approval is required to permit each affected fund to once again operate as a non-diversified fund. If shareholders approve this Proposal, the fundamental investment policy with respect to diversification of investments would be restored and Putnam Management would have the flexibility to operate the affected funds as non-diversified, although it has no immediate plans to alter materially its management of the affected funds.

For each of the affected funds, the proposed change would allow the fund to operate as a non-diversified fund, able to invest more of its assets in the securities of fewer issuers than a diversified fund. The fund would be exposed to non-diversification risk, as its ability to invest more of its assets in the securities of fewer issuers would increase its vulnerability to factors affecting a single investment; therefore, the fund may be more exposed to the risks of loss and volatility than a fund that invests more broadly.

#### **What are the Trustees recommending?**

**The Trustees unanimously recommend that shareholders approve an amendment to each affected fund's fundamental investment policy with respect to diversification of investments. What is the voting requirement for approving the proposal?**

Approval of this proposal requires the affirmative vote of a "majority of the outstanding voting securities" of the affected fund, which is defined under the 1940 act to be *the lesser of* (1) more than 50% of the outstanding shares of the affected fund, or (2) 67% or more of the shares of the affected fund present at the meeting if more than 50% of the outstanding shares of the affected fund are present at the meeting in person or by proxy.

### **Further Information About Voting and the Special Meeting**

**Meeting Quorum and Methods of Tabulation.** The shareholders of each fund vote separately with respect to approving a new management contract (Proposal 1). The shareholders of all of the series of a trust vote together as a single class with respect to the election of Trustees (Proposal 2) and approval of an Amended and Restated

Declaration of Trust (Proposal 3). Shareholders of Putnam Dynamic Asset Allocation Conservative Fund vote separately with respect to approving an amendment to that fund's fundamental investment restriction with respect to investments in commodities (Proposal 4), and shareholders of certain funds vote separately with respect to approving an amendment to those funds' fundamental investment policies with respect to diversification of investments (Proposal 5). Shares of all classes of each fund vote together as a single class. Thirty percent of the shares entitled to vote constitutes a quorum for the transaction of business with respect to any proposal at the special meeting for all funds except Putnam High Income Securities Fund, Putnam Managed Municipal Income Trust, Putnam Master Intermediate Income Trust, Putnam Municipal Opportunities Trust and Putnam Premier Income Trust, for which a majority of the shares entitled to vote constitutes a quorum. Votes cast by proxy or in person at the special meeting will be counted by persons your fund appoints as tellers for the meeting. The tellers will count the total number of votes cast "for" approval of a proposal for purposes of determining whether sufficient affirmative votes have been cast. Shares represented by proxies that reflect abstentions and "broker non-votes" (*i.e.*, shares held by brokers or nominees as to which (i) instructions have not been received from the beneficial owners or the persons entitled to vote and (ii) the broker or nominee does not have the discretionary voting power on a particular matter) will be counted as shares that are present and entitled to vote on the matter for purposes of determining the presence of a quorum.

The documents that authorize Putnam Fiduciary Trust Company or Putnam Investor Services, Inc. to act as Trustee for certain individual retirement accounts (including traditional, Roth and SEP IRAs, 403(b)(7) accounts and Coverdell Education Savings Accounts) provide that if an account owner does not submit voting instructions for his or her shares, Putnam Fiduciary Trust Company or Putnam Investor Services will vote such shares in the same proportions as other shareholders with similar accounts have submitted voting instructions for their shares. Shareholders should be aware that this practice, known as "echo-voting," may have the effect of increasing the likelihood that a proposal will be acted upon (approved or disapproved) and that Putnam Fiduciary Trust Company or Putnam Investor Services, Inc., each of which is an affiliate of Putnam Management, may benefit indirectly from the approval of the proposed management contracts.

With respect to Proposals 2 and 3, neither abstentions nor broker non-votes have an effect on the outcome of the proposal. With respect to other proposals, abstentions and broker non-votes have the effect of votes against the proposal. For Proposals 1, 4, and 5, treating broker non-votes as negative votes may result in the proposal not being approved, even though the votes cast in favor would have been sufficient to approve the proposal if some or all of the broker non-votes had been withheld. In certain circumstances in which a fund has received sufficient votes to approve a matter being recommended for approval by the fund's Trustees, the fund may request that brokers and nominees, in their discretion, withhold or withdraw submission of broker non-votes in order to avoid the need for solicitation of additional votes in favor of the proposal. A fund may also request that selected brokers and nominees, in their discretion, submit broker non-votes, if doing so is necessary to obtain a quorum.

Shareholders who object to any proposal in this Proxy Statement will not be entitled under Massachusetts law or the Agreement and Declaration of Trust of the particular Putnam fund to demand payment for, or an appraisal of, their shares.

**Special Rule for Proportional Voting for Putnam Managed Municipal Income Trust and Putnam Municipal Opportunities Trust.** For funds listed on the New York Stock Exchange that have outstanding preferred shares, in accordance with the rules of the exchange, brokerage firms may vote for (or against)

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a proposal, on behalf of their clients who beneficially own the remarketed or auction rate preferred shares and from whom they have not received voting instructions, in the same proportion as votes for (and against) such proposal have been received from holders of preferred shares if (i) the holders of a minimum of 30% of the outstanding preferred shares have been voted by the holders of preferred shares, (ii) the holders of less than 10% of the outstanding preferred shares have voted against such proposal, and (iii) the holders of the common shares have approved such proposal.

**Other business.** The Trustees know of no matters other than those described in this proxy statement to be brought before the special meeting. If, however, any other matters properly come before the special meeting,

proxies will be voted on these matters in accordance with the judgment of the persons named in the enclosed proxy card(s).

**Simultaneous meetings.** The special meeting of shareholders of your fund is called to be held at the same time as the meetings of shareholders of certain of the other Putnam funds. It is anticipated that all special meetings will be held simultaneously.

If any shareholder at the special meeting objects to the holding of a simultaneous meeting and moves for an adjournment of the meeting to a time promptly after the simultaneous meetings, the persons named as proxies will vote in favor of adjournment.

***Information for all Putnam funds except funds that are series of Putnam Variable Trust***

**Solicitation of proxies.** In addition to soliciting proxies by mail, the Trustees of your fund and employees of Putnam Management and Putnam Investor Services, as well as their agents, may solicit proxies in person or by telephone. Your fund may arrange to have a proxy solicitation firm call you to record your voting instructions by telephone. The procedures for voting proxies by telephone are designed to authenticate shareholders' identities, to allow them to authorize the voting of their shares in accordance with their instructions, and to confirm that their instructions have been properly recorded. Shareholders would be called at the phone number Putnam Management or Putnam Investor Services has in its records for their accounts (or that Putnam Management or Putnam Investor Services obtains from agents acting on behalf of financial intermediaries, in the case of shares held in street name through a bank, broker or other financial intermediary) and would be given an opportunity to authenticate their identities and to authorize the proxies to vote their shares at the special meeting in accordance with their instructions. To ensure that shareholders' instructions have been recorded correctly, they will also receive a confirmation of their instructions in the mail. A special toll-free number will be available in case the information contained in the confirmation is incorrect. Your fund has been advised by counsel that these procedures are consistent with the requirements of applicable law. If these procedures were subject to a successful legal challenge, such votes would not be counted at the special meeting. Your fund is unaware of any such challenge at this time.

Shareholders have the opportunity to submit their voting instructions over the Internet by using a program provided by a third-party vendor hired by Putnam Management or by automated telephone service. The giving of a proxy will not affect your right to vote in person should you decide to attend the special meeting. To vote online using the Internet, please access the Internet address listed on the proxy card and follow the instructions on the Internet site. To record your voting instructions using the automated telephone service, use the toll-free number listed on your proxy card. The Internet and telephone voting procedures are designed to authenticate shareholder identities, to allow shareholders to give their voting instructions, and to confirm that shareholders' instructions have been recorded properly.

Shareholders voting over the Internet should understand that there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies, that must be borne by the shareholders.

Your fund's Trustees have adopted a general policy of maintaining confidentiality in the voting of proxies. Consistent with this policy, your fund may solicit proxies from shareholders who have not voted their shares or who have abstained from voting, including brokers and nominees.

**Revocation of proxies.** Giving your proxy, whether by returning the proxy card(s) or providing voting instructions over the Internet or by telephone, does not affect your right to attend the special meeting and vote in person. Proxies, including proxies given by telephone or over the Internet, may be revoked at any time before they are voted either (i) by a written revocation received by the Clerk of your fund, (ii) by properly executing and submitting a later-dated proxy, (iii) by recording later-dated voting instructions by telephone or via the Internet, or (iv) by attending the special meeting and voting in person. If your shares are held in street name through a bank, broker or other financial intermediary, please check your voting instruction form or contact your bank, broker or other financial intermediary for instructions on how to change or revoke your vote.

***Information for funds that are series of Putnam Variable Trust***

**Voting Process.** With respect to funds that are series of Putnam Variable Trust only, as of the Record Date, certain insurance companies or funds of funds sold exclusively to insurance company separate accounts and other variable insurance products (each an "Insurance Company") were shareholders of record of each fund that is a series of Putnam Variable Trust. Each Insurance Company will vote shares of the fund or funds held by it in accordance with voting instructions received from variable annuity contract and variable life insurance policy owners (collectively, the "Contract Owners") for whose accounts the shares are held. Accordingly, with respect to funds that are series of Putnam Variable Trust, this proxy statement is also intended to be used by each Insurance Company in obtaining these voting instructions from Contract Owners. In the event that a Contract Owner gives no instructions, the relevant

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Insurance Company will vote the shares of the appropriate fund attributable to the Contract Owner in the same proportion as shares of that fund for which it has received instructions. One effect of this system of proportional voting is that, if only a small number of Contract Owners provide voting instructions, this small number of Contract Owners may determine the outcome of a vote for a fund.

**Solicitation of proxies.** In addition to soliciting proxies and voting instructions by mail, the Trustees of your fund and employees of Putnam Management, Putnam Investor Services, Inc., Putnam Retail Management and the Insurance Companies may solicit voting instructions from Contract Owners in person or by telephone. Your fund may arrange to have a proxy solicitation firm call you to record your voting instructions by telephone. The procedures for solicitation of proxies and voting instructions by telephone are designed to authenticate Contract Owners' identities, to allow them to authorize the voting of their units in accordance with their instructions, and to confirm that their instructions have been properly recorded. Your fund has been advised by counsel that these procedures are consistent with the requirements of applicable law. Contract Owners would be called at the phone number Putnam Management has in its records for their accounts (or that Putnam Management obtains from the Insurance Companies) and would be given an opportunity to give their instructions. To ensure that the Contract Owners' instructions have been recorded correctly, they will also receive a confirmation of their instructions in the mail. A special toll-free number will be available in case the information contained in the confirmation is incorrect. If these procedures were subject to a successful legal challenge, such votes would not be counted at the special meeting. Your fund is unaware of any such challenge at this time.

**Contract Owner Instructions.** Each Contract Owner is entitled to instruct his or her Insurance Company as to how to vote its shares and can do so by marking voting instructions on the ballot enclosed with this proxy statement and then signing, dating and mailing the ballot in the envelope provided. If a ballot is not marked to indicate voting instructions, but is signed, dated and returned, it will be treated as an instruction to vote the shares in accordance with the Trustees' recommendations. Each Insurance Company will vote the shares for which it receives timely voting instructions from Contract Owners in accordance with those instructions and will vote those shares for which it receives no timely voting instructions for and against approval of a proposal, and as an abstention, in the same proportion as the shares for which it receives voting instructions. Shares attributable to accounts retained by each Insurance Company will be voted in the same proportion as votes cast by Contract Owners. Accordingly, there are not expected to be any "broker non-votes." Contract Owners have the opportunity to submit their voting instructions via the Internet by utilizing a program provided by a third party vendor hired by Putnam Management or by automated telephone service. The giving of such voting instructions will not affect your right to vote in person should you decide to attend the special meeting. To use the Internet, please access the Internet address listed on the proxy card, and follow the instructions on the Internet site. To record your voting instructions via automated telephone service, use the toll-free number listed on your proxy card. The Internet and telephone voting procedures are designed to authenticate Contract Owners' identities, to allow Contract Owners to give their voting instructions, and to confirm that their instructions have been recorded properly.

Contract Owners voting over the Internet should understand that there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies, that must be borne by the Contract Owners.

Your fund's Trustees have adopted a general policy of maintaining confidentiality in the voting of proxies and the giving of voting instructions. Consistent with this policy, your fund may solicit proxies from Contract Owners who

have not voted their shares or who have abstained from voting.

**Revocation of instructions.** Any Contract Owner giving instructions to an Insurance Company has the power to revoke such instructions by mail by providing superseding instructions. All properly executed instructions received in time for the special meeting will be voted as specified in the instructions.

**Revocation of proxies.** Proxies, including proxies given by telephone or over the Internet, may be revoked at any time before they are voted either (i) by a written revocation received by the Clerk of your fund, (ii) by properly executing a later-dated proxy, (iii) by recording later-dated voting instructions by telephone or via the Internet, or (iv) by attending the special meeting and voting in person.

***Information for all Putnam funds other than Putnam High Income Securities Fund, Putnam Managed Municipal Income Trust, Putnam Master Intermediate Income Trust, Putnam Municipal Opportunities Trust and Putnam Premier Income Trust***

**Date for receipt of shareholders' proposals for subsequent meetings of shareholders.**

Your fund does not regularly hold an annual shareholder meeting, but may from time to time schedule a special meeting. Putnam Asia Pacific Equity Fund and Putnam International Value Fund last held a special meeting in 2011. Each other fund's last special meeting was held in 2009. In accordance with the regulations of the Securities and Exchange Commission, in order to be eligible for inclusion in the fund's proxy statement for a meeting, a shareholder or Contract Owner proposal must be received a reasonable time before the fund prints and mails its proxy statement.

As described in more detail earlier in this proxy statement, the Board Policy and Nominating Committee of the Board of

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Trustees, which consists only of Independent Trustees, will also consider nominees recommended by shareholders of the fund to serve as Trustees. A shareholder or Contract Owner must submit the names of any such nominees in writing to the fund, to the attention of the Clerk, at the address of the principal offices of the fund.

If a shareholder who wishes to present a proposal at a special shareholder meeting fails to notify the fund within a reasonable time before the fund mails its proxy statement, the persons named as proxies will have discretionary authority to vote on the shareholder's proposal if it is properly brought before the meeting. If a shareholder makes a timely notification, the proxies may still exercise discretionary voting authority under circumstances consistent with the Securities and Exchange Commission's proxy rules. All shareholder proposals must also comply with other requirements of the Security and Exchange Commission's rules and the fund's Agreement and Declaration of Trust and Bylaws.

**Expense of the solicitation.** Persons holding shares as nominees will, upon request, be reimbursed for their reasonable expenses in soliciting instructions from their principal. The Putnam funds have retained [[ ]], to aid in the solicitation of instructions for registered and nominee accounts. [[Vendor's]] fee (estimated to be approximately \$[[ ]]), as well as other expenses of the preparation of proxy statements and related materials, including printing, delivery and solicitation costs, are being borne by Putnam Investments and the funds.

***Information for Putnam High Income Securities Fund, Putnam Managed Municipal Income Trust, Putnam Master Intermediate Income Trust and Putnam Premier Income Trust***

**Date for receipt of shareholders' proposals for subsequent meetings of shareholders.** It is currently anticipated that your fund's next annual meeting of shareholders will be held on April 25, 2014, although the Trustees of your fund reserve the right to set an earlier or later date for the annual meeting for the 2013-2014 fiscal year. Shareholder proposals to be included in the proxy statement for that meeting must be received by your fund on or before January 31, 2014. In order for a shareholder proposal to be included in the proxy statement, both

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the submitting shareholder and the proposal itself must satisfy the requirements set forth in Rule 14a-8 under the Exchange Act. Shareholders who wish to make a proposal at the annual meeting for the 2013-2014 fiscal year — other than one that will be included in the fund's proxy materials — should notify the fund no later than January 31, 2014. The fund may exclude from the proxy materials and consideration at a meeting certain proposals as permitted by Securities and Exchange Commission rules and state law. Shareholders who wish to propose one or more nominees for election as Trustees, or to make a proposal fixing the number of Trustees, at the annual meeting for the 2013–2014 fiscal year must provide written notice to the fund (including all required information) so that such notice is received in good order by the fund no later than February 3, 2014.

#### ***Information for Putnam Municipal Opportunities Trust***

**Date for receipt of shareholders' proposals for subsequent meeting of shareholders.** It is currently anticipated that your fund's next annual meeting of shareholders will be held on April 25, 2014, although the Trustees of your fund reserve the right to set an earlier or later date for the annual meeting for the 2013-2014 fiscal year. Shareholder proposals to be included in the proxy statement for that meeting must have been received by the fund on or before November 20, 2013, as was indicated in the proxy statement for the fund's April 2013 annual meeting. In order for a shareholder proposal to be included in the proxy statement, both the submitting shareholder and the proposal itself must satisfy the requirements set forth in Rule 14a-8 under the Exchange Act. Shareholders who wish to make a proposal at the annual meeting for the 2013-2014 fiscal year — other than one that will be included in the fund's proxy materials — should notify the fund no later than February 3, 2014, as was indicated in the proxy statement for the fund's April 2013 annual meeting. The fund may exclude from the proxy materials and consideration at a meeting certain proposals as permitted by Securities and Exchange Commission rules and state law. Shareholders who wish to propose one or more nominees for election as Trustees, or to make a proposal fixing the number of Trustees, at the annual meeting for the 2013–2014 fiscal year must provide written notice to the fund (including all required information) so that such notice is received in good order by the fund no earlier than January 25, 2014 and no later than February 24, 2014, as was indicated in the proxy statement for the fund's April 2013 annual meeting.

#### ***Information for all Putnam funds***

**Adjournment.** To the extent permitted by each fund's Declaration of Trust and Bylaws, any meeting of shareholders may, by action of the chair of the meeting, be adjourned without further notice with respect to one or more matters to be considered at such meeting to a designated time and place, whether or not a quorum is present with respect to such matter. Upon motion of the chair of the meeting, the question of adjournment may be submitted to a vote of the shareholders, and in that case, any adjournment with respect to one or more matters must be approved by the vote of holders of a majority of the shares present and entitled to vote with respect to the matter or matters to be adjourned, to the extent permitted by each fund's Declaration of Trust and Bylaws. If the quorum required for the special meeting has not been met, the persons named as proxies intend to propose adjournment of the meeting and to vote all shares that they are entitled to vote in favor of such adjournment. If the quorum required for the special meeting has been met, but sufficient votes in favor of one or more of Proposals 1, 3, 4, and 5 are not received by the time scheduled for the meeting, the persons named as proxies may also propose adjournment of the meeting with respect to any or all proposals in order to permit solicitation of additional proxies. The persons named as proxies will vote in favor of adjournment those proxies

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that they are entitled to vote in favor of a proposal. They will vote against adjournment those proxies required to be voted against a proposal. Unless a proxy is otherwise limited in this regard, any shares present and entitled to vote at a meeting that are represented by broker non-votes, may, at the discretion of the proxies named therein, be voted in favor of such an adjournment. Adjournments of the special meeting may be proposed for a period or periods of not more than 60 days in the aggregate to permit further solicitation of proxies. Putnam Investments and the funds will share equally the costs of any additional solicitation and of any adjourned session. Any proposal for which sufficient favorable votes have been received may be acted upon and considered final regardless of whether the special meeting is adjourned to permit additional solicitation with respect to any other proposal that may properly come before the meeting.

**Duplicate mailings.** As permitted by Securities and Exchange Commission rules, Putnam Management's policy is to send a single copy of the proxy statement to shareholders who share the same last name and address, unless a shareholder previously has requested otherwise. Separate proxy cards will be included with the proxy statement for each account registered at that address. If you would prefer to receive your own copy of the proxy statement, please contact Putnam Investor Services by phone at 1-800-225-1581 or by mail at P.O. Box 8383, Boston, MA 02266-8383.

**Financial information.** Your fund's Clerk will furnish to you, upon request and without charge, a copy of the fund's annual report for its most recent fiscal year, and a copy of its semi-annual report for any subsequent semiannual period. You may direct these requests to Putnam Investor Services, P.O. Box 8383, Boston, MA 02266-8383 or by phone at 1-800-225-1581. You may also access copies of these reports by visiting Putnam's website at [putnam.com/individual](http://putnam.com/individual).

## Fund Information

**Putnam Investments.** Putnam Management is an indirect wholly-owned subsidiary of Putnam Investments. Great-West Lifeco Inc., a financial services holding company with operations in Canada, the United States and Europe and a member of the Power Financial Corporation group of companies, owns a majority interest in Putnam Investments through a series of subsidiaries. Power Financial Corporation, a diversified management and holding company with direct and indirect interests in the financial services sector in Canada, the United States and Europe, is a subsidiary of Power Corporation of Canada, a diversified international management and holding company with interests in companies in the financial services, communications and other business sectors. The Desmarais Family Residuary Trust, a trust established pursuant to the Last Will and Testament of The Honourable Paul G. Desmarais, directly and indirectly controls a majority of the voting shares of Power Corporation of Canada.

The address of each of Putnam Investments and Putnam Management is One Post Office Square, Boston, Massachusetts 02109. The address of The Desmarais Family Residuary Trust is 759 Victoria Square, Montreal, Quebec H2Y 2J7. The address of Power Corporation of Canada, and Power Financial Corporation is 751 Victoria Square, Montreal, Quebec H2Y 2J3. The address of Great-West Lifeco Inc. is 100 Osborne Street North, Winnipeg, Manitoba, R3C 3A5. Robert L. Reynolds is the President and Chief Executive Officer of Putnam Investments. His address is One Post Office Square, Boston, MA 02109.

Putnam Management provides investment advisory services to other funds that may have investment objectives and policies similar to those of your fund. The table in **Appendix J** identifies these other funds and states their net assets and their current management fee schedules.

**Putnam Investments Limited.** Putnam Investments Limited, which has been retained by Putnam Management as investment sub-manager with respect to a portion of the assets of certain funds, is owned by The Putnam Advisory Company, LLC, which is a registered investment adviser owned indirectly by Putnam Investments. The directors of Putnam Investments Limited, listed along with their principal business occupations at Putnam Investments, are Simon Davis, Co-Head of International Equities, Alan G. McCormack, Head of Quantitative Equities and Risk, Joseph T. Phoenix, Head of Global Institutional Management, and Clare Richer, Chief Financial Officer. The address of Putnam Investments Limited, Alan G. McCormack and Simon Davis is Cassini House, 57-59 St. James's Street, London, England SW1A 1LD. The address of The Putnam Advisory Company, LLC and of Joseph T. Phoenix and Clare Richer is One Post Office Square, Boston, Massachusetts 02109.

**The Putnam Advisory Company, LLC.** The Putnam Advisory Company, LLC, which has also been retained by Putnam Management to serve as sub-adviser for a portion of the assets of certain funds, is owned by Putnam Investments through a series of wholly-owned subsidiaries. The address of The Putnam Advisory Company, LLC is One Post Office Square, Boston, Massachusetts 02109.

**Putnam Retail Management.** Putnam Retail Management, the principal underwriter for the open-end Putnam funds, is a limited partnership whose general partner (and minority owner) is Putnam Retail Management GP, Inc. and whose limited partner and majority owner is Putnam U.S. Holdings I, LLC, which is also the sole owner of Putnam Retail Management GP, Inc. and an indirect wholly-owned subsidiary of Putnam Investments. The address of each of Putnam Retail Management, Putnam Retail Management GP, Inc. and Putnam U.S. Holdings I, LLC is One Post Office Square, Boston, Massachusetts 02109.

**Putnam Investor Services, Inc.** Putnam Investor Services, Inc. serves as your fund's investor servicing agent. Putnam Investor Services, Inc. is an indirect wholly-owned subsidiary of Putnam Investments. The address of Putnam Investor Services, Inc. is One Post Office Square, Boston, Massachusetts 02109.

**Payments to Putnam Management or its affiliates.** Appendix K shows amounts paid to Putnam Management or its affiliates during each fund's most recent fiscal year ended prior to October 1, 2013 for the services noted. The funds made no other material payments to Putnam Management or its affiliates during the periods shown.

**Limitation of Trustee liability.** Your fund's Declaration of Trust provides that the fund will indemnify its Trustees and officers against liabilities and expenses incurred in connection with litigation in which they may be involved because of their offices with the fund, except if it is determined in the manner specified in the Declaration of Trust that they have not acted in good faith in the reasonable belief that their actions were in the best interests of the fund or that such indemnification would relieve any officer or Trustee of any liability to the fund or its shareholders arising by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of his or her duties. Your fund, at its expense, provides liability insurance for the benefit of its Trustees and officers.

**Officers and other information.** All of the officers of your fund are employees of Putnam Management or its affiliates or serve on the staff of the Office of the Trustees. Because of his positions with Putnam Management or its affiliates, Mr. Reynolds, as well as the other affiliated officers of your fund, will benefit indirectly from the management fees and investor servicing fees paid or allowed by your fund. In addition to Mr. Reynolds, the other officers of your fund are as follows:

Name, Address <sup>1</sup> , Year of Birth, Position(s) Held with Fund	Length of Service with the Putnam funds <sup>2</sup>	Principal Occupations During Past 5 Years <sup>3</sup>
<b>Jonathan S. Horwitz<sup>4</sup></b> <b>(Born 1955)*</b> <i>Executive Vice President,</i> <i>Principal Executive Officer</i> <i>and Compliance Liaison</i>	Since 2004	Executive Vice President, Principal Executive Officer, and Compliance Liaison, The Putnam Funds
<b>Steven D. Krichmar</b> <b>(Born 1958)</b> <i>Vice President and</i> <i>Principal Financial Officer</i>	Since 2002	Chief of Operations, Putnam Investments and Putnam Management
<b>Robert T. Burns</b> <b>(Born 1961)</b> <i>Vice President and Chief</i> <i>Legal Officer</i>	Since 2011	General Counsel, Putnam Investments, Putnam Management, and Putnam Retail Management

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<p><b>Robert R. Leveille</b>  <b>(Born 1969)</b>  <i>Vice President and Chief  Compliance Officer</i></p>	<p>Since 2007</p>	<p>Chief Compliance Officer,  Putnam Investments,  Putnam Management,  and Putnam Retail  Management</p>
<p><b>Michael J. Higgins<sup>4</sup></b>  <b>(Born 1976)*</b>  <i>Vice President, Treasurer,  and Clerk</i></p>	<p>Since 2010</p>	<p>Manager of Finance,  Dunkin' Brands (2008–  2010); Senior Financial  Analyst, Old Mutual Asset  Management (2007–2008)</p>
<p><b>Janet C. Smith</b>  <b>(Born 1965)</b>  <i>Vice President, Principal  Accounting Officer and  Assistant Treasurer</i></p>	<p>Since 2007</p>	<p>Director of Fund  Administration Services,  Putnam Investments and  Putnam Management</p>
<p><b>Susan G. Malloy</b>  <b>(Born 1957)</b>  <i>Vice President and  Assistant Treasurer</i></p>	<p>Since 2007</p>	<p>Director of Accounting and  Control Services, Putnam  Investments and Putnam  Management</p>
<p><b>James P. Pappas</b>  <b>(Born 1953)</b>  <i>Vice President</i></p>	<p>Since 2004</p>	<p>Director of Trustee  Relations, Putnam  Investments and Putnam  Management</p>
<p><b>Mark C. Trenchard</b>  <b>(Born 1962)</b>  <i>Vice President and BSA  Compliance Officer</i></p>	<p>Since 2002</p>	<p>Director of Operational  Compliance, Putnam  Investments and Putnam  Retail Management</p>
<p><b>Nancy E. Florek<sup>4</sup></b>  <b>(Born 1957)*</b>  <i>Vice President, Director  of Proxy Voting and  Corporate Governance,  Assistant Clerk, and  Associate Treasurer</i></p>	<p>Since 2000</p>	<p>Vice President, Director  of Proxy Voting and  Corporate Governance,  Assistant Clerk, and  Associate Treasurer, The  Putnam Funds</p>

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\* Officers of each fund who are members of the Trustees' independent administrative staff. Compensation for these individuals is fixed by the Trustees and reimbursed to Putnam Management.

**5% Beneficial Ownership.** As of September 30, 2013, to the knowledge of the funds, no person other than those listed on **Appendix L** owned beneficially or of record 5% or more of any class of shares of any Putnam fund.

1 The address of each officer is One Post Office Square, Boston, MA 02109

2 Each officer serves an indefinite term, until his or her resignation, retirement, death or removal

3 Prior positions and/or officer appointments with the fund or the fund's investment adviser have been omitted.

4 Officers of the fund who are members of the Trustees' independent administrative staff. Compensation for these individuals is fixed by the Trustees and reimbursed to Putnam Management by the Fund.

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## Appendix A — Number of Shares Outstanding as of the Record Date

	Putnam Absolute Return 100 Fund	Putnam Absolute Return 300 Fund	Putnam Absolute Return 500 Fund	Putnam Absolute Return 700 Fund	Governance
Class A	2,441,289.24	6,376,771.13	7,977,540.85	5,157,420.45	
Class B	141,762.78	420,790.32	892,098.85	461,160.50	
Class C	1,227,893.48	2,968,058.77	2,540,027.84	1,839,144.24	
Class M	27,297.05	95,708.04	134,381.52	122,665.67	
Class R	1,180.28	8,575.42	10,136.56	6,433.95	
Class Y	1,586,197.39	3,071,040.21	1,960,011.30	1,719,440.18	
	Putnam AMT-Free Municipal Fund	Putnam Arizona Tax Exempt Income Fund	Putnam Asia Pacific Equity Fund	Putnam Asset Allocation: Balanced Portfolio	Putnam
Class A	22,454,768.96	7,086,505.79	540,864.97	95,421,517.82	C
Class B	1,002,396.04	350,785.63	9,220.00	13,795,600.39	
Class C	1,387,445.97	158,340.60	2,050.06	10,391,816.28	

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Class M	86,379.06	133,049.17	1,187.97	2,233,090.12
Class R	—	—	1,000.00	688,108.58
Class Y	319,993.16	149,216.71	21,386.48	30,255,886.12
	<b>Putnam Asset Allocation: Equity Portfolio</b>	<b>Putnam Asset Allocation: Growth Portfolio</b>	<b>Putnam California Tax Exempt Income Fund</b>	<b>Putnam Capital Opportunities Fund</b>
Class A	1,276.65	103,809,940.21	209,280,358.18	23,980,414.07
Class B	—	18,957,296.27	3,897,016.24	5,095,953.37
Class C	—	12,778,357.56	5,376,037.49	1,453,134.72
Class M	—	2,784,387.18	491,239.76	633,627.41
Class R	—	899,534.41	—	288,480.30
Class Y	3,167,109.14	26,391,900.11	2,276,197.10	1,962,729.02
	<b>Putnam Convertible Income-Growth Trust</b>	<b>Putnam Diversified Income Trust</b>	<b>Putnam Emerging Markets Equity Fund</b>	<b>Putnam Equity Income Fund</b>
Class A	29,195,092.58	160,345,983.05	1,489,093.28	173,091,118.97
Class B	933,182.01	10,646,451.93	183,424.87	15,093,251.91
Class C	3,512,159.83	32,100,800.76	34,937.26	5,305,307.38
Class M	298,453.28	59,049,073.98	27,147.44	2,560,893.11
Class R	166,217.81	391,009.58	1,000.00	1,023,816.11
Class Y	4,256,132.23	35,837,549.24	176,536.08	24,707,911.51
	<b>Putnam Europe Equity Fund</b>	<b>Putnam Floating Rate Income Fund</b>	<b>The Putnam Fund for Growth and Income</b>	<b>The George Putnam Fund of Boston</b>
Class A	10,957,553.86	19,083,981.99	423,778,844.81	112,205,071.75

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Class B	658,680.27	1,057,724.20	22,206,731.23	8,393,751.14
Class C	148,768.66	6,915,994.07	3,443,733.04	2,293,735.41
Class M	266,664.66	321,023.85	3,670,294.25	8,081,479.38
Class R	6,729.26	20,585.47	324,127.48	148,736.67
Class Y	584,925.70	13,025,560.39	7,142,552.85	10,128,025.58

	<b>Putnam Global Energy Fund</b>	<b>Putnam Global Equity Fund</b>	<b>Putnam Global Financials Fund</b>	<b>Putnam Global Health Care Fund</b>
Class A	454,728.64	108,866,232.79	517,416.11	24,865,629.05
Class B	22,145.82	7,477,847.75	16,640.85	2,008,854.90
Class C	13,017.42	1,994,239.39	17,139.23	534,053.44
Class M	5,680.09	1,939,463.76	1,586.89	309,568.40
Class R	1,000.20	195,725.86	1,000.70	39,119.99
Class Y	21,352.14	2,772,553.73	42,228.86	400,020.39

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	<b>Putnam Global Industrials Fund</b>	<b>Putnam Global Natural Resources Fund</b>	<b>Putnam Global Technology Fund</b>	<b>Putnam Global Telecommunications Fund</b>
Class A	319,944.75	19,113,901.74	410,407.52	302,539.28
Class B	3,903.22	2,046,104.59	12,556.50	2,034.39
Class C	1,756.20	915,261.84	4,883.61	1,002.78

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Class M	1,002.07	350,225.49	3,423.57	1,000.00
Class R	1,002.16	585,825.10	1,000.00	1,000.00
Class Y	12,258.07	656,390.58	22,955.51	9,220.13
	<b>Putnam Growth Opportunities Fund</b>	<b>Putnam High Yield Advantage Fund</b>	<b>Putnam High Yield Trust</b>	<b>Putnam Income Fund</b>
Class A	20,713,194.77	83,172,360.74	160,452,092.18	96,280,904.74
Class B	3,228,236.17	1,652,197.71	9,845,328.68	7,274,441.24
Class C	1,055,082.13	1,562,260.70	5,270,961.17	5,227,604.30
Class M	386,501.20	33,755,967.14	2,587,732.76	30,071,243.49
Class R	15,360.31	728,966.96	343,587.27	347,900.88
Class Y	450,767.47	9,365,964.65	6,407,080.39	30,558,704.19
	<b>Putnam International Capital Opportunities Fund</b>	<b>Putnam International Equity Fund</b>	<b>Putnam International Growth and Income Fund</b>	<b>Putnam International New Opportunities Fund</b>
Class A	30,545,765.00	82,611,326.17	34,147,949.39	25,897,452.11
Class B	2,570,337.78	8,165,953.98	3,417,998.84	1,922,067.94
Class C	2,201,155.65	5,972,279.38	1,611,291.07	719,049.42
Class M	385,631.75	1,879,711.51	697,637.17	689,681.95
Class R	1,990,186.95	289,562.44	262,354.56	115,213.38
Class Y	3,663,438.49	8,007,506.68	3,956,919.18	1,984,015.51
	<b>Putnam Massachusetts Tax Exempt Income Fund</b>	<b>Putnam Michigan Tax Exempt Income Fund</b>	<b>Putnam Mid Cap Value Fund</b>	<b>Putnam Minnesota Tax Exempt Income Fund</b>
Class A	26,107,136.80	9,281,805.84	50,785,937.19	9,015,087.92

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Class B	1,675,822.93	433,937.23	2,951,345.47	705,076.00
Class C	1,528,960.41	31,985.44	1,657,297.07	365,569.83
Class M	407,196.79	78,197.89	517,058.00	71,099.16
Class R	—	—	803,907.76	—
Class T	—	—	—	—
Class Y	1,075,602.31	19,406.20	4,088,970.60	56,457.39
	<b>Putnam Money Market Liquidity Fund</b>	<b>Putnam New Jersey Tax Exempt Income Fund</b>	<b>Putnam New Opportunities Fund</b>	<b>Putnam New York Tax Exempt Income Fund</b>
Class A	—	20,577,091.11	52,367,631.48	124,997,330.70
Class B	—	2,027,890.87	4,667,366.40	2,968,946.89
Class C	—	1,943,695.97	867,188.80	3,980,959.60
Class M	—	261,529.05	1,124,213.27	223,757.06
Class P	2,472,523,576.00	—	—	—
Class R	—	—	59,488.11	—
Class Y	—	419,841.04	6,833,758.04	351,160.42
	<b>Putnam Pennsylvania Tax Exempt Income Fund</b>	<b>Putnam Research Fund</b>	<b>Putnam RetirementReady 2010 Fund</b>	<b>Putnam RetirementReady 2015 Fund</b>
Class A	17,316,086.63	15,468,115.70	1,137,546.10	3,067,660.06
Class B	1,375,560.11	2,456,219.18	13,190.43	34,790.34
Class C	1,309,685.47	989,020.61	22,292.74	28,595.43
Class M	280,015.43	379,958.85	4,371.70	21,233.81

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Class R	—	9,088.34	31,932.15	57,616.89
Class Y	208,497.55	325,780.02	248,046.50	400,914.47

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	<b>Putnam RetirementReady 2025 Fund</b>	<b>Putnam RetirementReady 2030 Fund</b>	<b>Putnam RetirementReady 2035 Fund</b>	<b>Putnam RetirementReady 2040 Fund</b>
Class A	2,304,460.10	2,042,039.35	1,508,091.06	1,011,173.94
Class B	56,865.58	52,133.72	31,213.54	16,627.48
Class C	14,859.86	11,177.07	9,899.02	2,986.29
Class M	8,245.80	47,405.22	4,463.06	1,119.26
Class R	81,143.57	45,924.75	47,896.89	46,066.85
Class Y	774,114.54	707,957.85	651,264.23	444,747.65

  

	<b>Putnam RetirementReady 2050 Fund</b>	<b>Putnam RetirementReady Maturity Fund</b>	<b>Putnam Small Cap Growth Fund</b>	<b>Putnam Small Cap Value Fund</b>
Class A	421,383.55	723,299.90	8,859,737.34	20,845,017.62
Class B	11,228.54	2,811.00	656,889.58	966,362.32
Class C	4,162.96	6,690.64	540,195.24	1,512,156.33
Class M	3,548.68	25,852.33	100,260.44	207,894.66
Class R	23,736.06	5,363.08	433,106.83	22,465.08
Class Y	162,319.75	214,657.76	619,338.15	2,471,260.78

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	<b>Putnam Tax Exempt Money Market Fund</b>	<b>Putnam Tax-Free High Yield Fund</b>	<b>Putnam U.S. Government Income Trust</b>	<b>Putnam Vista Fund</b>
Class A	65,331,183.00	77,657,120.31	77,696,934.97	110,923,420.11
Class B	—	3,026,226.80	4,862,528.25	11,030,713.90
Class C	—	2,032,357.56	3,633,723.11	2,557,020.11
Class M	—	750,858.97	1,943,242.41	2,001,629.23
Class R	—	—	267,629.56	288,411.92
Class Y	—	420,528.87	1,000,928.54	6,761,068.57
	<b>Putnam VT American Government Income Fund</b>	<b>Putnam VT Capital Opportunities Fund</b>	<b>Putnam VT Diversified Income Fund</b>	<b>Putnam VT Equity Income Fund</b>
Class IA	7,606,269.42	981,891.11	21,566,462.63	16,860,691.01
Class IB	4,755,961.00	1,200,414.07	40,136,829.95	17,729,792.06
	<b>Putnam VT Global Asset Allocation Fund</b>	<b>Putnam VT Global Equity Fund</b>	<b>Putnam VT Global Health Care Fund</b>	<b>Putnam VT Global Utilities Fund</b>
Class IA	12,158,943.56	22,684,036.05	4,668,462.74	12,015,306.17
Class IB	5,482,668.99	3,382,207.22	7,253,262.39	2,264,366.85
	<b>Putnam VT Growth Opportunities Fund</b>	<b>Putnam VT High Yield Fund</b>	<b>Putnam VT Income Fund</b>	<b>Putnam VT International Equity Fund</b>
Class IA	2,571,055.76	48,896,096.17	22,930,353.83	16,195,705.21
Class IB	3,472,210.16	18,304,940.73	16,928,359.03	41,235,161.02
	<b>Putnam VT International New Opportunities Fund</b>	<b>Putnam VT Investors Fund</b>	<b>Putnam VT Mid Cap Value Fund</b>	<b>Putnam VT Money Market Fund</b>
Class IA	3,741,110.84	10,951,219.95	2,541,266.66	202,024,444.50

Class IB	1,838,998.92	22,172,997.60	1,383,088.97	179,311,894.61
		<b>Putnam VT Small Cap</b>		
	<b>Putnam VT Research Fund</b>	<b>Value Fund</b>	<b>Putnam VT Vista Fund</b>	<b>Putnam VT Voyager Fund</b>
Class IA	2,746,716.62	6,267,411.95	7,649,143.06	25,286,054.07
Class IB	4,455,818.95	19,159,340.19	10,268,447.90	8,016,910.28

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## Appendix B — Forms of Proposed Management Contract

**For the following funds only:**

*Putnam American Government Income Fund*

*Putnam AMT-Free Municipal Fund*

*Putnam Arizona Tax Exempt Income Fund*

*Putnam California Tax Exempt Income Fund*

*Putnam Capital Opportunities Fund*

*Putnam Convertible Securities Fund*

*Putnam Diversified Income Trust*

*Putnam Dynamic Asset Allocation Balanced Fund*

*Putnam Dynamic Asset Allocation Conservative Fund*

*Putnam Dynamic Asset Allocation Equity Fund*

*Putnam Dynamic Asset Allocation Growth Fund*

*Putnam Dynamic Risk Allocation Fund*

*Putnam Equity Income Fund*

*Putnam Emerging Markets Income Fund*

*Putnam Floating Rate Income Fund*

*The George Putnam Fund of Boston*

*(d/b/a George Putnam Balanced Fund)*

*Putnam Global Consumer Fund*

*Putnam Global Energy Fund*

*Putnam Global Financials Fund*

*Putnam Global Health Care Fund*

*Putnam Global Income Trust*

*Putnam Pennsylvania Tax Exempt Income Fund*

*Putnam Research Fund*

*Putnam RetirementReady 2055 Fund*

*Putnam RetirementReady 2050 Fund*

*Putnam RetirementReady 2045 Fund*

*Putnam RetirementReady 2040 Fund*

*Putnam RetirementReady 2035 Fund*

*Putnam RetirementReady 2030 Fund*

*Putnam RetirementReady 2025 Fund*

*Putnam RetirementReady 2020 Fund*

*Putnam RetirementReady 2015 Fund*

*Putnam Retirement Income Fund Lifestyle 1*

*Putnam Retirement Income Fund Lifestyle 2*

*Putnam Retirement Income Fund Lifestyle 3*

*Putnam Short Duration Income Fund*

*Putnam Short Term Investment Fund*

*Putnam Short-Term Municipal Income Fund*

*Putnam Small Cap Value Fund*

*Putnam Tax Exempt Income Fund*

*Putnam Tax Exempt Money Market Fund*

*Putnam Tax-Free High Yield Fund*

*Putnam U.S. Government Income Trust*

*Putnam VT Absolute Return 500 Fund*

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<i>Putnam Global Industrials Fund</i>	<i>Putnam VT American Government Income Fund</i>
<i>Putnam Global Natural Resources Fund</i>	<i>Putnam VT Capital Opportunities Fund</i>
<i>Putnam Global Sector Fund</i>	<i>Putnam VT Diversified Income Fund</i>
<i>Putnam Global Technology Fund</i>	<i>Putnam VT Equity Income Fund</i>
<i>Putnam Global Telecommunications Fund</i>	<i>Putnam VT George Putnam Balanced Fund</i>
<i>Putnam Global Utilities Fund</i>	<i>Putnam VT Global Asset Allocation Fund</i>
<i>The Putnam Fund for Growth and Income</i>	<i>Putnam VT Global Equity Fund</i>
<i>Putnam High Yield Advantage Fund</i>	<i>Putnam VT Global Health Care Fund</i>
<i>Putnam High Yield Trust</i>	<i>Putnam VT Global Utilities Fund</i>
<i>Putnam Income Fund</i>	<i>Putnam VT Growth and Income Fund</i>
<i>Putnam Intermediate-Term Municipal Income Fund</i>	<i>Putnam VT Growth Opportunities Fund</i>
<i>Putnam Investors Fund</i>	<i>Putnam VT High Yield Fund</i>
<i>Putnam Low Volatility Equity Fund</i>	<i>Putnam VT Income Fund</i>
<i>Putnam Massachusetts Tax Exempt Income Fund</i>	<i>Putnam VT International Equity Fund</i>
<i>Putnam Michigan Tax Exempt Income Fund</i>	<i>Putnam VT International Growth Fund</i>
<i>Putnam Minnesota Tax Exempt Income Fund</i>	<i>Putnam VT International Value Fund</i>
<i>Putnam Money Market Fund</i>	<i>Putnam VT Investors Fund</i>
<i>Putnam Money Market Liquidity Fund</i>	<i>Putnam VT Money Market Fund</i>
<i>Putnam Multi-Cap Core Fund</i>	<i>Putnam VT Multi-Cap Growth Fund</i>
<i>Putnam Multi-Cap Value Fund</i>	<i>Putnam VT Multi-Cap Value Fund</i>
<i>Putnam New Jersey Tax Exempt Income Fund</i>	<i>Putnam VT Research Fund</i>
<i>Putnam New York Tax Exempt Income Fund</i>	<i>Putnam VT Small Cap Value Fund</i>
<i>Putnam Ohio Tax Exempt Income Fund</i>	<i>Putnam VT Voyager Fund</i>

## **FORM OF PROPOSED MANAGEMENT CONTRACT**

This Management Contract is dated as of February 27, 2014 between [NAME OF FUND], a Massachusetts business trust (the "Fund"), and PUTNAM INVESTMENT MANAGEMENT, LLC, a Delaware limited liability company (the "Manager").

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In consideration of the mutual covenants herein contained, it is agreed as follows:

### **1. SERVICES TO BE RENDERED BY MANAGER TO FUND.**

(a) The Manager, at its expense, will furnish continuously an investment program for the Fund or, in the case of a Fund that has divided its shares into two or more series under Section 18(f) (2) of the Investment Company Act of 1940, as amended (the "1940 Act"), each series of the Fund identified from time to time on schedule A to this Contract (each reference in this Contract to "a Fund" or to "the Fund" is also deemed to be a reference to any existing series of the Fund, as appropriate in the particular context), will determine what investments will be purchased, held, sold or exchanged by the Fund and what portion, if any, of the assets of the Fund will be held uninvested and will, on behalf of the Fund, make changes in such investments. Subject always to the control of the Trustees of the Fund and except for the functions carried out by the officers and personnel referred to in Section 1(d), the Manager

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will also manage, supervise and conduct the other affairs and business of the Fund and matters incidental thereto. In the performance of its duties, the Manager will comply with the provisions of the Agreement and Declaration of Trust and By-Laws of the Fund and the stated investment objectives, policies and restrictions of the Fund, will use its best efforts to safeguard and promote the welfare of the Fund and to comply with other policies which the Trustees may from time to time determine and will exercise the same care and diligence expected of the Trustees.

(b) The Manager, at its expense, except as such expense is paid by the Fund as provided in Section 1(d), will furnish (1) all necessary investment and management facilities, including salaries of personnel, required for it to execute its duties faithfully; (2) suitable office space for the Fund; and (3) administrative facilities, including bookkeeping, clerical personnel and equipment necessary for the efficient conduct of the affairs of the Fund, including determination of the net asset value of the Fund, but excluding shareholder accounting services. Except as otherwise provided in Section 1(d), the Manager will pay the compensation, if any, of the officers of the Fund.

(c) The Manager, at its expense, will place all orders for the purchase and sale of portfolio investments for the Fund's account with brokers or dealers selected by the Manager. In the selection of such brokers or dealers and the placing of such orders, the Manager will use its best efforts to obtain for the Fund the most favorable price and execution available, except to the extent it may be permitted to pay higher brokerage commissions for brokerage and research services as described below. In using its best efforts to obtain for the Fund the most favorable price and execution available, the Manager, bearing in mind the Fund's best interests at all times, will consider all factors it deems relevant, including by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer involved and the quality of service rendered by the broker or dealer in other transactions. Subject to such policies as the Trustees of the Fund may determine, the Manager will not be deemed to have acted unlawfully or to have breached any duty created by this Contract or otherwise solely by reason of its having caused the Fund to pay a broker or dealer that provides brokerage and research services to the Manager an amount of commission for effecting a portfolio investment transaction in excess of the amount of commission another broker or dealer would have charged for effecting that transaction, if the Manager determines in good faith that such amount of commission was reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either that particular transaction or the Manager's overall responsibilities with respect to the Fund and to other clients of the Manager as to which the Manager exercises investment discretion. The Manager agrees that in connection with purchases or sales of portfolio investments for the Fund's account, neither the Manager nor any officer, director, employee or agent of the Manager shall act as a principal or receive any commission other than as provided in Section 3.

(d) The Fund will pay or reimburse the Manager for the compensation in whole or in part of such officers of the Fund and persons assisting them as may be determined from time to time by the Trustees of the Fund. The Fund will also pay or reimburse the Manager for all or part of the cost of suitable office space, utilities, support services and equipment attributable to such officers and persons as may be determined in each case by the Trustees of the Fund. The Fund will pay the fees, if any, of the Trustees of the Fund.

(e) The Manager will not be obligated to pay any expenses of or for the Fund not expressly assumed by the Manager pursuant to this Section 1 other than as provided in Section 3.

(f) Subject to the prior approval of a majority of the Trustees, including a majority of the Trustees who are not "interested persons" and, to the extent required by the 1940 Act and the rules and regulations under the 1940 Act, subject to any applicable guidance or interpretation of the Securities and Exchange Commission or its staff, by the shareholders of the Fund, the Manager may, from time to time, delegate to a sub-adviser or sub-administrator any of the Manager's duties under this Contract, including the management of all or a portion of the assets being managed. In all instances, however, the Manager must oversee the provision of delegated services, the Manager must bear the separate costs of employing any sub-adviser or sub-administrator, and no delegation will relieve the Manager of any of its obligations under this Contract.

## 2. OTHER AGREEMENTS, ETC.

It is understood that any of the shareholders, Trustees, officers and employees of the Fund may be a shareholder, director, officer or employee of, or be otherwise interested in, the

Manager, and in any person controlled by or under common control with the Manager, and that the Manager and any person controlled by or under common control with the Manager may have an interest in the Fund. It is also understood that the Manager and any person controlled by or under common control with the Manager may have advisory, management, service or other contracts with other organizations and persons and may have other interests and business.

### 3. COMPENSATION TO BE PAID BY THE FUND TO THE MANAGER.

The Fund will pay to the Manager as compensation for the Manager's services rendered, for the facilities furnished and for the expenses borne by the Manager pursuant to paragraphs (a), (b), and (c) of Section 1, a fee, based on the Fund's Average Net Assets, computed and paid monthly at the annual rate(s) set forth on Schedule B attached to this Contract, as from time to time amended. The Fund's "Average Net Assets" means the average of all of the determinations of the Fund's net asset value at the close of business on each business day during each month while this Contract is in effect, except as is otherwise specified on Schedule B. [The fee is payable for each month within 15 days after the close of the month.]<sup>1</sup>

The fees payable by the Fund to the Manager pursuant to this Section 3 will be reduced by any commissions, fees, brokerage or similar payments received by the Manager or any affiliated person of the Manager in connection with the purchase and sale of portfolio investments of the Fund, less any direct expenses approved by the Trustees incurred by the Manager or any affiliated person of the Manager in connection with obtaining such payments.

In the event that expenses of the Fund for any fiscal year exceed the expense limitation on investment company expenses imposed by any statute or regulatory authority of any jurisdiction in which shares of the Fund are qualified for offer or sale, the compensation due the Manager for such fiscal year will be reduced by the amount of excess by a reduction or refund thereof. In the event that the expenses of the Fund exceed any expense limitation which the Manager may, by written notice to the Fund, voluntarily declare to be effective subject to such terms and conditions as the Manager may prescribe in such notice, the compensation due the Manager will be reduced, and if necessary, the Manager will assume expenses of the Fund, to the extent required by the terms and conditions of such expense limitation.

If the Manager serves for less than the whole of a month, the foregoing compensation will be prorated.

### 4. ASSIGNMENT TERMINATES THIS CONTRACT; AMENDMENTS OF THIS CONTRACT.

This Contract will automatically terminate, without the payment of any penalty, in the event of its assignment, provided that no delegation of responsibilities by the Manager pursuant to Section 1(f) will be deemed to constitute an assignment. No provision of this Contract may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. No amendment of this Contract is effective until approved in a manner consistent with the 1940 Act, the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff.

### 5. EFFECTIVE PERIOD AND TERMINATION OF THIS CONTRACT.

This Contract is effective upon its execution and will remain in full force and effect as to a Fund continuously thereafter (unless terminated automatically as set forth in Section 4 or terminated in accordance with the following paragraph) through June 30, 2014, and will continue in effect from year to year thereafter so long as its continuance is approved at least annually by (i) the Trustees, or the shareholders by the affirmative vote of a majority of the outstanding shares of the respective Fund, and (ii) a majority of the Trustees who are not interested persons of the Fund or of the Manager, by vote cast in person at a meeting called for the purpose of voting on such approval.

Either party hereto may at any time terminate this Contract as to a Fund by not less than 60 days' written notice delivered or mailed by registered mail, postage prepaid, to the other party. Action with respect to a Fund may be taken either (i) by vote of a majority of the Trustees or (ii) by the affirmative vote of a majority of the outstanding

shares of the respective Fund.

Termination of this Contract pursuant to this Section 5 will be without the payment of any penalty.

6. CERTAIN DEFINITIONS.

For the purposes of this Contract, the “affirmative vote of a majority of the outstanding shares” of a Fund means the affirmative vote, at a duly called and held meeting of shareholders of the respective Fund, (a) of the holders of 67% or more of the shares of the Fund present (in person or by proxy) and entitled to vote at the meeting, if the holders of more than 50% of the outstanding shares of the Fund entitled to vote at the meeting are present in person or by proxy or (b) of the holders of more than 50% of the outstanding shares of the Fund entitled to vote at the meeting, whichever is less.

For the purposes of this Contract, the terms “affiliated person,” “control,” “interested person” and “assignment” have their respective meanings defined in the 1940 Act, subject, however, to the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff; the term “approve at least annually” will be construed in a manner consistent with the 1940 Act and the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange

1 For each series of Putnam RetirementReady Funds only, the fee is payable for each month within 30 days after the close of the month.

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Commission or its staff; and the term “brokerage and research services” has the meaning given in the Securities Exchange Act of 1934 and the rules and regulations under the Securities Exchange Act of 1934 and under any applicable guidance or interpretation of the Securities and Exchange Commission or its staff.

7. NON-LIABILITY OF MANAGER.

In the absence of willful misfeasance, bad faith or gross negligence on the part of the Manager, or reckless disregard of its obligations and duties hereunder, the Manager shall not be subject to any liability to the Fund or to any shareholder of the Fund for any act or omission in the course of, or connected with, rendering services hereunder.

8. LIMITATION OF LIABILITY OF THE TRUSTEES, OFFICERS, AND SHAREHOLDERS.

A copy of the Agreement and Declaration of Trust of the Fund is on file with the Secretary of The Commonwealth of Massachusetts, and notice is hereby given that this instrument is executed on behalf of the Trustees of the Fund as Trustees and not individually and that the obligations of or arising out of this instrument are not binding upon any of the Trustees, officers or shareholders individually but are binding only upon the assets and property of the respective Fund.

IN WITNESS WHEREOF, [NAME OF FUND] and PUTNAM INVESTMENT MANAGEMENT, LLC have each caused this instrument to be signed on its behalf by its President or a Vice President thereunto duly authorized, all as of the day and year first above written.

[NAME OF FUND]

By:

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PUTNAM INVESTMENT MANAGEMENT, LLC

By: \_\_\_\_\_

**Schedule A**

[LIST OF FUNDS]

**Schedule B**

[FEE SCHEDULE: See **Appendix D** to this proxy statement for each fund's detailed fee information. The management fee for each fund under the proposed new management contract is identical to that for each fund under the fund's previous management contract.]

**For the following funds only:**

*Putnam Absolute Return 500 Fund*  
*Putnam Absolute Return 700 Fund*  
*Putnam Asia Pacific Equity Fund*  
*Putnam Capital Spectrum Fund*  
*Putnam Emerging Markets Equity Fund*  
*Putnam Equity Spectrum Fund*  
*Putnam Europe Equity Fund*  
*Putnam Global Dividend Fund*  
*Putnam Global Equity Fund*  
*Putnam Growth Opportunities Fund*  
*Putnam International Capital Opportunities Fund*  
*Putnam International Equity Fund*  
*Putnam International Growth Fund*  
*Putnam International Value Fund*  
*Putnam Multi-Cap Growth Fund*  
*Putnam Small Cap Growth Fund*  
*Putnam Strategic Volatility Equity Fund*  
*Putnam Voyager Fund*

**FORM OF PROPOSED MANAGEMENT CONTRACT**

This Management Contract is dated as of February 27, 2014 between [NAME OF FUND], a Massachusetts business trust (the "Fund"), and PUTNAM INVESTMENT MANAGEMENT, LLC, a Delaware limited liability company (the "Manager").

In consideration of the mutual covenants herein contained, it is agreed as follows:

1. SERVICES TO BE RENDERED BY MANAGER TO FUND.

(a) The Manager, at its expense, will furnish continuously an investment program for the Fund or, in the case of a Fund that has divided its shares into two or more series under Section 18(f) (2) of the Investment Company Act of 1940, as amended (the "1940 Act"), each series of the Fund identified from time to time on schedule A to this Contract (each reference in this Contract to "a Fund" or to "the Fund" is also deemed to be a reference to any existing series of the Fund, as appropriate in the particular context), will determine what investments will be purchased, held, sold or exchanged by the Fund and what portion, if any, of the assets of the Fund will be held uninvested and will, on behalf of the Fund, make changes in such investments. Subject always to the control of the Trustees of the Fund and except for the functions carried out by the officers and personnel referred to in Section 1(d), the Manager will also manage, supervise and conduct the other affairs and business of the Fund and matters incidental thereto. In the performance of its duties, the Manager will comply with the provisions of the Agreement and Declaration of Trust and By-Laws of the Fund and the stated investment objectives, policies and restrictions of the Fund, will use its best efforts to safeguard and promote the welfare of the Fund and to comply with other policies which the Trustees may from time to time determine and will exercise the same care and diligence expected of the Trustees.

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(b) The Manager, at its expense, except as such expense is paid by the Fund as provided in Section 1(d), will furnish (1) all necessary investment and management facilities, including salaries of personnel, required for it to execute its duties faithfully; (2) suitable office space for the Fund; and (3) administrative facilities, including bookkeeping, clerical personnel and equipment necessary for the efficient conduct of the affairs of the Fund, including determination of the net asset value of the Fund, but excluding shareholder accounting services. Except as otherwise provided in Section 1(d), the Manager will pay the compensation, if any, of the officers of the Fund.

(c) The Manager, at its expense, will place all orders for the purchase and sale of portfolio investments for the Fund's account with brokers or dealers selected by the Manager. In the selection of such brokers or dealers and the placing of such orders, the Manager will use its best efforts to obtain for the Fund the most favorable price and execution available, except to the extent it may be permitted to pay higher brokerage commissions for brokerage and research services as described below. In using its best efforts to obtain for the Fund the most favorable price and execution available, the Manager, bearing in mind the Fund's best interests at all times, will consider all factors it deems relevant, including by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer involved and the quality of service rendered by the broker or dealer in other transactions. Subject to such policies as the Trustees of the Fund may determine, the Manager will not be deemed to have acted unlawfully or to have breached any duty created by this Contract or otherwise solely by reason of its having caused the Fund to pay a broker or dealer that provides brokerage and research services to the Manager an amount of commission for effecting a portfolio investment transaction in excess of the amount of commission another broker or dealer would have charged for effecting that transaction, if the Manager determines in good faith that such amount of commission was reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either that particular transaction or the Manager's overall responsibilities with respect to the Fund and to other clients of the Manager as to which the Manager exercises investment discretion. The Manager agrees that in connection with purchases or sales of portfolio investments for the Fund's account, neither the Manager nor any officer, director, employee or agent of the Manager shall act as a principal or receive any commission other than as provided in Section 3.

(d) The Fund will pay or reimburse the Manager for the compensation in whole or in part of such officers of the Fund and persons assisting them as may be determined from time to time by the Trustees of the Fund. The Fund will also pay or reimburse the Manager for all or part of the cost of suitable office space, utilities, support services and equipment attributable to such officers and persons as may be determined in each case by the Trustees of the Fund. The Fund will pay the fees, if any, of the Trustees of the Fund.

(e) The Manager will not be obligated to pay any expenses of or for the Fund not expressly assumed by the Manager pursuant to this Section 1 other than as provided in Section 3.

(f) Subject to the prior approval of a majority of the Trustees, including a majority of the Trustees who are not "interested persons" and, to the extent required by the 1940 Act and the rules and regulations under the 1940 Act, subject to any applicable guidance or interpretation of the Securities and Exchange Commission or its staff, by the

shareholders of the Fund, the Manager may, from time to time, delegate to a sub-adviser or sub-administrator any of the Manager's duties under this Contract, including the management of all or a portion of the assets being managed. In all instances, however, the Manager must oversee the provision of delegated services, the Manager must bear the separate costs of employing any sub-adviser or sub-administrator, and no delegation will relieve the Manager of any of its obligations under this Contract.

## 2. OTHER AGREEMENTS, ETC.

It is understood that any of the shareholders, Trustees, officers and employees of the Fund may be a shareholder, director, officer or employee of, or be otherwise interested in, the Manager, and in any person controlled by or under common control with the Manager, and that the Manager and any person controlled by or under common control with the Manager may have an interest in the Fund. It is also understood that the Manager and any person controlled by or under common control with the Manager may have advisory, management, service or other contracts with other organizations and persons and may have other interests and business.

## 3. COMPENSATION TO BE PAID BY THE FUND TO THE MANAGER.

The Fund will pay to the Manager as compensation for the Manager's services rendered, for the facilities furnished and for the expenses borne by the Manager pursuant to paragraphs (a), (b), and (c) of Section 1, a Base Fee, computed and paid monthly on the Average Net Assets of the Fund at the annual rates set forth on Schedule B attached to this Contract, as from time to time amended, subject to adjustment as set forth on Schedule C attached to this Contract, as from time to time amended. The Fund's "Average Net Assets" means the average of all of the determinations of the Fund's net asset value at the close of business on each business day during each period for which such computation is made. The Base Fee, as adjusted, is payable for each month within 15 days after the close of the month.

The fees payable by the Fund to the Manager pursuant to this Section 3 will be reduced by any commissions, fees, brokerage or similar payments received by the Manager or any affiliated person of the Manager in connection with the purchase and sale

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of portfolio investments of the Fund, less any direct expenses approved by the Trustees incurred by the Manager or any affiliated person of the Manager in connection with obtaining such payments.

In the event that expenses of the Fund for any fiscal year exceed the expense limitation on investment company expenses imposed by any statute or regulatory authority of any jurisdiction in which shares of the Fund are qualified for offer or sale, the compensation due the Manager for such fiscal year will be reduced by the amount of excess by a reduction or refund thereof. In the event that the expenses of the Fund exceed any expense limitation which the Manager may, by written notice to the Fund, voluntarily declare to be effective subject to such terms and conditions as the Manager may prescribe in such notice, the compensation due the Manager will be reduced, and if necessary, the Manager will assume expenses of the Fund, to the extent required by the terms and conditions of such expense limitation.

If the Manager serves for less than the whole of a month, the foregoing compensation will be prorated.

## 4. ASSIGNMENT TERMINATES THIS CONTRACT; AMENDMENTS OF THIS CONTRACT.

This Contract will automatically terminate, without the payment of any penalty, in the event of its assignment, provided that no delegation of responsibilities by the Manager pursuant to Section 1(f) will be deemed to constitute an assignment. No provision of this Contract may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. No amendment of this Contract is effective until approved in a manner consistent with the 1940 Act, the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff.

5. EFFECTIVE PERIOD AND TERMINATION OF THIS CONTRACT.

This Contract is effective upon its execution and will remain in full force and effect as to a Fund continuously thereafter (unless terminated automatically as set forth in Section 4 or terminated in accordance with the following paragraph) through June 30, 2014, and will continue in effect from year to year thereafter so long as its continuance is approved at least annually by (i) the Trustees, or the shareholders by the affirmative vote of a majority of the outstanding shares of the respective Fund, and (ii) a majority of the Trustees who are not interested persons of the Fund or of the Manager, by vote cast in person at a meeting called for the purpose of voting on such approval.

Either party hereto may at any time terminate this Contract as to a Fund by not less than 60 days' written notice delivered or mailed by registered mail, postage prepaid, to the other party. Action with respect to a Fund may be taken either (i) by vote of a majority of the Trustees or (ii) by the affirmative vote of a majority of the outstanding shares of the respective Fund.

Termination of this Contract pursuant to this Section 5 will be without the payment of any penalty.

6. CERTAIN DEFINITIONS.

For the purposes of this Contract, the "affirmative vote of a majority of the outstanding shares" of a Fund means the affirmative vote, at a duly called and held meeting of shareholders of the respective Fund, (a) of the holders of 67% or more of the shares of the Fund present (in person or by proxy) and entitled to vote at the meeting, if the holders of more than 50% of the outstanding shares of the Fund entitled to vote at the meeting are present in person or by proxy or (b) of the holders of more than 50% of the outstanding shares of the Fund entitled to vote at the meeting, whichever is less.

For the purposes of this Contract, the terms "affiliated person," "control," "interested person" and "assignment" have their respective meanings defined in the 1940 Act, subject, however, to the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff; the term "approve at least annually" will be construed in a manner consistent with the 1940 Act and the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff; and the term "brokerage and research services" has the meaning given in the Securities Exchange Act of 1934 and the rules and regulations under the Securities Exchange Act of 1934 and under any applicable guidance or interpretation of the Securities and Exchange Commission or its staff.

7. NON-LIABILITY OF MANAGER.

In the absence of willful misfeasance, bad faith or gross negligence on the part of the Manager, or reckless disregard of its obligations and duties hereunder, the Manager shall not be subject to any liability to the Fund or to any shareholder of the Fund for any act or omission in the course of, or connected with, rendering services hereunder.

8. LIMITATION OF LIABILITY OF THE TRUSTEES, OFFICERS, AND SHAREHOLDERS.

A copy of the Agreement and Declaration of Trust of the Fund is on file with the Secretary of The Commonwealth of Massachusetts, and notice is hereby given that this instrument is executed on behalf of the Trustees of the Fund as Trustees and not individually and that the obligations of or arising out of this instrument are not binding upon any of the Trustees, officers or shareholders individually but are binding only upon the assets and property of the respective Fund.

IN WITNESS WHEREOF, [NAME OF FUND] and PUTNAM INVESTMENT MANAGEMENT, LLC have each caused this instrument to be signed on its behalf by its President or a Vice President thereunto duly authorized, all as of the day and year first above written.

[NAME OF FUND]

By:

\_\_\_\_\_

PUTNAM INVESTMENT MANAGEMENT, LLC

By:

\_\_\_\_\_

#### **Schedule A**

[LIST OF FUNDS]

#### **Schedule B**

[FEE SCHEDULE: See **Appendix D** to this proxy statement for each fund's detailed fee information. The management fee for each fund under the proposed new management contract is identical to that for each fund under the fund's previous management contract.]

#### **Schedule C**

PUTNAM ABSOLUTE RETURN 500 FUND, PUTNAM ABSOLUTE RETURN 700 FUND, PUTNAM CAPITAL SPECTRUM FUND, PUTNAM EQUITY SPECTRUM FUND, PUTNAM GLOBAL DIVIDEND FUND, AND PUTNAM STRATEGIC VOLATILITY EQUITY FUND: Commencing with the thirteenth whole calendar month of the Fund's operations, the Fund's Base Fee computed in accordance with Schedule B will be adjusted, on a monthly basis, upward or downward, as the case may be, by an amount computed by applying the Performance Adjustment Rate to the Average Net Assets of the Fund for the Performance Period and dividing the result by twelve.

PUTNAM ASIA PACIFIC EQUITY FUND, PUTNAM EMERGING MARKETS EQUITY FUND, PUTNAM EUROPE EQUITY FUND, PUTNAM GLOBAL EQUITY FUND, PUTNAM GROWTH OPPORTUNITIES FUND, PUTNAM INTERNATIONAL CAPITAL OPPORTUNITIES FUND, PUTNAM INTERNATIONAL EQUITY FUND, PUTNAM INTERNATIONAL GROWTH FUND, PUTNAM INTERNATIONAL VALUE FUND, PUTNAM MULTI-CAP GROWTH FUND, PUTNAM SMALL CAP GROWTH FUND, AND PUTNAM VOYAGER FUND: The Fund's Base Fee computed in accordance with Schedule B will be adjusted, on a monthly basis, upward or downward, as the case may be, by an amount computed by applying the Performance Adjustment Rate to the Average Net Assets of the Fund for the Performance Period and dividing the result by twelve.

PUTNAM ABSOLUTE RETURN 500 FUND, PUTNAM ABSOLUTE RETURN 700 FUND, PUTNAM CAPITAL SPECTRUM FUND, PUTNAM EQUITY SPECTRUM FUND, PUTNAM GLOBAL DIVIDEND FUND, AND PUTNAM STRATEGIC VOLATILITY EQUITY FUND: **Performance Period.** The Performance Period is equal to the shorter of (i) the period from the date the Fund commenced operations to the end of the month for which the fee adjustment is being computed or (ii) the thirty-six month period then ended.

PUTNAM ASIA PACIFIC EQUITY FUND, PUTNAM EMERGING MARKETS EQUITY FUND, PUTNAM EUROPE EQUITY FUND, PUTNAM GLOBAL EQUITY FUND, PUTNAM GROWTH OPPORTUNITIES FUND, PUTNAM INTERNATIONAL CAPITAL

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OPPORTUNITIES FUND, PUTNAM INTERNATIONAL EQUITY FUND, PUTNAM INTERNATIONAL GROWTH FUND, PUTNAM INTERNATIONAL VALUE FUND, PUTNAM SMALL CAP GROWTH FUND, AND PUTNAM VOYAGER FUND: **Performance Period.** The Performance Period is equal to the shorter of (i) the period from January 1, 2010 to the end of the month for which the fee adjustment is being computed or (ii) the thirty-six month period then ended.

PUTNAM MULTI-CAP GROWTH FUND: **Performance Period.** The Performance Period is equal to the shorter of (i) the period from February 1, 2010 to the end of the month for which the fee adjustment is being computed or (ii) the thirty-six month period then ended.

PUTNAM ABSOLUTE RETURN 500 FUND AND PUTNAM ABSOLUTE RETURN 700 FUND: **Performance Adjustment Rate.** The Performance Adjustment Rate is equal to the product of 0.04 multiplied by the difference, positive or negative, obtained by subtracting (i) the sum of the Investment Record of the Benchmark for the Performance Period plus the Hurdle from (ii) the Investment Performance of the Measuring Class for the Performance Period; *provided* that the Performance Adjustment Rate for the Fund may not exceed the Maximum Performance Adjustment Rate set forth on Schedule B or be less than the Minimum Performance Adjustment Rate set forth on Schedule B.

PUTNAM CAPITAL SPECTRUM FUND AND PUTNAM EQUITY SPECTRUM FUND: **Performance Adjustment Rate.** The Performance Adjustment Rate is equal to the product of 0.04 multiplied by the difference, positive or negative, obtained by subtracting (i) the Investment Record of the Benchmark for the Performance Period from (ii) the Investment Performance of the Measuring Class for the Performance Period; *provided* that the Performance Adjustment Rate for the Fund may not exceed the Maximum Performance Adjustment Rate set forth on Schedule B or be less than the Minimum Performance Adjustment Rate set forth on Schedule B.

PUTNAM ASIA PACIFIC EQUITY FUND, PUTNAM EMERGING MARKETS EQUITY FUND, PUTNAM EUROPE EQUITY FUND, PUTNAM GLOBAL DIVIDEND FUND, PUTNAM GLOBAL EQUITY FUND, PUTNAM GROWTH OPPORTUNITIES FUND, PUTNAM INTERNATIONAL CAPITAL OPPORTUNITIES FUND, PUTNAM INTERNATIONAL EQUITY FUND, PUTNAM INTERNATIONAL

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GROWTH FUND, PUTNAM INTERNATIONAL VALUE FUND, PUTNAM MULTI-CAP GROWTH FUND, PUTNAM SMALL CAP GROWTH FUND, PUTNAM STRATEGIC VOLATILITY EQUITY FUND, AND PUTNAM VOYAGER FUND: **Performance Adjustment Rate.** The Performance Adjustment Rate is equal to the product of 0.03 multiplied by the difference, positive or negative, obtained by subtracting (i) the Investment Record of the Benchmark for the Performance Period from (ii) the Investment Performance of the Measuring Class for the Performance Period; *provided* that the Performance Adjustment Rate for the Fund may not exceed the Maximum Performance Adjustment Rate set forth on Schedule B or be less than the Minimum Performance Adjustment Rate set forth on Schedule B.

ALL FUNDS: **Investment Performance and Investment Record.** These terms are used as defined in Rule 205-1 under the Investment Advisers Act of 1940, as amended, and shall each be computed on an annualized basis for any Performance Period greater than one year.

PUTNAM ABSOLUTE RETURN 500 FUND AND PUTNAM ABSOLUTE RETURN 700 FUND: Hurdle. The Fund's Hurdle is set forth in Schedule B.

PUTNAM ABSOLUTE RETURN 500 FUND, PUTNAM ABSOLUTE RETURN 700 FUND, PUTNAM CAPITAL SPECTRUM FUND, PUTNAM EMERGING MARKETS EQUITY FUND, PUTNAM EQUITY SPECTRUM FUND, PUTNAM EUROPE EQUITY FUND, PUTNAM GLOBAL DIVIDEND FUND, PUTNAM GLOBAL EQUITY FUND, PUTNAM GROWTH OPPORTUNITIES FUND, PUTNAM INTERNATIONAL CAPITAL OPPORTUNITIES FUND, PUTNAM INTERNATIONAL EQUITY FUND, PUTNAM INTERNATIONAL GROWTH FUND, PUTNAM MULTI-CAP GROWTH FUND, PUTNAM SMALL CAP GROWTH FUND, PUTNAM STRATEGIC VOLATILITY EQUITY FUND, AND PUTNAM VOYAGER FUND: **Benchmark.** The Fund's initial

Benchmark is set forth in Schedule B. If the Trustees determine that another appropriate index of securities prices should be substituted as the Benchmark, the Trustees may determine, with the consent of the Manager, to use such other appropriate index of securities prices for purposes of this Schedule C (the "Replacement Benchmark") without shareholder approval, unless shareholder approval of the change is otherwise required by applicable law. Any Replacement Benchmark will be applied prospectively to determine the amount of the Performance Adjustment. The Benchmark will continue to be used to determine the amount of the Performance Adjustment for that part of the Performance Period prior to the effective date of the Replacement Benchmark.

PUTNAM ASIA PACIFIC EQUITY FUND AND PUTNAM INTERNATIONAL VALUE FUND: **Benchmark.** The Fund's initial Benchmark is set forth in Schedule B. If the Trustees determine that another appropriate index of securities prices should be substituted as the Benchmark, the Trustees may determine, with the consent of the Manager, to use such other appropriate index of securities prices for purposes of this Schedule C (the "Replacement Benchmark") without shareholder approval, unless shareholder approval of the change is otherwise required by applicable law. Any Replacement Benchmark will be applied prospectively to determine the amount of the Performance Adjustment. The Benchmark will continue to be used to determine the amount of the Performance Adjustment for that part of the Performance Period prior to the effective date of the Replacement Benchmark.

The Fund's initial Replacement Benchmark is set forth in Schedule B, together with its effective date of incorporation into the calculation of any adjustment to the Fund's Base Fee. Any further Replacement Benchmark, and its effective date of incorporation into the calculation of any adjustment to the Fund's Base Fee, will also be identified on Schedule B.

ALL FUNDS: **Measuring Class.** The "Measuring Class" of shares of the Fund initially is Class A shares of the Fund. If the Trustees determine that a different class of shares of the Fund is the most appropriate for use in calculating the Performance Adjustment, the Trustees may change, with the consent of the Manager, the class of shares used as the Measuring Class without shareholder approval, unless shareholder approval of such change is otherwise required by applicable law. If a different class of shares ("Replacement Measuring Class") is substituted in calculating the Performance Adjustment, the use of that Replacement Measuring Class of shares for purposes of calculating the Performance Adjustment may apply to the entire Performance Period so long as the Replacement Measuring Class was outstanding at the beginning of such period. If the Replacement Measuring Class of shares was not outstanding for all or a portion of the Performance Period, it may only be used in calculating that portion of the Performance Adjustment attributable to the period during which the Replacement Measuring Class was outstanding and any previous portion of the Performance Period will be calculated using the Measuring Class.

Notwithstanding any other provisions in this Schedule C, the computation of the Performance Adjustment Rate, the Investment Performance of the Measuring Class and the Investment Record of the Benchmark will be made in accordance with the Investment Advisers Act of 1940, as amended, and any applicable rules thereunder.

**For the following funds only:**

*Putnam Absolute Return 100 Fund*  
*Putnam Absolute Return 300 Fund*

**FORM OF PROPOSED MANAGEMENT CONTRACT**

This Management Contract is dated as of February 27, 2014 between [NAME OF FUND], a Massachusetts business trust (the "Fund"), and PUTNAM INVESTMENT MANAGEMENT, LLC, a Delaware limited liability company (the "Manager").

In consideration of the mutual covenants herein contained, it is agreed as follows:

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1. SERVICES TO BE RENDERED BY MANAGER TO FUND.

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(a) The Manager, at its expense, will furnish continuously an investment program for the Fund or, in the case of a Fund that has divided its shares into two or more series under Section 18(f) (2) of the Investment Company Act of 1940, as amended (the "1940 Act"), each series of the Fund identified from time to time on schedule A to this Contract (each reference in this Contract to "a Fund" or to "the Fund" is also deemed to be a reference to any existing series of the Fund, as appropriate in the particular context), will determine what investments will be purchased, held, sold or exchanged by the Fund and what portion, if any, of the assets of the Fund will be held uninvested and will, on behalf of the Fund, make changes in such investments. Subject always to the control of the Trustees of the Fund and except for the functions carried out by the officers and personnel referred to in Section 1(d), the Manager will also manage, supervise and conduct the other affairs and business of the Fund and matters incidental thereto. In the performance of its duties, the Manager will comply with the provisions of the Agreement and Declaration of Trust and By-Laws of the Fund and the stated investment objectives, policies and restrictions of the Fund, will use its best efforts to safeguard and promote the welfare of the Fund and to comply with other policies which the Trustees may from time to time determine and will exercise the same care and diligence expected of the Trustees.

(b) The Manager, at its expense, except as such expense is paid by the Fund as provided in Section 1(d), will furnish (1) all necessary investment and management facilities, including salaries of personnel, required for it to execute its duties faithfully; (2) suitable office space for the Fund; and (3) administrative facilities, including bookkeeping, clerical personnel and equipment necessary for the efficient conduct of the affairs of the Fund, including determination of the net asset value of the Fund, but excluding shareholder accounting services. Except as otherwise provided in Section 1(d), the Manager will pay the compensation, if any, of the officers of the Fund.

(c) The Manager, at its expense, will place all orders for the purchase and sale of portfolio investments for the Fund's account with brokers or dealers selected by the Manager. In the selection of such brokers or dealers and the placing of such orders, the Manager will use its best efforts to obtain for the Fund the most favorable price and execution available, except to the extent it may be permitted to pay higher brokerage commissions for brokerage and research services as described below. In using its best efforts to obtain for the Fund the most favorable price and execution available, the Manager, bearing in mind the Fund's best interests at all times, will consider all factors it deems relevant, including by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer involved and the quality of service rendered by the broker or dealer in other transactions. Subject to such policies as the Trustees of the Fund may determine, the Manager will not be deemed to have acted unlawfully or to have breached any duty created by this Contract or otherwise solely by reason of its having caused the Fund to pay a broker or dealer that provides brokerage and research services to the Manager an amount of commission for effecting a portfolio investment transaction in excess of the amount of commission another broker or dealer would have charged for effecting that transaction, if the Manager determines in good faith that such amount of commission was reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either that particular transaction or the Manager's overall responsibilities with respect to the Fund and to other clients of the Manager as to which the Manager exercises investment discretion. The Manager agrees that in connection with purchases or sales of portfolio investments for the Fund's account, neither the Manager nor any officer, director, employee or agent of the Manager shall act as a principal or receive any commission other than as provided in Section 3.

(d) In consideration of the fees payable by the Fund to the Manager pursuant to Section 3, the Manager will also pay, or reimburse the Fund for, all of the Fund's organizational and other operating expenses, excluding only fees payable under distribution plans adopted pursuant to Rule 12b-1 under the 1940 Act, any upward or downward adjustments to the Fund's Base Fee, brokerage, interest, taxes, investment-related expenses, extraordinary expenses, and acquired fund fees and expenses.

(e) Subject to the prior approval of a majority of the Trustees, including a majority of the Trustees who are not "interested persons" and, to the extent required by the 1940 Act and the rules and regulations under the 1940 Act, subject to any applicable guidance or interpretation of the Securities and Exchange Commission or its staff, by the shareholders of the Fund, the Manager may, from time to time, delegate to a sub-adviser or sub-administrator any of the Manager's duties under this Contract, including the management of all or a portion of the assets being managed. In all instances, however, the Manager must oversee the provision of delegated services, the Manager must bear the separate costs of employing any sub-adviser or sub-administrator, and no delegation will relieve the Manager of any of its obligations under this Contract.

## 2. OTHER AGREEMENTS, ETC.

It is understood that any of the shareholders, Trustees, officers and employees of the Fund may be a shareholder, director, officer or employee of, or be otherwise interested in, the Manager, and in any person controlled by or under common control with the Manager, and that the Manager and any person controlled by or under common control with the Manager may have an interest in the Fund. It is also understood that the Manager and any person controlled by or under common control with the Manager may have advisory, management,

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service or other contracts with other organizations and persons and may have other interests and business.

### 3. COMPENSATION TO BE PAID BY THE FUND TO THE MANAGER.

The Fund will pay to the Manager as compensation for the Manager's services rendered, for the facilities furnished and for the expenses borne by the Manager pursuant to paragraphs (a), (b), and (c) of Section 1, a Base Fee, computed and paid monthly on the Average Net Assets of the Fund at the annual rate set forth on Schedule B attached to this Contract, as from time to time amended, subject to adjustment as set forth on Schedule C attached to this Contract, as from time to time amended. The Fund's "Average Net Assets" means the average of all of the determinations of the Fund's net asset value at the close of business on each business day during each period for which such computation is made. The Base Fee, as adjusted, is payable for each month within 15 days after the close of the month.

The fees payable by the Fund to the Manager pursuant to this Section 3 will be reduced by any commissions, fees, brokerage or similar payments received by the Manager or any affiliated person of the Manager in connection with the purchase and sale of portfolio investments of the Fund, less any direct expenses approved by the Trustees incurred by the Manager or any affiliated person of the Manager in connection with obtaining such payments.

In the event that expenses of the Fund for any fiscal year exceed the expense limitation on investment company expenses imposed by any statute or regulatory authority of any jurisdiction in which shares of the Fund are qualified for offer or sale, the compensation due the Manager for such fiscal year will be reduced by the amount of excess by a reduction or refund thereof. In the event that the expenses of the Fund exceed any expense limitation which the Manager may, by written notice to the Fund, voluntarily declare to be effective subject to such terms and conditions as the Manager may prescribe in such notice, the compensation due the Manager will be reduced, and if necessary, the Manager will assume expenses of the Fund, to the extent required by the terms and conditions of such expense limitation.

If the Manager serves for less than the whole of a month, the foregoing compensation will be prorated.

### 4. ASSIGNMENT TERMINATES THIS CONTRACT; AMENDMENTS OF THIS CONTRACT.

This Contract will automatically terminate, without the payment of any penalty, in the event of its assignment, provided that no delegation of responsibilities by the Manager pursuant to Section 1(f) will be deemed to constitute an assignment. No provision of this Contract may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. No amendment of this Contract is effective until approved in a manner consistent with the 1940 Act, the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff.

### 5. EFFECTIVE PERIOD AND TERMINATION OF THIS CONTRACT.

This Contract is effective upon its execution and will remain in full force and effect as to a Fund continuously thereafter (unless terminated automatically as set forth in Section 4 or terminated in accordance with the following paragraph) through June 30, 2014, and will continue in effect from year to year thereafter so long as its continuance is approved at least annually by (i) the Trustees, or the shareholders by the affirmative vote of a majority of the outstanding shares of the respective Fund, and (ii) a majority of the Trustees who are not interested persons of the Fund or of the Manager, by vote cast in person at a meeting called for the purpose of voting on such

approval.

Either party hereto may at any time terminate this Contract as to a Fund by not less than 60 days' written notice delivered or mailed by registered mail, postage prepaid, to the other party. Action with respect to a Fund may be taken either (i) by vote of a majority of the Trustees or (ii) by the affirmative vote of a majority of the outstanding shares of the respective Fund.

Termination of this Contract pursuant to this Section 5 will be without the payment of any penalty.

#### 6. CERTAIN DEFINITIONS.

For the purposes of this Contract, the "affirmative vote of a majority of the outstanding shares" of a Fund means the affirmative vote, at a duly called and held meeting of shareholders of the respective Fund, (a) of the holders of 67% or more of the shares of the Fund present (in person or by proxy) and entitled to vote at the meeting, if the holders of more than 50% of the outstanding shares of the Fund entitled to vote at the meeting are present in person or by proxy or (b) of the holders of more than 50% of the outstanding shares of the Fund entitled to vote at the meeting, whichever is less.

For the purposes of this Contract, the terms "affiliated person," "control," "interested person" and "assignment" have their respective meanings defined in the 1940 Act, subject, however, to the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff; the term "approve at least annually" will be construed in a manner consistent with the 1940 Act and the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff; and the term "brokerage and research services" has the meaning given in the Securities Exchange Act of 1934 and the rules and regulations under the Securities Exchange Act of 1934 and under any applicable guidance or interpretation of the Securities and Exchange Commission or its staff.

#### 7. NON-LIABILITY OF MANAGER.

In the absence of willful misfeasance, bad faith or gross negligence on the part of the Manager, or reckless disregard of

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its obligations and duties hereunder, the Manager shall not be subject to any liability to the Fund or to any shareholder of the Fund for any act or omission in the course of, or connected with, rendering services hereunder.

#### 8. LIMITATION OF LIABILITY OF THE TRUSTEES, OFFICERS, AND SHAREHOLDERS.

A copy of the Agreement and Declaration of Trust of the Fund is on file with the Secretary of The Commonwealth of Massachusetts, and notice is hereby given that this instrument is executed on behalf of the Trustees of the Fund as Trustees and not individually and that the obligations of or arising out of this instrument are not binding upon any of the Trustees, officers or shareholders individually but are binding only upon the assets and property of the respective Fund.

IN WITNESS WHEREOF, [NAME OF FUND] and PUTNAM INVESTMENT MANAGEMENT, LLC have each caused this instrument to be signed on its behalf by its President or a Vice President thereunto duly authorized, all as of the day and year first above written.

[NAME OF FUND]

By:

PUTNAM INVESTMENT MANAGEMENT, LLC

By:

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#### **Schedule A**

[LIST OF FUNDS]

#### **Schedule B**

[FEE SCHEDULE: See **Appendix D** to this proxy statement for each fund's detailed fee information. The management fee for each fund under the proposed new management contract is identical to that for each fund under the fund's previous management contract.]

#### **Schedule C**

Commencing with the thirteenth whole calendar month of the Fund's operations, the Fund's Base Fee computed in accordance with Schedule B will be adjusted, on a monthly basis, upward or downward, as the case may be, by an amount computed by applying the Performance Adjustment Rate to the Average Net Assets of the Fund for the Performance Period and dividing the result by twelve.

**Performance Period.** The Performance Period is equal to the shorter of (i) the period from the date the Fund commenced operations to the end of the month for which the fee adjustment is being computed or (ii) the thirty-six month period then ended.

**Performance Adjustment Rate.** The Performance Adjustment Rate is equal to the product of 0.04 multiplied by the difference, positive or negative, obtained by subtracting (i) the sum of the Investment Record of the Benchmark for the Performance Period plus the Hurdle from (ii) the Investment Performance of the Measuring Class for the Performance Period; provided that the Performance Adjustment Rate for the Fund may not exceed the Maximum Performance Adjustment Rate set forth on Schedule B or be less than the Minimum Performance Adjustment Rate set forth on Schedule B.

**Investment Performance and Investment Record.** These terms are used as defined in Rule 205-1 under the Investment Advisers Act of 1940, as amended, and shall each be computed on an annualized basis for any Performance Period greater than one year.

**Hurdle.** The Fund's Hurdle is set forth in Schedule B.

**Benchmark.** The Fund's initial Benchmark is set forth in Schedule B. If the Trustees determine that another appropriate index of securities prices should be substituted as the Benchmark, the Trustees may determine, with the consent of the Manager, to use such other appropriate index of securities prices for purposes of this Schedule C (the "Replacement Benchmark") without shareholder approval, unless shareholder approval of the change is otherwise required by applicable law. Any Replacement Benchmark will be applied prospectively to determine the amount of the Performance Adjustment. The Benchmark will continue to be used to determine the amount of the Performance Adjustment for that part of the Performance Period prior to the effective date of the Replacement Benchmark.

**Measuring Class.** The “Measuring Class” of shares of the Fund initially is Class A shares of the Fund. If the Trustees determine that a different class of shares of the Fund is the most appropriate for use in calculating the Performance Adjustment, the Trustees may change, with the consent of the Manager, the class of shares used as the Measuring Class without shareholder approval, unless shareholder approval of such change is otherwise required by applicable law. If a different class of shares (“Replacement Measuring Class”) is substituted in calculating the Performance Adjustment, the use of that Replacement Measuring Class of shares for purposes of calculating the Performance Adjustment may apply to the entire Performance Period so long as the Replacement Measuring Class was outstanding at the beginning of such period. If the Replacement Measuring Class of shares was not outstanding for all or a portion of the Performance Period, it may only be used in calculating that portion of the Performance Adjustment attributable to the period during which the Replacement Measuring Class was outstanding and any previous portion of the Performance Period will be calculated using the Measuring Class.

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Notwithstanding any other provisions in this Schedule C, the computation of the Performance Adjustment Rate, the Investment Performance of the Measuring Class and the Investment Record of the Benchmark will be made in accordance with the Investment Advisers Act of 1940, as amended, and any applicable rules thereunder.

**For the following funds only:**

*Putnam Managed Municipal Income Trust*

*Putnam Municipal Opportunities Trust*

**FORM OF PROPOSED MANAGEMENT CONTRACT**

This Management Contract is dated as of February 27, 2014 between [NAME OF FUND], a Massachusetts business trust (the “Fund”), and PUTNAM INVESTMENT MANAGEMENT, LLC, a Delaware limited liability company (the “Manager”).

In consideration of the mutual covenants herein contained, it is agreed as follows:

**1. SERVICES TO BE RENDERED BY MANAGER TO FUND.**

(a) The Manager, at its expense, will furnish continuously an investment program for the Fund or, in the case of a Fund that has divided its shares into two or more series under Section 18(f) (2) of the Investment Company Act of 1940, as amended (the “1940 Act”), each series of the Fund identified from time to time on schedule A to this Contract (each reference in this Contract to “a Fund” or to “the Fund” is also deemed to be a reference to any existing series of the Fund, as appropriate in the particular context), will determine what investments will be purchased, held, sold or exchanged by the Fund and what portion, if any, of the assets of the Fund will be held uninvested and will, on behalf of the Fund, make changes in such investments. Subject always to the control of the Trustees of the Fund and except for the functions carried out by the officers and personnel referred to in Section 1(d), the Manager will also manage, supervise and conduct the other affairs and business of the Fund and matters incidental thereto. In the performance of its duties, the Manager will comply with the provisions of the Agreement and Declaration of Trust and By-Laws of the Fund and the stated investment objectives, policies and restrictions of the Fund, will use its best efforts to safeguard and promote the welfare of the Fund and to comply with other policies which the Trustees may from time to time determine and will exercise the same care and diligence expected of the Trustees.

(b) The Manager, at its expense, except as such expense is paid by the Fund as provided in Section 1(d), will furnish (1) all necessary investment and management facilities, including salaries of personnel, required for it to execute its duties faithfully; (2) suitable office space for the Fund; and (3) administrative facilities, including bookkeeping, clerical personnel and equipment necessary for the efficient conduct of the affairs of the Fund, including determination of the net asset value of the Fund, but excluding shareholder accounting services. Except as otherwise provided in Section 1(d), the Manager will pay the compensation, if any, of the officers of the Fund.

(c) The Manager, at its expense, will place all orders for the purchase and sale of portfolio investments for the Fund’s account with brokers or dealers selected by the Manager. In the selection of such brokers or dealers and the

placing of such orders, the Manager will use its best efforts to obtain for the Fund the most favorable price and execution available, except to the extent it may be permitted to pay higher brokerage commissions for brokerage and research services as described below. In using its best efforts to obtain for the Fund the most favorable price and execution available, the Manager, bearing in mind the Fund's best interests at all times, will consider all factors it deems relevant, including by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer involved and the quality of service rendered by the broker or dealer in other transactions. Subject to such policies as the Trustees of the Fund may determine, the Manager will not be deemed to have acted unlawfully or to have breached any duty created by this Contract or otherwise solely by reason of its having caused the Fund to pay a broker or dealer that provides brokerage and research services to the Manager an amount of commission for effecting a portfolio investment transaction in excess of the amount of commission another broker or dealer would have charged for effecting that transaction, if the Manager determines in good faith that such amount of commission was reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either that particular transaction or the Manager's overall responsibilities with respect to the Fund and to other clients of the Manager as to which the Manager exercises investment discretion. The Manager agrees that in connection with purchases or sales of portfolio investments for the Fund's account, neither the Manager nor any officer, director, employee or agent of the Manager shall act as a principal or receive any commission other than as provided in Section 3.

(d) The Fund will pay or reimburse the Manager for the compensation in whole or in part of such officers of the Fund and persons assisting them as may be determined from time to time by the Trustees of the Fund. The Fund will also pay or reimburse the Manager for all or part of the cost of suitable office space, utilities, support services and equipment attributable to such officers and persons as may be determined in each case by the Trustees of the Fund. The Fund will pay the fees, if any, of the Trustees of the Fund.

(e) The Manager will not be obligated to pay any expenses of or for the Fund not expressly assumed by the Manager pursuant to this Section 1 other than as provided in Section 3.

(f) Subject to the prior approval of a majority of the Trustees, including a majority of the Trustees who are not "interested

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persons" and, to the extent required by the 1940 Act and the rules and regulations under the 1940 Act, subject to any applicable guidance or interpretation of the Securities and Exchange Commission or its staff, by the shareholders of the Fund, the Manager may, from time to time, delegate to a sub-adviser or sub-administrator any of the Manager's duties under this Contract, including the management of all or a portion of the assets being managed. In all instances, however, the Manager must oversee the provision of delegated services, the Manager must bear the separate costs of employing any sub-adviser or sub-administrator, and no delegation will relieve the Manager of any of its obligations under this Contract.

## 2. OTHER AGREEMENTS, ETC.

It is understood that any of the shareholders, Trustees, officers and employees of the Fund may be a shareholder, director, officer or employee of, or be otherwise interested in, the Manager, and in any person controlled by or under common control with the Manager, and that the Manager and any person controlled by or under common control with the Manager may have an interest in the Fund. It is also understood that the Manager and any person controlled by or under common control with the Manager may have advisory, management, service or other contracts with other organizations and persons and may have other interests and business.

## 3. COMPENSATION TO BE PAID BY THE FUND TO THE MANAGER.

The Fund will pay to the Manager as compensation for the Manager's services rendered, for the facilities furnished and for the expenses borne by the Manager pursuant to paragraphs (a), (b), and (c) of Section 1, a fee, based on the Fund's Average Net Assets, computed and paid quarterly at the annual rates set forth on Schedule B attached

to this Contract, as from time to time amended.

“Average Net Assets” means the average of all of the determinations of the Fund’s net asset value during each quarter at the close of business on the last business day of each week, for each week which ends during the quarter. The fee is payable for each quarter within 30 days after the close of the quarter.

In the event that the amount of dividends payable with respect to any outstanding shares of beneficial interest of the Fund with preference rights (“Preferred Shares”) during any period for which regular payments of dividends or other distributions on such Preferred Shares are payable (each, a “Dividend Period”) plus expenses attributable to such Preferred Shares for such Dividend Period exceeds the portion of the Fund’s net income and net short-term capital gains (but not long-term capital gains) accruing during such Dividend Period as a result of the fact that such Preferred Shares were outstanding during such Period, then the fee payable to the Manager pursuant to this Section 3 shall be reduced by the amount of such excess; provided, however, that the amount of such reduction for any such Period shall not exceed the amount determined by multiplying (i) the aggregate liquidation preference of the average number of Preferred Shares outstanding during the Period by (ii) the percentage of the aggregate net asset value of the Fund which the fee payable to the Manager during such Period pursuant to this Section 3 would constitute without giving effect to such reduction. The amount of such reduction attributable to any Dividend Period shall reduce the amount of the next quarterly payment of the fee payable pursuant to this Section 3 following the end of such Dividend Period, and of any subsequent quarterly or more frequent payments, as may be necessary. The expenses attributable to the Preferred Shares and the portion of the Fund’s net income and net short-term capital gains accruing during any Dividend Period as a result of the fact that Preferred Shares were outstanding during such Period shall be determined by the Trustees of the Fund.

The fees payable by the Fund to the Manager pursuant to this Section 3 will be reduced by any commissions, fees, brokerage or similar payments received by the Manager or any affiliated person of the Manager in connection with the purchase and sale of portfolio investments of the Fund, less any direct expenses approved by the Trustees incurred by the Manager or any affiliated person of the Manager in connection with obtaining such payments.

In the event that expenses of the Fund for any fiscal year exceed the expense limitation on investment company expenses imposed by any statute or regulatory authority of any jurisdiction in which shares of the Fund are qualified for offer or sale, the compensation due the Manager for such fiscal year will be reduced by the amount of excess by a reduction or refund thereof. In the event that the expenses of the Fund exceed any expense limitation which the Manager may, by written notice to the Fund, voluntarily declare to be effective subject to such terms and conditions as the Manager may prescribe in such notice, the compensation due the Manager will be reduced, and if necessary, the Manager will assume expenses of the Fund, to the extent required by the terms and conditions of such expense limitation.

If the Manager serves for less than the whole of a quarter, the foregoing compensation will be prorated.

#### 4. ASSIGNMENT TERMINATES THIS CONTRACT; AMENDMENTS OF THIS CONTRACT.

This Contract will automatically terminate, without the payment of any penalty, in the event of its assignment, provided that no delegation of responsibilities by the Manager pursuant to Section 1(f) will be deemed to constitute an assignment. No provision of this Contract may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. No amendment of this Contract is effective until approved in a manner consistent with the 1940 Act, the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff.

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#### 5. EFFECTIVE PERIOD AND TERMINATION OF THIS CONTRACT.

This Contract is effective upon its execution and will remain in full force and effect as to a Fund continuously thereafter (unless terminated automatically as set forth in Section 4 or terminated in accordance with the following paragraph) through June 30, 2014, and will continue in effect from year to year thereafter so long as its

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continuance is approved at least annually by (i) the Trustees, or the shareholders by the affirmative vote of a majority of the outstanding shares of the respective Fund, and (ii) a majority of the Trustees who are not interested persons of the Fund or of the Manager, by vote cast in person at a meeting called for the purpose of voting on such approval.

Either party hereto may at any time terminate this Contract as to a Fund by not less than 60 days' written notice delivered or mailed by registered mail, postage prepaid, to the other party. Action with respect to a Fund may be taken either (i) by vote of a majority of the Trustees or (ii) by the affirmative vote of a majority of the outstanding shares of the respective Fund.

Termination of this Contract pursuant to this Section 5 will be without the payment of any penalty.

6. CERTAIN DEFINITIONS.

For the purposes of this Contract, the "affirmative vote of a majority of the outstanding shares" of a Fund means the affirmative vote, at a duly called and held meeting of shareholders of the respective Fund, (a) of the holders of 67% or more of the shares of the Fund present (in person or by proxy) and entitled to vote at the meeting, if the holders of more than 50% of the outstanding shares of the Fund entitled to vote at the meeting are present in person or by proxy or (b) of the holders of more than 50% of the outstanding shares of the Fund entitled to vote at the meeting, whichever is less.

For the purposes of this Contract, the terms "affiliated person," "control," "interested person" and "assignment" have their respective meanings defined in the 1940 Act, subject, however, to the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff; the term "approve at least annually" will be construed in a manner consistent with the 1940 Act and the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff; and the term "brokerage and research services" has the meaning given in the Securities Exchange Act of 1934 and the rules and regulations under the Securities Exchange Act of 1934 and under any applicable guidance or interpretation of the Securities and Exchange Commission or its staff.

7. NON-LIABILITY OF MANAGER.

In the absence of willful misfeasance, bad faith or gross negligence on the part of the Manager, or reckless disregard of its obligations and duties hereunder, the Manager shall not be subject to any liability to the Fund or to any shareholder of the Fund for any act or omission in the course of, or connected with, rendering services hereunder.

8. LIMITATION OF LIABILITY OF THE TRUSTEES, OFFICERS, AND SHAREHOLDERS.

A copy of the Agreement and Declaration of Trust of the Fund is on file with the Secretary of The Commonwealth of Massachusetts, and notice is hereby given that this instrument is executed on behalf of the Trustees of the Fund as Trustees and not individually and that the obligations of or arising out of this instrument are not binding upon any of the Trustees, officers or shareholders individually but are binding only upon the assets and property of the respective Fund.

IN WITNESS WHEREOF, [NAME OF FUND] and PUTNAM INVESTMENT MANAGEMENT, LLC have each caused this instrument to be signed on its behalf by its President or a Vice President thereunto duly authorized, all as of the day and year first above written.

[NAME OF FUND]

By:

\_\_\_\_\_

PUTNAM INVESTMENT MANAGEMENT, LLC

By: \_\_\_\_\_

**Schedule A**

[LIST OF FUNDS]

**Schedule B**

[FEE SCHEDULE: See **Appendix D** to this proxy statement for each fund's detailed fee information. The management fee for each fund under the proposed new management contract is identical to that for each fund under the fund's previous management contract.]

**For the following funds only:**

*Putnam High Income Securities Fund*

*Putnam Master Intermediate Income Trust*

*Putnam Premier Income Trust*

**FORM OF PROPOSED MANAGEMENT CONTRACT**

This Management Contract is dated as of February 27, 2014 between [NAME OF FUND], a Massachusetts business trust (the "Fund"), and PUTNAM INVESTMENT MANAGEMENT, LLC, a Delaware limited liability company (the "Manager").

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In consideration of the mutual covenants herein contained, it is agreed as follows:

1. SERVICES TO BE RENDERED BY MANAGER TO FUND.

(a) The Manager, at its expense, will furnish continuously an investment program for the Fund or, in the case of a Fund that has divided its shares into two or more series under Section 18(f) (2) of the Investment Company Act of 1940, as amended (the "1940 Act"), each series of the Fund identified from time to time on schedule A to this Contract (each reference in this Contract to "a Fund" or to "the Fund" is also deemed to be a reference to any existing series of the Fund, as appropriate in the particular context), will determine what investments will be purchased, held, sold or exchanged by the Fund and what portion, if any, of the assets of the Fund will be held uninvested and will, on behalf of the Fund, make changes in such investments. Subject always to the control of the Trustees of the Fund and except for the functions carried out by the officers and personnel referred to in Section 1(d), the Manager will also manage, supervise and conduct the other affairs and business of the Fund and matters incidental thereto. In the performance of its duties, the Manager will comply with the provisions of the Agreement and Declaration of Trust and By-Laws of the Fund and the stated investment objectives, policies and restrictions of the Fund, will use its best efforts to safeguard and promote the welfare of the Fund and to comply with other policies which the Trustees may from time to time determine and will exercise the same care and diligence expected of the Trustees.

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(b) The Manager, at its expense, except as such expense is paid by the Fund as provided in Section 1(d), will furnish (1) all necessary investment and management facilities, including salaries of personnel, required for it to execute its duties faithfully; (2) suitable office space for the Fund; and (3) administrative facilities, including bookkeeping, clerical personnel and equipment necessary for the efficient conduct of the affairs of the Fund, including determination of the net asset value of the Fund, but excluding shareholder accounting services. Except as otherwise provided in Section 1(d), the Manager will pay the compensation, if any, of the officers of the Fund.

(c) The Manager, at its expense, will place all orders for the purchase and sale of portfolio investments for the Fund's account with brokers or dealers selected by the Manager. In the selection of such brokers or dealers and the placing of such orders, the Manager will use its best efforts to obtain for the Fund the most favorable price and execution available, except to the extent it may be permitted to pay higher brokerage commissions for brokerage and research services as described below. In using its best efforts to obtain for the Fund the most favorable price and execution available, the Manager, bearing in mind the Fund's best interests at all times, will consider all factors it deems relevant, including by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer involved and the quality of service rendered by the broker or dealer in other transactions. Subject to such policies as the Trustees of the Fund may determine, the Manager will not be deemed to have acted unlawfully or to have breached any duty created by this Contract or otherwise solely by reason of its having caused the Fund to pay a broker or dealer that provides brokerage and research services to the Manager an amount of commission for effecting a portfolio investment transaction in excess of the amount of commission another broker or dealer would have charged for effecting that transaction, if the Manager determines in good faith that such amount of commission was reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either that particular transaction or the Manager's overall responsibilities with respect to the Fund and to other clients of the Manager as to which the Manager exercises investment discretion. The Manager agrees that in connection with purchases or sales of portfolio investments for the Fund's account, neither the Manager nor any officer, director, employee or agent of the Manager shall act as a principal or receive any commission other than as provided in Section 3.

(d) The Fund will pay or reimburse the Manager for the compensation in whole or in part of such officers of the Fund and persons assisting them as may be determined from time to time by the Trustees of the Fund. The Fund will also pay or reimburse the Manager for all or part of the cost of suitable office space, utilities, support services and equipment attributable to such officers and persons as may be determined in each case by the Trustees of the Fund. The Fund will pay the fees, if any, of the Trustees of the Fund.

(e) The Manager will not be obligated to pay any expenses of or for the Fund not expressly assumed by the Manager pursuant to this Section 1 other than as provided in Section 3.

(f) Subject to the prior approval of a majority of the Trustees, including a majority of the Trustees who are not "interested persons" and, to the extent required by the 1940 Act and the rules and regulations under the 1940 Act, subject to any applicable guidance or interpretation of the Securities and Exchange Commission or its staff, by the shareholders of the Fund, the Manager may, from time to time, delegate to a sub-adviser or sub-administrator any of the Manager's duties under this Contract, including the management of all or a portion of the assets being managed. In all instances, however, the Manager must oversee the provision of delegated services, the Manager must bear the separate costs of employing any sub-adviser or sub-administrator, and no delegation will relieve the Manager of any of its obligations under this Contract.

## 2. OTHER AGREEMENTS, ETC.

It is understood that any of the shareholders, Trustees, officers and employees of the Fund may be a shareholder, director, officer or employee of, or be otherwise interested in, the

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Manager, and in any person controlled by or under common control with the Manager, and that the Manager and any person controlled by or under common control with the Manager may have an interest in the Fund. It is also understood that the Manager and any person controlled by or under common control with the Manager may have

advisory, management, service or other contracts with other organizations and persons and may have other interests and business.

### 3. COMPENSATION TO BE PAID BY THE FUND TO THE MANAGER.

The Fund will pay to the Manager as compensation for the Manager's services rendered, for the facilities furnished and for the expenses borne by the Manager pursuant to paragraphs (a), (b), and (c) of Section 1, a fee, based on the Fund's Average Net Assets, computed and paid quarterly at the annual rates set forth on Schedule B attached to this Contract, as from time to time amended.

"Average Net Assets" means the average of the weekly determinations of the difference between the total assets of the Fund (including any assets attributable to leverage for investment purposes) and the total liabilities of the Fund (excluding liabilities incurred in connection with leverage for investment purposes), determined at the close of the last business day of each week, for each week which ends during the quarter. The fee is payable for each quarter within 30 days after the close of the quarter. As used in this Section 3, "leverage for investment purposes" means any incurrence of indebtedness the proceeds of which are to be invested in accordance with the Fund's investment objective. For purposes of calculating Average Net Assets, liabilities associated with any instruments or transactions used to leverage the Fund's portfolio for investment purposes (whether or not such instruments or transactions are "covered" within the meaning of the 1940 Act and the rules and regulations thereunder, giving effect to any interpretations of the Securities and Exchange Commission and its staff) are not considered liabilities. For purposes of calculating Average Net Assets, the total assets of the Fund will be deemed to include (a) any proceeds from the sale or transfer of an asset (the "Underlying Asset") of the Fund to a counterparty in a reverse repurchase or dollar roll transaction and (b) the value of such Underlying Asset as of the relevant measuring date.

In the event that, during any period for which payments of interest or fees (whether designated as such or implied) are payable in connection with any indebtedness or other obligation of the Fund incurred for investment purposes (a "Measurement Period"), the amount of interest payments and fees with respect to such indebtedness or other obligation, plus additional expenses attributable to any such leverage for investment purposes for such Measurement Period, exceeds the portion of the Fund's net income and net short-term capital gains (but not long-term capital gains) accruing during such Measurement Period as a result of the fact that such indebtedness or other obligation was outstanding during the Measurement Period, then the fee payable to the Manager pursuant to this Section 3 shall be reduced by the amount of such excess; provided, however, that the amount of such reduction for any such Period shall not exceed the amount determined by multiplying (i) the aggregate value of all assets representing leverage for investment purposes by (ii) the percentage of the Average Net Assets of the Fund which the fee payable to the Manager during such Measurement Period pursuant to this Section 3 would constitute without giving effect to such reduction. The amount of such reduction attributable to any Measurement Period shall reduce the amount of the next quarterly payment of the fee payable pursuant to this Section 3 following the end of such Measurement Period, and of any subsequent quarterly or more frequent payments, as may be necessary. The expenses attributable to leverage for investment purposes and the portion of the Fund's net income and net short-term capital gains accruing during any Measurement Period as a result of the fact that leverage for investment purposes was outstanding during such Measurement Period shall be determined by the Trustees of the Fund.

The fees payable by the Fund to the Manager pursuant to this Section 3 will be reduced by any commissions, fees, brokerage or similar payments received by the Manager or any affiliated person of the Manager in connection with the purchase and sale of portfolio investments of the Fund, less any direct expenses approved by the Trustees incurred by the Manager or any affiliated person of the Manager in connection with obtaining such payments.

In the event that expenses of the Fund for any fiscal year exceed the expense limitation on investment company expenses imposed by any statute or regulatory authority of any jurisdiction in which shares of the Fund are qualified for offer or sale, the compensation due the Manager for such fiscal year will be reduced by the amount of excess by a reduction or refund thereof. In the event that the expenses of the Fund exceed any expense limitation which the Manager may, by written notice to the Fund, voluntarily declare to be effective subject to such terms and conditions as the Manager may prescribe in such notice, the compensation due the Manager will be reduced, and if necessary, the Manager will assume expenses of the Fund, to the extent required by the terms and conditions of such expense limitation.

If the Manager serves for less than the whole of a quarter, the foregoing compensation will be prorated.

4. ASSIGNMENT TERMINATES THIS CONTRACT; AMENDMENTS OF THIS CONTRACT.

This Contract will automatically terminate, without the payment of any penalty, in the event of its assignment, provided that no delegation of responsibilities by the Manager pursuant to Section 1(f) will be deemed to constitute an assignment. No provision of this Contract may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the change, waiver,

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discharge or termination is sought. No amendment of this Contract is effective until approved in a manner consistent with the 1940 Act, the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff.

5. EFFECTIVE PERIOD AND TERMINATION OF THIS CONTRACT.

This Contract is effective upon its execution and will remain in full force and effect as to a Fund continuously thereafter (unless terminated automatically as set forth in Section 4 or terminated in accordance with the following paragraph) through June 30, 2014, and will continue in effect from year to year thereafter so long as its continuance is approved at least annually by (i) the Trustees, or the shareholders by the affirmative vote of a majority of the outstanding shares of the respective Fund, and (ii) a majority of the Trustees who are not interested persons of the Fund or of the Manager, by vote cast in person at a meeting called for the purpose of voting on such approval.

Either party hereto may at any time terminate this Contract as to a Fund by not less than 60 days' written notice delivered or mailed by registered mail, postage prepaid, to the other party. Action with respect to a Fund may be taken either (i) by vote of a majority of the Trustees or (ii) by the affirmative vote of a majority of the outstanding shares of the respective Fund.

Termination of this Contract pursuant to this Section 5 will be without the payment of any penalty.

6. CERTAIN DEFINITIONS.

For the purposes of this Contract, the "affirmative vote of a majority of the outstanding shares" of a Fund means the affirmative vote, at a duly called and held meeting of shareholders of the respective Fund, (a) of the holders of 67% or more of the shares of the Fund present (in person or by proxy) and entitled to vote at the meeting, if the holders of more than 50% of the outstanding shares of the Fund entitled to vote at the meeting are present in person or by proxy or (b) of the holders of more than 50% of the outstanding shares of the Fund entitled to vote at the meeting, whichever is less.

For the purposes of this Contract, the terms "affiliated person," "control," "interested person" and "assignment" have their respective meanings defined in the 1940 Act, subject, however, to the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff; the term "approve at least annually" will be construed in a manner consistent with the 1940 Act and the rules and regulations under the 1940 Act and any applicable guidance or interpretation of the Securities and Exchange Commission or its staff; and the term "brokerage and research services" has the meaning given in the Securities Exchange Act of 1934 and the rules and regulations under the Securities Exchange Act of 1934 and under any applicable guidance or interpretation of the Securities and Exchange Commission or its staff.

7. NON-LIABILITY OF MANAGER.

In the absence of willful misfeasance, bad faith or gross negligence on the part of the Manager, or reckless disregard of its obligations and duties hereunder, the Manager shall not be subject to any liability to the Fund or to any shareholder of the Fund for any act or omission in the course of, or connected with, rendering services hereunder.

8. LIMITATION OF LIABILITY OF THE TRUSTEES, OFFICERS, AND SHAREHOLDERS.

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A copy of the Agreement and Declaration of Trust of the Fund is on file with the Secretary of The Commonwealth of Massachusetts, and notice is hereby given that this instrument is executed on behalf of the Trustees of the Fund as Trustees and not individually and that the obligations of or arising out of this instrument are not binding upon any of the Trustees, officers or shareholders individually but are binding only upon the assets and property of the respective Fund.

IN WITNESS WHEREOF, [NAME OF FUND] and PUTNAM INVESTMENT MANAGEMENT, LLC have each caused this instrument to be signed on its behalf by its President or a Vice President thereunto duly authorized, all as of the day and year first above written.

[NAME OF FUND]

By:

\_\_\_\_\_

PUTNAM INVESTMENT MANAGEMENT, LLC

By:

\_\_\_\_\_

**Schedule A**

[LIST OF FUNDS]

**Schedule B**

[FEE SCHEDULE: See **Appendix D** to this proxy statement for each fund's detailed fee information. The management fee for each fund under the proposed new management contract is identical to that for each fund under the fund's previous management contract.]

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## Appendix C — Management Contracts: Dates and Approvals

Under the management contract between your fund and Putnam Management, subject to such policies as the Trustees may determine, Putnam Management, at its expense, furnishes continuously an investment program for the fund and makes investments decisions on behalf of the fund. Except for the funds included in the table below, the current management contract for your fund dated January 10, 2010 was last approved by shareholders on November 19, 2009. At that time, shareholders of the fund voted to approve the current management contract to include fund family breakpoints (under which the fund's base management fee rate is determined on the basis of the aggregate net assets of all Putnam mutual funds, rather than the fund's net assets). Shareholders of Putnam Europe Equity Fund, Putnam Global Equity Fund, Putnam Growth Opportunities Fund, Putnam International Capital Opportunities Fund, Putnam International Equity Fund and Putnam Voyager Fund also approved the institution of performance fees under the funds' respective management contracts. The management contract has not been submitted for approval by the shareholders of your fund since that date.

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The following table contains information regarding the date of each remaining fund's current management contract, the date on which it was last approved by shareholders and the purpose for that submission.

<b>Fund</b>	<b>Date of Current Management Contract</b>	<b>Date Current Management Contract</b>	<b>Purpose of Last Submission of Current Management Contract to Shareholder Vote</b>
		<b>Last Submitted to Shareholder Vote</b>	
Putnam Absolute Return 100 Fund	July 1, 2013	December 18, 2009	Fee structure change
Putnam Absolute Return 300 Fund	July 1, 2013	December 18, 2009	Fee structure change
Putnam Absolute Return 500 Fund	July 1, 2013	December 18, 2009	Fee structure change
Putnam Absolute Return 700 Fund	July 1, 2013	January 15, 2010	Fee structure change
Putnam Asia Pacific Equity Fund	July 1, 2013	May 26, 2011	New performance index to calculate performance
Putnam Capital Opportunities Fund	September 1, 2010	November 19, 2009	Fee structure change
Putnam Capital Spectrum Fund	July 1, 2013	November 19, 2009	Fee structure change
Putnam Dynamic Asset Allocation Equity Fund	July 1, 2013	November 19, 2009	Fee structure change
Putnam Dynamic Risk Allocation Fund	July 1, 2013	September 9, 2011	Organization of the fund
Putnam Emerging Markets Equity Fund	July 1, 2013	November 19, 2009	Fee structure change and institution of
Putnam Emerging Markets Income Fund	July 1, 2013	March 18, 2013	Organization of the fund
Putnam Equity Spectrum Fund	July 1, 2013	November 19, 2009	Fee structure change
Putnam Floating Rate Income Fund	July 1, 2013	November 19, 2009	Fee structure change
Putnam Global Consumer Fund	July 1, 2013	November 19, 2009	Fee structure change
Putnam Global Dividend Fund	July 1, 2013	March 18, 2013	Organization of the fund
Putnam Global Energy Fund	July 1, 2013	November 19, 2009	Fee structure change

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Putnam Global Financials Fund	July 1, 2013	November 19, 2009	Fee structure change
Putnam Global Industrials Fund	July 1, 2013	November 19, 2009	Fee structure change
Putnam Global Sector Fund	July 1, 2013	December 14, 2009	Organization of the fund
Putnam Global Technology Fund	July 1, 2013	November 19, 2009	Fee structure change
Putnam Global Telecommunications Fund	July 1, 2013	November 19, 2009	Fee structure change
Putnam High Income Securities Fund	August 3, 2007	May 15, 2007	Approval of new management contract control of Putnam Management
Putnam Intermediate-Term Municipal Income Fund	July 1, 2013	March 18, 2013	Organization of the fund
Putnam International Value Fund	July 1, 2013	May 26, 2011	New performance index to calculate pe
Putnam Low Volatility Equity Fund	July 1, 2013	March 18, 2013	Organization of the fund
Putnam Managed Municipal Income Trust	August 3, 2007	May 15, 2007	Approval of new management contract control of Putnam Management
Putnam Master Intermediate Income Trust	August 3, 2007	May 15, 2007	Approval of new management contract control of Putnam Management
Putnam Money Market Liquidity Fund	July 1, 2013	April 13, 2009	Organization of the fund
Putnam Multi-Cap Core Fund	July 1, 2013	[May 14, 2010]	Organization of the fund
Putnam Multi-Cap Growth Fund	February 1, 2010	January 15, 2010	Fee structure change and institution of
Putnam Multi-Cap Value Fund	September 1, 2010	November 19, 2009	Fee structure change
Putnam Municipal Opportunities Trust	August 3, 2007	May 15, 2007	Approval of new management contract control of Putnam Management
Putnam Premier Income Trust	August 3, 2007	May 15, 2007	Approval of new management contract control of Putnam Management



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Putnam Retirement Income Fund Lifestyle 2	July 1, 2013	June 6, 2011	Organization of the fund
Putnam Retirement Income Fund Lifestyle 3	July 1, 2013	November 19, 2009	Fee structure change
Putnam Short Duration Income Fund	July 1, 2013	June 17, 2011	Organization of the fund
Putnam Short Term Investment Fund	July 1, 2013	November 9, 2012	Organization of the fund
Putnam Short-Term Municipal Income Fund	July 1, 2013	March 18, 2013	Organization of the fund
Putnam Small Cap Growth Fund	July 1, 2013	November 19, 2009	Fee structure change and institution of per
Putnam Small Cap Value Fund	September 10, 2010	November 19, 2009	Fee structure change
Putnam Strategic Volatility Equity Fund	July 1, 2013	March 18, 2013	Organization of the fund
Putnam VT Absolute Return 500 Fund	February 4, 2011	February 4, 2011	Organization of the fund

## Appendix D — Management Contracts: Fees

Fund	Management Fee Schedule	Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)	Annual Rate
<b>PUTNAM ABSOLUTE RETURN 100 FUND</b>	of Average Net Assets Benchmark: BofA Merrill Lynch U.S. Treasury Bill Index (GOBA) Hurdle: Maximum Performance Adjustment Rate: Minimum Performance Adjustment Rate:	0.40%    1.00%  0.04%  -0.04%	\$493,980 0.15% of ave

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<b>PUTNAM ABSOLUTE RETURN</b>	of Average Net Assets	0.60%	\$4,354,861	0.37% of ave
<b>300 FUND</b>	Benchmark: BofA Merrill Lynch U.S. Treasury Bill Index (G0BA)			
	Hurdle:	3.00%		
	Maximum Performance			
	Adjustment Rate:	0.12%		
	Minimum Performance			
	Adjustment Rate:	-0.12%		

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<b>Fund</b>	<b>Management Fee Schedule</b>	<b>Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)</b>	<b>Annual</b>	
<b>PUTNAM ABSOLUTE RETURN</b>	First \$5 billion	0.880%	\$5,233,405	0.64% o
<b>500 FUND</b>	Next \$5 billion	0.830%		
	Next \$10 billion	0.780%		
	Next \$10 billion	0.730%		
	Next \$50 billion	0.680%		
	Next \$50 billion	0.660%		
	Next \$100 billion	0.650%		
	Any excess thereafter	0.645%		
	Benchmark: BofA Merrill Lynch U.S. Treasury Bill Index (G0BA)			
	Hurdle:	5.00%		
	Maximum Performance			
	Adjustment Rate:	0.20%		
	Minimum Performance			
	Adjustment Rate:	-0.20%		
<b>PUTNAM ABSOLUTE RETURN</b>	First \$5 billion	1.030%	\$5,796,253	0.81% o
<b>700 FUND</b>	Next \$5 billion	0.980%		
	Next \$10 billion	0.930%		

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Next \$10 billion	0.880%
Next \$50 billion	0.830%
Next \$50 billion	0.810%
Next \$100 billion	0.800%
Any excess thereafter	0.795%
Benchmark: BofA Merrill Lynch U.S. Treasury Bill Index (GOBA)	
Hurdle:	7.00%
Maximum Performance Adjustment Rate:	0.28%
Minimum Performance Adjustment Rate:	-0.28%

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<b>PUTNAM AMERICAN GOVERNMENT INCOME FUND</b>	First \$5 billion	0.550%	\$2,665,472	0.40% o
	Next \$5 billion	0.500%		
	Next \$10 billion	0.450%		
	Next \$10 billion	0.400%		
	Next \$50 billion	0.350%		
	Next \$50 billion	0.330%		
	Next \$100 billion	0.320%		
	Any excess thereafter	0.315%		

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<b>PUTNAM AMT-FREE MUNICIPAL FUND</b>	First \$5 billion	0.590%	\$2,217,779	0.44% o
	Next \$5 billion	0.540%		
	Next \$10 billion	0.490%		
	Next \$10 billion	0.440%		
	Next \$50 billion	0.390%		
	Next \$50 billion	0.370%		
	Next \$100 billion	0.360%		
	Any excess thereafter	0.355%		

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<b>PUTNAM ARIZONA TAX EXEMPT INCOME FUND</b>	First \$5 billion	0.590%	\$283,378	0.44% o
	Next \$5 billion	0.540%		
	Next \$10 billion	0.490%		
	Next \$10 billion	0.440%		
	Next \$50 billion	0.390%		
	Next \$50 billion	0.370%		
	Next \$100 billion	0.360%		
	Any excess thereafter	0.355%		

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Fund	Management Fee Schedule	Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)	Annual R
<b>PUTNAM ASIA PACIFIC EQUITY FUND</b>	First \$5 billion	1.080%	\$0 0.00% of
	Next \$5 billion	1.030%	
	Next \$10 billion	0.980%	
	Next \$10 billion	0.930%	
	Next \$50 billion	0.880%	
	Next \$50 billion	0.860%	
	Next \$100 billion	0.850%	
	Any excess thereafter	0.845%	
	Benchmark: MSCI All Country ex-Japan Index (Net Dividends)*		
	Hurdle:	N/A	
	Maximum Performance Adjustment Rate:	0.21%	
	Minimum Performance Adjustment Rate:	-0.21%	
	<b>PUTNAM CALIFORNIA TAX EXEMPT INCOME FUND</b>	First \$5 billion	0.590%
Next \$5 billion		0.540%	
Next \$10 billion		0.490%	
Next \$10 billion		0.440%	
Next \$50 billion		0.390%	
Next \$50 billion		0.370%	
Next \$100 billion		0.360%	
Any excess thereafter		0.355%	
<b>PUTNAM CAPITAL OPPORTUNITIES FUND</b>	First \$5 billion	0.780%	\$2,219,656 0.63% of
	Next \$5 billion	0.730%	
	Next \$10 billion	0.680%	
	Next \$10 billion	0.630%	

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Next \$50 billion	0.580%
Next \$50 billion	0.560%
Next \$100 billion	0.550%
Any excess thereafter	0.545%

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<b>PUTNAM CAPITAL SPECTRUM FUND</b>	First \$5 billion	0.880%	\$13,364,984	0.81% of
	Next \$5 billion	0.830%		
	Next \$10 billion	0.780%		
	Next \$10 billion	0.730%		
	Next \$50 billion	0.680%		
	Next \$50 billion	0.660%		
	Next \$100 billion	0.650%		
	Any excess thereafter	0.645%		
	Benchmark: 50/50 blend (balanced daily) of S&P 500 Index and JP Morgan Developed High Yield Index			
	Hurdle:	N/A		
	Maximum Performance Adjustment Rate:	0.32%		
	Minimum Performance Adjustment Rate:	-0.32%		

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<b>PUTNAM CONVERTIBLE SECURITIES FUND</b>	First \$5 billion	0.780%	\$4,049,683	0.64% of
	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		
	Next \$10 billion	0.630%		
	Next \$50 billion	0.580%		
	Next \$50 billion	0.560%		
	Next \$100 billion	0.550%		
	Any excess thereafter	0.545%		

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<b>PUTNAM DIVERSIFIED INCOME TRUST</b>	First \$5 billion	0.700%	\$20,008,464	0.55% of
	Next \$5 billion	0.650%		
	Next \$10 billion	0.600%		
	Next \$10 billion	0.550%		
	Next \$50 billion	0.500%		
	Next \$50 billion	0.480%		
	Next \$100 billion	0.470%		
	Any excess thereafter	0.465%		

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Fund	Management Fee Schedule		<b>Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)</b>	<b>Annual R</b>
<b>PUTNAM DYNAMIC ASSET ALLOCATION BALANCED FUND</b>	First \$5 billion	0.680%	\$7,021,376	0.53% of a
	Next \$5 billion	0.630%		
	Next \$10 billion	0.580%		
	Next \$10 billion	0.530%		
	Next \$50 billion	0.480%		
	Next \$50 billion	0.460%		
	Next \$100 billion	0.450%		
	Any excess thereafter	0.445%		
<b>PUTNAM DYNAMIC ASSET ALLOCATION CONSERVATIVE FUND</b>	First \$5 billion	0.680%	\$3,001,267	0.53% of a
	Next \$5 billion	0.630%		
	Next \$10 billion	0.580%		
	Next \$10 billion	0.530%		
	Next \$50 billion	0.480%		
	Next \$50 billion	0.460%		
	Next \$100 billion	0.450%		
	Any excess thereafter	0.445%		
<b>PUTNAM DYNAMIC ASSET ALLOCATION EQUITY FUND</b>	First \$5 billion	0.750%	\$0	0.00% of a
	Next \$5 billion	0.700%		
	Next \$10 billion	0.650%		
	Next \$10 billion	0.600%		
	Next \$50 billion	0.550%		
	Next \$50 billion	0.530%		
	Next \$100 billion	0.520%		
	Any excess thereafter	0.515%		
<b>PUTNAM DYNAMIC ASSET ALLOCATION GROWTH FUND</b>	First \$5 billion	0.750%	\$9,791,000	0.60% of a
	Next \$5 billion	0.700%		

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Next \$10 billion	0.650%
Next \$10 billion	0.600%
Next \$50 billion	0.550%
Next \$50 billion	0.530%
Next \$100 billion	0.520%
Any excess thereafter	0.515%

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<b>PUTNAM DYNAMIC RISK ALLOCATION FUND</b>	First \$5 billion	1.050%	\$1,418,724	0.74% of a
	Next \$5 billion	1.000%		
	Next \$10 billion	0.950%		
	Next \$10 billion	0.900%		
	Next \$50 billion	0.850%		
	Next \$50 billion	0.830%		
	Next \$100 billion	0.820%		
	Any excess thereafter	0.815%		

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<b>PUTNAM EMERGING MARKETS EQUITY FUND</b>	First \$5 billion	1.080%	\$187,478	0.54% of a
	Next \$5 billion	1.030%		
	Next \$10 billion	0.980%		
	Next \$10 billion	0.930%		
	Next \$50 billion	0.880%		
	Next \$50 billion	0.860%		
	Next \$100 billion	0.850%		
	Any excess thereafter	0.845%		
	Benchmark: MSCI Emerging Markets Index (Net Dividends)*			
	Hurdle:	N/A		
	Maximum Performance			
	Adjustment Rate:	0.21%		
	Minimum Performance			
	Adjustment Rate:	-0.21%		

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<b>PUTNAM EMERGING MARKETS INCOME FUND(1)</b>	First \$5 billion	0.880%	\$---
	Next \$5 billion	0.830%	
	Next \$10 billion	0.780%	
	Next \$10 billion	0.730%	
	Next \$50 billion	0.680%	
	Next \$50 billion	0.660%	
	Next \$100 billion	0.650%	
	Any excess thereafter	0.645%	

Fund	Management Fee Schedule	Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)	Annual
<b>PUTNAM EQUITY INCOME FUND</b>	First \$5 billion	0.630%	\$17,452,067 0.49% o
	Next \$5 billion	0.580%	
	Next \$10 billion	0.530%	
	Next \$10 billion	0.480%	
	Next \$50 billion	0.430%	
	Next \$50 billion	0.410%	
	Next \$100 billion	0.400%	
	Any excess thereafter	0.395%	
<b>PUTNAM EQUITY SPECTRUM FUND</b>	First \$5 billion	0.880%	\$5,907,335 0.85% o
	Next \$5 billion	0.830%	
	Next \$10 billion	0.780%	
	Next \$10 billion	0.730%	
	Next \$50 billion	0.680%	
	Next \$50 billion	0.660%	
	Next \$100 billion	0.650%	
	Any excess thereafter	0.645%	
	Benchmark: S&P 500 Index		
	Hurdle:	N/A	
	Maximum Performance		
	Adjustment Rate:	0.40%	
	Minimum Performance		
	Adjustment Rate:	-0.40%	
<b>PUTNAM EUROPE EQUITY FUND</b>	First \$5 billion	0.850%	\$1,225,861 0.78% o
	Next \$5 billion	0.800%	
	Next \$10 billion	0.750%	
	Next \$10 billion	0.700%	
	Next \$50 billion	0.650%	

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Next \$50 billion	0.630%
Next \$100 billion	0.620%
Any excess thereafter	0.615%
Benchmark: MSCI Europe Index (Net Dividends)*	
Hurdle:	N/A
Maximum Performance Adjustment Rate:	0.15%
Minimum Performance Adjustment Rate:	-0.15%

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<b>PUTNAM FLOATING RATE INCOME FUND</b>	First \$5 billion	0.720%	\$2,977,382	0.58% o
	Next \$5 billion	0.670%		
	Next \$10 billion	0.620%		
	Next \$10 billion	0.570%		
	Next \$50 billion	0.520%		
	Next \$50 billion	0.500%		
	Next \$100 billion	0.490%		
	Any excess thereafter	0.485%		

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<b>THE GEORGE PUTNAM FUND OF BOSTON (d/b/a GEORGE PUTNAM BALANCED FUND)</b>	First \$5 billion	0.680%	\$6,488,744	0.53% o
	Next \$5 billion	0.630%		
	Next \$10 billion	0.580%		
	Next \$10 billion	0.530%		
	Next \$50 billion	0.480%		
	Next \$50 billion	0.460%		
	Next \$100 billion	0.450%		
	Any excess thereafter	0.445%		

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<b>PUTNAM GLOBAL CONSUMER FUND</b>	First \$5 billion	0.780%	\$42,723	0.29% o
	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		
	Next \$10 billion	0.630%		
	Next \$50 billion	0.580%		
	Next \$50 billion	0.560%		
	Next \$100 billion	0.550%		
	Any excess thereafter	0.545%		

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Fund	Management Fee Schedule	Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)	Annual
<b>PUTNAM GLOBAL DIVIDEND FUND(2)</b>	First \$5 billion	0.850%	\$—
	Next \$5 billion	0.800%	
	Next \$10 billion	0.750%	
	Next \$10 billion	0.700%	
	Next \$50 billion	0.650%	
	Next \$50 billion	0.630%	
	Next \$100 billion	0.620%	
	Any excess thereafter	0.615%	
	Benchmark: MSCI World Index (Net Dividends)*		
	Hurdle:	N/A	
	Maximum Performance Adjustment Rate:	0.15%	
	Minimum Performance Adjustment Rate:	-0.15%	
	<b>PUTNAM GLOBAL ENERGY FUND</b>	First \$5 billion	0.780%
Next \$5 billion		0.730%	
Next \$10 billion		0.680%	
Next \$10 billion		0.630%	
Next \$50 billion		0.580%	
Next \$50 billion		0.560%	
Next \$100 billion		0.550%	
Any excess thereafter	0.545%		
<b>PUTNAM GLOBAL EQUITY FUND</b>	First \$5 billion	0.850%	\$5,496,467 0.71% o
	Next \$5 billion	0.800%	
	Next \$10 billion	0.750%	
	Next \$10 billion	0.700%	
	Next \$50 billion	0.650%	
	Next \$50 billion	0.630%	
	Next \$100 billion	0.620%	
Any excess thereafter	0.615%		

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Benchmark: MSCI World	
Index (Net Dividends)*	
Hurdle:	N/A
Maximum Performance	
Adjustment Rate:	0.15%
Minimum Performance	
Adjustment Rate:	-0.15%

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<b>PUTNAM GLOBAL FINANCIALS FUND</b>	First \$5 billion	0.780%	\$38,961	0.26% o
	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		
	Next \$10 billion	0.630%		
	Next \$50 billion	0.580%		
	Next \$50 billion	0.560%		
	Next \$100 billion	0.550%		
	Any excess thereafter	0.545%		

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<b>PUTNAM GLOBAL HEALTH CARE FUND</b>	First \$5 billion	0.780%	\$6,970,314	0.63% o
	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		
	Next \$10 billion	0.630%		
	Next \$50 billion	0.580%		
	Next \$50 billion	0.560%		
	Next \$100 billion	0.550%		
	Any excess thereafter	0.545%		

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<b>PUTNAM GLOBAL INCOME TRUST</b>	First \$5 billion	0.700%	\$1,999,189	0.56% o
	Next \$5 billion	0.650%		
	Next \$10 billion	0.600%		
	Next \$10 billion	0.550%		
	Next \$50 billion	0.500%		
	Next \$50 billion	0.480%		
	Next \$100 billion	0.470%		
	Any excess thereafter	0.465%		

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<b>PUTNAM GLOBAL INDUSTRIALS FUND</b>	First \$5 billion	0.780%	\$16,277	0.13% o
	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		
	Next \$10 billion	0.630%		
	Next \$50 billion	0.580%		
	Next \$50 billion	0.560%		

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Next \$100 billion	0.550%
Any excess thereafter	0.545%

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<b>Fund</b>	<b>Management Fee Schedule</b>	<b>Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)</b>	<b>Annual</b>
<b>PUTNAM GLOBAL NATURAL RESOURCES FUND</b>	First \$5 billion	0.780%	\$1,959,049 0.63% of
	Next \$5 billion	0.730%	
	Next \$10 billion	0.680%	
	Next \$10 billion	0.630%	
	Next \$50 billion	0.580%	
	Next \$50 billion	0.560%	
	Next \$100 billion	0.550%	
	Any excess thereafter	0.545%	
<b>PUTNAM GLOBAL SECTOR FUND</b>	N/A	N/A	N/A N/A
<b>PUTNAM GLOBAL TECHNOLOGY FUND</b>	First \$5 billion	0.780%	\$17,533 0.15% of
	Next \$5 billion	0.730%	
	Next \$10 billion	0.680%	
	Next \$10 billion	0.630%	
	Next \$50 billion	0.580%	
	Next \$50 billion	0.560%	
	Next \$100 billion	0.550%	
	Any excess thereafter	0.545%	
<b>PUTNAM GLOBAL TELECOMMUNICATIONS FUND</b>	First \$5 billion	0.780%	\$51,642 0.32% of
	Next \$5 billion	0.730%	
	Next \$10 billion	0.680%	
	Next \$10 billion	0.630%	
	Next \$50 billion	0.580%	
	Next \$50 billion	0.560%	

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Next \$100 billion	0.550%
Any excess thereafter	0.545%

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<b>PUTNAM GLOBAL UTILITIES FUND</b>	First \$5 billion	0.780%	\$1,327,033	0.63% of
	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		
	Next \$10 billion	0.630%		
	Next \$50 billion	0.580%		
	Next \$50 billion	0.560%		
	Next \$100 billion	0.550%		
	Any excess thereafter	0.545%		

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<b>THE PUTNAM FUND FOR GROWTH AND INCOME</b>	First \$5 billion	0.630%	\$21,457,542	0.49% of
	Next \$5 billion	0.580%		
	Next \$10 billion	0.530%		
	Next \$10 billion	0.480%		
	Next \$50 billion	0.430%		
	Next \$50 billion	0.410%		
	Next \$100 billion	0.400%		
	Any excess thereafter	0.395%		

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<b>PUTNAM GROWTH OPPORTUNITIES FUND</b>	First \$5 billion	0.710%	\$1,825,919	0.51% of
	Next \$5 billion	0.660%		
	Next \$10 billion	0.610%		
	Next \$10 billion	0.560%		
	Next \$50 billion	0.510%		
	Next \$50 billion	0.490%		
	Next \$100 billion	0.480%		
	Any excess thereafter	0.475%		
	Benchmark: Russell 1000 Growth Index			
	Hurdle:	N/A		
	Maximum Performance			
	Adjustment Rate:	0.12%		
	Minimum Performance			
Adjustment Rate:	-0.12%			

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Fund	Management Fee Schedule	Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)	Annual
<b>PUTNAM HIGH INCOME SECURITIES FUND</b>	First \$500 million	0.700%	\$1,039,414 0.70% of
	Next \$500 million	0.600%	
	Next \$500 million	0.550%	
	Next \$5 billion	0.500%	
	Next \$5 billion	0.475%	
	Next \$5 billion	0.455%	
	Next \$5 billion	0.440%	
	Next \$5 billion	0.430%	
	Next \$5 billion	0.420%	
	Next \$5 billion	0.410%	
	Next \$5 billion	0.400%	
	Next \$5 billion	0.390%	
	Next \$8.5 billion	0.380%	
	Any excess thereafter	0.370%	
<b>PUTNAM HIGH YIELD ADVANTAGE FUND</b>	First \$5 billion	0.720%	\$5,206,491 0.58% of
	Next \$5 billion	0.670%	
	Next \$10 billion	0.620%	
	Next \$10 billion	0.570%	
	Next \$50 billion	0.520%	
	Next \$50 billion	0.500%	
	Next \$100 billion	0.490%	
	Any excess thereafter	0.485%	
<b>PUTNAM HIGH YIELD TRUST</b>	First \$5 billion	0.720%	\$8,476,385 0.57% of
	Next \$5 billion	0.670%	
	Next \$10 billion	0.620%	
	Next \$10 billion	0.570%	
	Next \$50 billion	0.520%	
	Next \$50 billion	0.500%	
	Next \$100 billion	0.490%	
	Any excess thereafter	0.485%	
<b>PUTNAM INCOME FUND</b>	First \$5 billion	0.550%	\$5,608,363 0.41% of

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Next \$5 billion	0.500%
Next \$10 billion	0.450%
Next \$10 billion	0.400%
Next \$50 billion	0.350%
Next \$50 billion	0.330%
Next \$100 billion	0.320%
Any excess thereafter	0.315%

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<b>PUTNAM INTERMEDIATE-TERM MUNICIPAL INCOME FUND(3)</b>	First \$5 billion	0.590%	\$---
	Next \$5 billion	0.540%	
	Next \$10 billion	0.490%	
	Next \$10 billion	0.440%	
	Next \$50 billion	0.390%	
	Next \$50 billion	0.370%	
	Next \$100 billion	0.360%	
	Any excess thereafter	0.355%	

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<b>PUTNAM INTERNATIONAL CAPITAL OPPORTUNITIES FUND</b>	First \$5 billion	1.080%	\$7,166,274	0.84% of
	Next \$5 billion	1.030%		
	Next \$10 billion	0.980%		
	Next \$10 billion	0.930%		
	Next \$50 billion	0.880%		
	Next \$50 billion	0.860%		
	Next \$100 billion	0.850%		
	Any excess thereafter	0.845%		
	Benchmark: S&P Developed/Ex-U.S. SmallCap Index			
	Hurdle:	N/A		
	Maximum Performance			
	Adjustment Rate:	0.21%		
	Minimum Performance			
	Adjustment Rate:	-0.21%		

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Amount of Management Fee Paid in the

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Fund	Management Fee Schedule	Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)		Annual I			
<b>PUTNAM INTERNATIONAL EQUITY FUND</b>	First \$5 billion	0.850%	\$7,100,664	0.72% of			
	Next \$5 billion	0.800%					
	Next \$10 billion	0.750%					
	Next \$10 billion	0.700%					
	Next \$50 billion	0.650%					
	Next \$50 billion	0.630%					
	Next \$100 billion	0.620%					
	Any excess thereafter	0.615%					
	Benchmark: MSCI EAFE Index (Net Dividends)*						
	Hurdle:	N/A					
	Maximum Performance Adjustment Rate:	0.15%					
	Minimum Performance Adjustment Rate:	-0.15%					
	<hr/>						
	<b>PUTNAM INTERNATIONAL GROWTH FUND</b>	First \$5 billion			1.080%	\$3,022,995	0.89% of
Next \$5 billion		1.030%					
Next \$10 billion		0.980%					
Next \$10 billion		0.930%					
Next \$50 billion		0.880%					
Next \$50 billion		0.860%					
Next \$100 billion		0.850%					
Any excess thereafter		0.845%					
Benchmark: MSCI EAFE Growth Index (Net Dividends)*							
Hurdle:		N/A					
Maximum Performance Adjustment Rate:		0.21%					
Minimum Performance Adjustment Rate:		-0.21%					
<hr/>							
<b>PUTNAM INTERNATIONAL VALUE FUND</b>		First \$5 billion	0.850%	\$1,437,355	0.71% of		
	Next \$5 billion	0.800%					
	Next \$10 billion	0.750%					
	Next \$10 billion	0.700%					

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Next \$50 billion	0.650%
Next \$50 billion	0.630%
Next \$100 billion	0.620%
Any excess thereafter	0.615%
Benchmark: MSCI EAFE Value Index (Net Dividends)*	
Hurdle:	N/A
Maximum Performance Adjustment Rate:	0.15%
Minimum Performance Adjustment Rate:	-0.15%

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<b>PUTNAM INVESTORS FUND</b>	First \$5 billion	0.710%	\$7,966,034	0.56% of
	Next \$5 billion	0.660%		
	Next \$10 billion	0.610%		
	Next \$10 billion	0.560%		
	Next \$50 billion	0.510%		
	Next \$50 billion	0.490%		
	Next \$100 billion	0.480%		
	Any excess thereafter	0.475%		

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<b>PUTNAM LOW VOLATILITY EQUITY FUND(4)</b>	First \$5 billion	0.780%	\$0	0.00% of
	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		
	Next \$10 billion	0.630%		
	Next \$50 billion	0.580%		
	Next \$50 billion	0.560%		
	Next \$100 billion	0.550%		
	Any excess thereafter	0.545%		

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<b>PUTNAM MANAGED MUNICIPAL INCOME TRUST</b>	First \$500 million	0.650%	\$3,149,331	0.70% of
	Next \$500 million	0.550%		
	Next \$500 million	0.500%		
	Next \$5 billion	0.450%		
	Next \$5 billion	0.425%		
	Next \$5 billion	0.405%		
	Next \$5 billion	0.390%		
	Any excess thereafter	0.380%		

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Fund	Management Fee Schedule	Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)	Annual
<b>PUTNAM MASSACHUSETTS TAX EXEMPT INCOME FUND</b>	First \$5 billion	0.590%	\$1,868,568 0.44% o
	Next \$5 billion	0.540%	
	Next \$10 billion	0.490%	
	Next \$10 billion	0.440%	
	Next \$50 billion	0.390%	
	Next \$50 billion	0.370%	
	Next \$100 billion	0.360%	
	Any excess thereafter	0.355%	
<b>PUTNAM MASTER INTERMEDIATE INCOME TRUST</b>	First \$500 million	0.750%	\$2,723,636 0.75% o
	Next \$500 million	0.650%	
	Next \$500 million	0.600%	
	Next \$5 billion	0.550%	
	Next \$5 billion	0.525%	
	Next \$5 billion	0.505%	
	Next \$5 billion	0.490%	
	Next \$5 billion	0.480%	
	Next \$5 billion	0.470%	
	Next \$5 billion	0.460%	
	Next \$5 billion	0.450%	
	Next \$5 billion	0.440%	
	Next \$8.5 billion	0.430%	
	Any excess thereafter	0.420%	
<b>PUTNAM MICHIGAN TAX EXEMPT INCOME FUND</b>	First \$5 billion	0.590%	\$362,014 0.44% o
	Next \$5 billion	0.540%	
	Next \$10 billion	0.490%	
	Next \$10 billion	0.440%	
	Next \$50 billion	0.390%	
	Next \$50 billion	0.370%	
	Next \$100 billion	0.360%	
	Any excess thereafter	0.355%	

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<b>PUTNAM MINNESOTA TAX EXEMPT INCOME FUND</b>	First \$5 billion	0.590%	\$532,651	0.44% o
	Next \$5 billion	0.540%		
	Next \$10 billion	0.490%		
	Next \$10 billion	0.440%		
	Next \$50 billion	0.390%		
	Next \$50 billion	0.370%		
	Next \$100 billion	0.360%		
	Any excess thereafter	0.355%		

<b>PUTNAM MONEY MARKET FUND</b>	First \$5 billion	0.440%	\$0	0.00% o
	Next \$5 billion	0.390%		
	Next \$10 billion	0.340%		
	Next \$10 billion	0.290%		
	Next \$50 billion	0.240%		
	Next \$50 billion	0.220%		
	Next \$100 billion	0.210%		
	Any excess thereafter	0.205%		

<b>PUTNAM MONEY MARKET LIQUIDITY FUND</b>	of Average net assets	0.25%	\$0	0.00% o
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<b>PUTNAM MULTI-CAP CORE FUND</b>	First \$5 billion	0.710%	\$8,719	0.08% o
	Next \$5 billion	0.660%		
	Next \$10 billion	0.610%		
	Next \$10 billion	0.560%		
	Next \$50 billion	0.510%		
	Next \$50 billion	0.490%		
	Next \$100 billion	0.480%		
	Any excess thereafter	0.475%		

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Fund	Management Fee Schedule	Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)	Annual R
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<b>PUTNAM MULTI-CAP GROWTH FUND</b>	First \$5 billion	0.710%	\$16,342,403	0.50% of a
	Next \$5 billion	0.660%		
	Next \$10 billion	0.610%		
	Next \$10 billion	0.560%		
	Next \$50 billion	0.510%		
	Next \$50 billion	0.490%		
	Next \$100 billion	0.480%		
	Any excess thereafter	0.475%		
	Benchmark: Russell 3000 Growth Index			
	Hurdle:	N/A		
	Maximum Performance Adjustment Rate:	0.12%		
	Minimum Performance Adjustment Rate:	-0.12%		
	<b>PUTNAM MULTI-CAP VALUE FUND</b>	First \$5 billion		
Next \$5 billion		0.660%		
Next \$10 billion		0.610%		
Next \$10 billion		0.560%		
Next \$50 billion		0.510%		
Next \$50 billion		0.490%		
Next \$100 billion		0.480%		
Any excess thereafter		0.475%		
<b>PUTNAM MUNICIPAL OPPORTUNITIES TRUST</b>	First \$500 million	0.650%	\$4,118,860	0.72% of a
	Next \$500 million	0.550%		
	Next \$500 million	0.500%		
	Next \$5 billion	0.450%		
	Next \$5 billion	0.425%		
	Next \$5 billion	0.405%		
	Next \$5 billion	0.390%		
	Any excess thereafter	0.380%		
<b>PUTNAM NEW JERSEY TAX EXEMPT INCOME FUND</b>	First \$5 billion	0.590%	\$1,277,096	0.44% of a
	Next \$5 billion	0.540%		
	Next \$10 billion	0.490%		
	Next \$10 billion	0.440%		
	Next \$50 billion	0.390%		
	Next \$50 billion	0.370%		

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	Next \$100 billion	0.360%		
	Any excess thereafter	0.355%		
<b>PUTNAM NEW YORK TAX EXEMPT INCOME FUND</b>	First \$5 billion	0.590%	\$5,479,662	0.45% of a
	Next \$5 billion	0.540%		
	Next \$10 billion	0.490%		
	Next \$10 billion	0.440%		
	Next \$50 billion	0.390%		
	Next \$50 billion	0.370%		
	Next \$100 billion	0.360%		
	Any excess thereafter	0.355%		
<b>PUTNAM OHIO TAX EXEMPT INCOME FUND</b>	First \$5 billion	0.590%	\$720,433	0.44% of a
	Next \$5 billion	0.540%		
	Next \$10 billion	0.490%		
	Next \$10 billion	0.440%		
	Next \$50 billion	0.390%		
	Next \$50 billion	0.370%		
	Next \$100 billion	0.360%		
	Any excess thereafter	0.355%		
<b>PUTNAM PENNSYLVANIA TAX EXEMPT INCOME FUND</b>	First \$5 billion	0.590%	\$1,105,281	0.44% of a
	Next \$5 billion	0.540%		
	Next \$10 billion	0.490%		
	Next \$10 billion	0.440%		
	Next \$50 billion	0.390%		
	Next \$50 billion	0.370%		
	Next \$100 billion	0.360%		
	Any excess thereafter	0.355%		

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<b>Fund</b>	<b>Management Fee Schedule</b>	<b>Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)</b>	<b>Annual R</b>
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<b>PUTNAM PREMIER INCOME TRUST</b>	First \$500 million	0.750%	\$5,947,565	0.71% of
	Next \$500 million	0.650%		
	Next \$500 million	0.600%		
	Next \$5 billion	0.550%		
	Next \$5 billion	0.525%		
	Next \$5 billion	0.505%		
	Next \$5 billion	0.490%		
	Next \$5 billion	0.480%		
	Next \$5 billion	0.470%		
	Next \$5 billion	0.460%		
	Next \$5 billion	0.450%		
	Next \$5 billion	0.440%		
	Next \$8.5 billion	0.430%		
	Any excess thereafter	0.420%		
<hr/>				
<b>PUTNAM RESEARCH FUND</b>	First \$5 billion	0.710%	\$1,251,275	0.56% of
	Next \$5 billion	0.660%		
	Next \$10 billion	0.610%		
	Next \$10 billion	0.560%		
	Next \$50 billion	0.510%		
	Next \$50 billion	0.490%		
	Next \$100 billion	0.480%		
	Any excess thereafter	0.475%		
<hr/>				
<b>PUTNAM RETIREMENTREADY 2055 FUND</b>	N/A	N/A	N/A	N/A
<hr/>				
<b>PUTNAM RETIREMENTREADY 2050 FUND</b>	N/A	N/A	N/A	N/A
<hr/>				
<b>PUTNAM RETIREMENTREADY 2045 FUND</b>	N/A	N/A	N/A	N/A
<hr/>				
<b>PUTNAM RETIREMENTREADY 2040 FUND</b>	N/A	N/A	N/A	N/A
<hr/>				
<b>PUTNAM RETIREMENTREADY 2035 FUND</b>	N/A	N/A	N/A	N/A
<hr/>				
<b>PUTNAM RETIREMENTREADY 2030 FUND</b>	N/A	N/A	N/A	N/A

<b>PUTNAM RETIREMENTREADY 2025 FUND</b>	N/A	N/A	N/A	N/A
<b>PUTNAM RETIREMENTREADY 2020 FUND</b>	N/A	N/A	N/A	N/A
<b>PUTNAM RETIREMENTREADY 2015 FUND</b>	N/A	N/A	N/A	N/A
<b>PUTNAM RETIREMENT INCOME FUND LIFESTYLE 1</b>	N/A	N/A	N/A	N/A
<b>PUTNAM RETIREMENT INCOME FUND LIFESTYLE 2</b>	First \$5 billion	0.680%	\$0	0.00% of
	Next \$5 billion	0.630%		
	Next \$10 billion	0.580%		
	Next \$10 billion	0.530%		
	Next \$50 billion	0.480%		
	Next \$50 billion	0.460%		
	Next \$100 billion	0.450%		
	Any excess thereafter	0.445%		
<b>PUTNAM RETIREMENT INCOME FUND LIFESTYLE 3</b>	First \$5 billion	0.680%	\$0	0.00% of
	Next \$5 billion	0.630%		
	Next \$10 billion	0.580%		
	Next \$10 billion	0.530%		
	Next \$50 billion	0.480%		
	Next \$50 billion	0.460%		
	Next \$100 billion	0.450%		
	Any excess thereafter	0.445%		

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<b>Fund</b>	<b>Management Fee Schedule</b>	<b>Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)</b>	<b>Annual R</b>
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<b>PUTNAM SHORT DURATION INCOME FUND</b>	First \$5 billion	0.500%	\$1,293,633	0.21% of
	Next \$5 billion	0.450%		
	Next \$10 billion	0.400%		
	Next \$10 billion	0.350%		
	Next \$50 billion	0.300%		
	Next \$50 billion	0.280%		
	Next \$100 billion	0.270%		
	Any excess thereafter	0.265%		

<b>PUTNAM SHORT TERM INVESTMENT FUND(5)</b>	of Average net assets	0.25%	\$0	0.00% of
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<b>PUTNAM SHORT-TERM MUNICIPAL INCOME FUND(6)</b>	First \$5 billion	0.500%	\$---
	Next \$5 billion	0.450%	
	Next \$10 billion	0.400%	
	Next \$10 billion	0.350%	
	Next \$50 billion	0.300%	
	Next \$50 billion	0.280%	
	Next \$100 billion	0.270%	
	Any excess thereafter	0.265%	

<b>PUTNAM SMALL CAP GROWTH FUND</b>	First \$5 billion	0.780%	\$710,052	0.60% of
	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		
	Next \$10 billion	0.630%		
	Next \$50 billion	0.580%		
	Next \$50 billion	0.560%		
	Next \$100 billion	0.550%		
	Any excess thereafter	0.545%		
	Benchmark: Russell 2000 Growth Index			
	Hurdle:	N/A		
	Maximum Performance Adjustment Rate:	0.18%		
	Minimum Performance Adjustment Rate:	-0.18%		

<b>PUTNAM SMALL CAP VALUE FUND</b>	First \$5 billion	0.780%	\$1,004,942	0.64% of
	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		

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Next \$10 billion	0.630%
Next \$50 billion	0.580%
Next \$50 billion	0.560%
Next \$100 billion	0.550%
Any excess thereafter	0.545%

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<b>PUTNAM STRATEGIC</b>	First \$5 billion	0.880%		\$0	0.00% of
<b>VOLATILITY EQUITY FUND(7)</b>	Next \$5 billion	0.830%			
	Next \$10 billion	0.780%			
	Next \$10 billion	0.730%			
	Next \$50 billion	0.680%			
	Next \$50 billion	0.660%			
	Next \$100 billion	0.650%			
	Any excess thereafter	0.645%			
	Benchmark: S&P 500 Index				
	Hurdle:	N/A			
	Maximum Performance				
	Adjustment Rate:	0.40%			
	Minimum Performance				
	Adjustment Rate:	-0.40%			

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<b>PUTNAM TAX EXEMPT INCOME</b>	First \$5 billion	0.590%		\$5,249,245	0.44% of
<b>FUND</b>	Next \$5 billion	0.540%			
	Next \$10 billion	0.490%			
	Next \$10 billion	0.440%			
	Next \$50 billion	0.390%			
	Next \$50 billion	0.370%			
	Next \$100 billion	0.360%			
	Any excess thereafter	0.355%			

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<b>Fund</b>	<b>Management Fee Schedule</b>	<b>Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)</b>	<b>Annual</b>
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<b>PUTNAM TAX EXEMPT MONEY</b>	First \$5 billion	0.440%	\$0	0.00% o
<b>MARKET FUND</b>	Next \$5 billion	0.390%		
	Next \$10 billion	0.340%		
	Next \$10 billion	0.290%		
	Next \$50 billion	0.240%		
	Next \$50 billion	0.220%		
	Next \$100 billion	0.210%		
	Any excess thereafter	0.205%		
<b>PUTNAM TAX-FREE HIGH YIELD FUND</b>	First \$5 billion	0.630%	\$5,642,898	0.48% o
	Next \$5 billion	0.580%		
	Next \$10 billion	0.530%		
	Next \$10 billion	0.480%		
	Next \$50 billion	0.430%		
	Next \$50 billion	0.410%		
	Next \$100 billion	0.400%		
	Any excess thereafter	0.395%		
<b>PUTNAM U.S. GOVERNMENT INCOME TRUST</b>	First \$5 billion	0.550%	\$5,771,426	0.40% o
	Next \$5 billion	0.500%		
	Next \$10 billion	0.450%		
	Next \$10 billion	0.400%		
	Next \$50 billion	0.350%		
	Next \$50 billion	0.330%		
	Next \$100 billion	0.320%		
	Any excess thereafter	0.315%		
<b>PUTNAM VOYAGER FUND</b>	First \$5 billion	0.710%	\$15,286,375	0.43% o
	Next \$5 billion	0.660%		
	Next \$10 billion	0.610%		
	Next \$10 billion	0.560%		
	Next \$50 billion	0.510%		
	Next \$50 billion	0.490%		
	Next \$100 billion	0.480%		
	Any excess thereafter	0.475%		
	Benchmark: Russell 1000 Growth Index			
	Hurdle:	N/A		
	Maximum Performance			
	Adjustment Rate:	0.12%		
	Minimum Performance			

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Adjustment Rate: -0.12%

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<b>PUTNAM VT ABSOLUTE RETURN</b>	First \$5 billion	0.880%	\$0	0.00% of
<b>500 FUND</b>	Next \$5 billion	0.830%		
	Next \$10 billion	0.780%		
	Next \$10 billion	0.730%		
	Next \$50 billion	0.680%		
	Next \$50 billion	0.660%		
	Next \$100 billion	0.650%		
	Any excess thereafter	0.645%		

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<b>PUTNAM VT AMERICAN</b>	First \$5 billion	0.550%	\$505,029	0.41% of
<b>GOVERNMENT INCOME FUND</b>	Next \$5 billion	0.500%		
	Next \$10 billion	0.450%		
	Next \$10 billion	0.400%		
	Next \$50 billion	0.350%		
	Next \$50 billion	0.330%		
	Next \$100 billion	0.320%		
	Any excess thereafter	0.315%		

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<b>PUTNAM VT CAPITAL</b>	First \$5 billion	0.780%	\$207,222	0.64% of
<b>OPPORTUNITIES FUND</b>	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		
	Next \$10 billion	0.630%		
	Next \$50 billion	0.580%		
	Next \$50 billion	0.560%		
	Next \$100 billion	0.550%		
	Any excess thereafter	0.545%		

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<b>Fund</b>	<b>Management Fee Schedule</b>	<b>Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)</b>	<b>Annual P</b>
<b>PUTNAM VT DIVERSIFIED</b>	First \$5 billion	0.700%	\$2,532,568 0.56% of

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<b>INCOME FUND</b>	Next \$5 billion	0.650%		
	Next \$10 billion	0.600%		
	Next \$10 billion	0.550%		
	Next \$50 billion	0.500%		
	Next \$50 billion	0.480%		
	Next \$100 billion	0.470%		
	Any excess thereafter	0.465%		
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<b>PUTNAM VT EQUITY INCOME FUND</b>	First \$5 billion	0.630%	\$1,806,301	0.49% of
	Next \$5 billion	0.580%		
	Next \$10 billion	0.530%		
	Next \$10 billion	0.480%		
	Next \$50 billion	0.430%		
	Next \$50 billion	0.410%		
	Next \$100 billion	0.400%		
	Any excess thereafter	0.395%		
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<b>PUTNAM VT GEORGE PUTNAM BALANCED FUND</b>	First \$5 billion	0.680%	\$956,470	0.54% of
	Next \$5 billion	0.630%		
	Next \$10 billion	0.580%		
	Next \$10 billion	0.530%		
	Next \$50 billion	0.480%		
	Next \$50 billion	0.460%		
	Next \$100 billion	0.450%		
	Any excess thereafter	0.445%		
<hr/>				
<b>PUTNAM VT GLOBAL ASSET ALLOCATION FUND</b>	First \$5 billion	0.750%	\$1,280,104	0.61% of
	Next \$5 billion	0.700%		
	Next \$10 billion	0.650%		
	Next \$10 billion	0.600%		
	Next \$50 billion	0.550%		
	Next \$50 billion	0.530%		
	Next \$100 billion	0.520%		
	Any excess thereafter	0.515%		
<hr/>				
<b>PUTNAM VT GLOBAL EQUITY FUND</b>	First \$5 billion	0.850%	\$1,394,894	0.71% of
	Next \$5 billion	0.800%		
	Next \$10 billion	0.750%		
	Next \$10 billion	0.700%		
	Next \$50 billion	0.650%		
	Next \$50 billion	0.630%		

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Next \$100 billion	0.620%
Any excess thereafter	0.615%

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<b>PUTNAM VT GLOBAL HEALTH CARE FUND</b>	First \$5 billion	0.780%	\$663,474	0.64% of
	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		
	Next \$10 billion	0.630%		
	Next \$50 billion	0.580%		
	Next \$50 billion	0.560%		
	Next \$100 billion	0.550%		
	Any excess thereafter	0.545%		

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<b>PUTNAM VT GLOBAL UTILITIES FUND</b>	First \$5 billion	0.780%	\$724,377	0.64% of
	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		
	Next \$10 billion	0.630%		
	Next \$50 billion	0.580%		
	Next \$50 billion	0.560%		
	Next \$100 billion	0.550%		
	Any excess thereafter	0.545%		

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<b>PUTNAM VT GROWTH AND INCOME FUND</b>	First \$5 billion	0.630%	\$5,691,727	0.49% of
	Next \$5 billion	0.580%		
	Next \$10 billion	0.530%		
	Next \$10 billion	0.480%		
	Next \$50 billion	0.430%		
	Next \$50 billion	0.410%		
	Next \$100 billion	0.400%		
	Any excess thereafter	0.395%		

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Fund	Management Fee Schedule	Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)	Annual R
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<b>PUTNAM VT GROWTH OPPORTUNITIES FUND</b>	First \$5 billion	0.710%	\$120,564	0.47% of
	Next \$5 billion	0.660%		
	Next \$10 billion	0.610%		
	Next \$10 billion	0.560%		
	Next \$50 billion	0.510%		
	Next \$50 billion	0.490%		
	Next \$100 billion	0.480%		
	Any excess thereafter	0.475%		
<hr/>				
<b>PUTNAM VT HIGH YIELD FUND</b>	First \$5 billion	0.720%	\$2,293,594	0.58% of
	Next \$5 billion	0.670%		
	Next \$10 billion	0.620%		
	Next \$10 billion	0.570%		
	Next \$50 billion	0.520%		
	Next \$50 billion	0.500%		
	Next \$100 billion	0.490%		
	Any excess thereafter	0.485%		
<hr/>				
<b>PUTNAM VT INCOME FUND</b>	First \$5 billion	0.550%	\$1,576,095	0.41% of
	Next \$5 billion	0.500%		
	Next \$10 billion	0.450%		
	Next \$10 billion	0.400%		
	Next \$50 billion	0.350%		
	Next \$50 billion	0.330%		
	Next \$100 billion	0.320%		
	Any excess thereafter	0.315%		
<hr/>				
<b>PUTNAM VT INTERNATIONAL EQUITY FUND</b>	First \$5 billion	0.850%	\$2,946,769	0.71% of
	Next \$5 billion	0.800%		
	Next \$10 billion	0.750%		
	Next \$10 billion	0.700%		
	Next \$50 billion	0.650%		
	Next \$50 billion	0.630%		
	Next \$100 billion	0.620%		
	Any excess thereafter	0.615%		
<hr/>				
<b>PUTNAM VT INTERNATIONAL GROWTH FUND</b>	First \$5 billion	1.080%	\$497,013	0.89% of
	Next \$5 billion	1.030%		
	Next \$10 billion	0.980%		
	Next \$10 billion	0.930%		
	Next \$50 billion	0.880%		

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Next \$50 billion	0.860%
Next \$100 billion	0.850%
Any excess thereafter	0.845%

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<b>PUTNAM VT INTERNATIONAL VALUE FUND</b>	First \$5 billion	0.850%	\$774,643	0.71% of
	Next \$5 billion	0.800%		
	Next \$10 billion	0.750%		
	Next \$10 billion	0.700%		
	Next \$50 billion	0.650%		
	Next \$50 billion	0.630%		
	Next \$100 billion	0.620%		
	Any excess thereafter	0.615%		

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<b>PUTNAM VT INVESTORS FUND</b>	First \$5 billion	0.710%	\$1,305,080	0.57% of
	Next \$5 billion	0.660%		
	Next \$10 billion	0.610%		
	Next \$10 billion	0.560%		
	Next \$50 billion	0.510%		
	Next \$50 billion	0.490%		
	Next \$100 billion	0.480%		
	Any excess thereafter	0.475%		

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<b>PUTNAM VT MONEY MARKET FUND</b>	First \$5 billion	0.440%	\$164,496	0.07% of
	Next \$5 billion	0.390%		
	Next \$10 billion	0.340%		
	Next \$10 billion	0.290%		
	Next \$50 billion	0.240%		
	Next \$50 billion	0.220%		
	Next \$100 billion	0.210%		
	Any excess thereafter	0.205%		

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Fund	Management Fee Schedule	Amount of Management Fee Paid in the Most Recent Fiscal Year (after applicable waivers, performance adjustments and reimbursements, if any) (\$)	Annual
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<b>PUTNAM VT MULTI-CAP GROWTH FUND</b>	First \$5 billion	0.710%	\$3,787,974	0.57% of
	Next \$5 billion	0.660%		
	Next \$10 billion	0.610%		
	Next \$10 billion	0.560%		
	Next \$50 billion	0.510%		
	Next \$50 billion	0.490%		
	Next \$100 billion	0.480%		
	Any excess thereafter	0.475%		

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<b>PUTNAM VT MULTI-CAP VALUE FUND</b>	First \$5 billion	0.710%	\$195,889	0.57% of
	Next \$5 billion	0.660%		
	Next \$10 billion	0.610%		
	Next \$10 billion	0.560%		
	Next \$50 billion	0.510%		
	Next \$50 billion	0.490%		
	Next \$100 billion	0.480%		
	Any excess thereafter	0.475%		

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<b>PUTNAM VT RESEARCH FUND</b>	First \$5 billion	0.710%	\$312,623	0.57% of
	Next \$5 billion	0.660%		
	Next \$10 billion	0.610%		
	Next \$10 billion	0.560%		
	Next \$50 billion	0.510%		
	Next \$50 billion	0.490%		
	Next \$100 billion	0.480%		
	Any excess thereafter	0.475%		

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<b>PUTNAM VT SMALL CAP VALUE FUND</b>	First \$5 billion	0.780%	\$1,423,370	0.64% of
	Next \$5 billion	0.730%		
	Next \$10 billion	0.680%		
	Next \$10 billion	0.630%		
	Next \$50 billion	0.580%		
	Next \$50 billion	0.560%		