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December 29, 2020

By Email to IMshareholderproposals@sec.gov

U.S. Securities and Exchange Commission
Office of the Chief Counsel
Division of Investment Management
100 F Street, NE
Washington, DC 20549

Re: Exchange Act Rule 14a-8: Omission of Shareholder Proposal from the 2021 Proxy Statement of Templeton Emerging Markets Income Fund

Dear Sir or Madam:

We are counsel to Templeton Emerging Markets Income Fund (the "Fund"), a closed-end management investment company registered under the Investment Company Act of 1940 (the "1940 Act") and trading on the New York Stock Exchange ("NYSE") under the ticker symbol "TEI". The Fund has received a shareholder proposal from The McGowan Group Asset Management Retirement Plan, FBO Spencer McGowan (the "Proponent"), for inclusion in the proxy statement and related materials (the "Proxy Statement") associated with the Fund's 2021 Annual Meeting of Shareholders (the "2021 Annual Meeting"). For the reasons discussed below, the Fund intends to omit the Proponent's shareholder proposal from the Proxy Statement, and requests that the staff (the "Staff") of the U.S. Securities and Exchange Commission (the "Commission") confirm that it will not recommend enforcement action to the Commission.

I. Background

The Proponent submitted a shareholder proposal and supporting statement to be included in the Fund's Proxy Statement by letter dated November 25, 2020, attached hereto as Exhibit A (the "Proposal"). The Proposal stated:

> BE IT RESOLVED, that the shareholders of Templeton Emerging Markets Income Fund, Inc. ("TEI" or the "Fund"), assembled at the annual meeting in person and by proxy, request that the Board of Directors ("Board") authorize and take all steps necessary to pursue a self-tender offer for at least 30% of outstanding common shares of the Fund at net asset value ("NAV").

II. Summary of the Fund's Position

The Fund believes the Proposal may be excluded from its Proxy Statement for the 2021 Annual Meeting for the following reasons:

1. The Fund may exclude the Proposal pursuant to Rule 14a-8(b)(1) under the Securities Exchange Act of 1934, as amended (the "1934 Act"), because:

   i. the Proponent does not hold securities entitled to vote on the Proposal as determined under the Fund's organizational documents; and

   ii. the Proponent does not hold securities entitled to vote on the Proposal due to Proponent's violation of Rule 13d-1 under the 1934 Act.

2. The Fund may exclude the Proposal pursuant to Rule 14a-8(i)(3) under the 1934 Act because the Proposal contains materially false and misleading statements contrary to Rule 14a-9 under the 1934 Act.

III. Discussion

1. Rule 14a-8(b)(1).

Rule 14a-8(b)(1) [Question 2] under the 1934 Act states:

> In order to be eligible to submit a proposal, [a shareholder] must have continuously held at least $2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the meeting for at least one year by the date [the shareholder] submit[s] the proposal. [Such shareholder] must continue to hold those securities through the date of the meeting.

i. The Fund may exclude the Proposal from its Proxy Statement pursuant to Rule 14a-8(b)(1) because the Proponent does not hold securities entitled to be voted on the Proposal as determined under the Fund's organizational documents.

The Fund is a statutory trust formed under the Delaware Statutory Trust Act (the "DSTA"). Under Delaware law, beneficial owners of a statutory trust such as the Fund are only entitled to vote on those matters as specified in the statutory trust's governing instruments. The Fund's Agreement and Declaration of Trust dated December 2, 2003, as amended (the "Declaration of Trust"), clearly and unambiguously states that shareholders of the Fund are permitted to vote only on specific matters that are enumerated therein, in the Fund's By-Laws, or as otherwise required by the 1940 Act or other applicable law. Specifically, Article V, Section 1 of the Fund's Declaration of Trust provides:

> Voting Powers. The Shareholders *shall have the power to vote only* (i) for the election of Trustees and the filling of any vacancies on the Board of Trustees as set forth herein and in the By-Laws; (ii) for the removal of Trustees as set forth herein; (iii) on such additional matters as may be required by this Declaration of

> Trust, the By-Laws, the 1940 Act, other applicable law and any registration statement of the Trust filed with the Commission, the registration of which is effective; and (iv) on such other matters as the Board of Trustees may consider necessary or desirable. (emphasis added)

The Proposal asks shareholders of the Fund to vote upon a request that the Board undertake a self-tender offer for at least 30% of outstanding common shares of the Fund, which is not among the enumerated matters on which shareholders are permitted to vote under the Fund's Declaration of Trust and By-Laws. Further, neither the 1940 Act nor other applicable law nor the Fund's initial registration statement provide shareholders with the ability to vote to compel the Fund to conduct tender offers. Accordingly, the Fund believes that the Proponent's shares are not entitled to vote on the Proposal as required by Rule 14a-8(b)(1).

The Staff has permitted funds to exclude a shareholder proposal similar to the one submitted by the Proponent pursuant to Rule 14a-8(b)(1) in circumstances where the applicable declaration of trust did not permit a shareholder proponent to vote on the subject of the proposal. For example, the Staff issued two no-action letters to the Dividend and Income Fund on April 10, 2020, finding that a shareholder proposal regarding a self-tender offer with a conditional liquidation and a separate proposal to change the voting standard in trustee elections were not matters on which shareholders had the power to vote under the fund's declaration of trust and therefore were excludable under Rule 14a-8(b)(1).[1] Similar to the Fund, the Dividend and Income Fund's declaration of trust enumerated specific voting rights for shareholders, which did not include the subject matter of the applicable shareholder proposal. The Proposal and the Fund's detailed organizational document provisions related to the topics on which shareholders may vote mirror the facts for the excludable Dividend and Income Fund shareholder proposals.

Indeed, the Staff has consistently allowed shareholder proposals to be excluded under Rule 14a-8(b)(1) if shareholders are not specifically entitled to vote on the proposals. *See e.g., First Trust Senior Floating Rate Income Fund II* (June 17, 2020) (allowing for the exclusion of a proposal pursuant to Rule 14a-8(b) because the proponent did not hold securities entitled to be voted on the proposal as determined pursuant to the Fund's organizational documents); *Senior Housing Properties Trust* (Feb. 20, 2018) (concurring with the exclusion of a proposal because such a matter was not listed as one on which shareholders were entitled to vote in the declaration of trust); and *RAIT Financial Trust* (March 10, 2017) (concurring with the exclusion of a proposal to externalize the management of the company by entering into an advisory agreement with an external adviser under Rule 14a-8(b)(1) because the proponent did not hold securities entitled to vote on the proposal).

The Fund's Declaration of Trust and By-Laws do not provide that shareholders are entitled to vote on tender offers. Therefore, the Proponent does not hold shares entitled to be voted on the Proposal in accordance with Rule 14a-8(b)(1). The Fund has concluded that the Proposal should be excluded from its Proxy Statement and requests the Staff's concurrence with this conclusion.

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[1] *See Dividend and Income Fund I* and *Dividend and Income Fund II*, SEC No-Action Letters (Apr. 10, 2020).

ii. *The Fund may also exclude the Proposal from its Proxy Statement pursuant to Rule 14a-8(b)(1) as the Proponent does not hold securities entitled to vote on the Proposal due to its violation of Rule 13d-1.*

In the materials related to the Proposal, the Proponent, McGowan Group Asset Management, Inc. for the benefit of Spencer McGowan, discloses that it is the beneficial owner of 2,195 common shares of the Fund. In addition, in a Form 13F filing filed on November 12, 2020, McGowan Group Asset Management, Inc. reported beneficially owning 3,415,523 shares of the Fund as of September 30, 2020. The Fund believes that the shares beneficially owned by the Proponent and McGowan Group Asset Management, Inc. (together, "McGowan") should be considered together because they are all owned by McGowan Group Asset Management, Inc.[2] Although the Proponent's shares are specifically for the benefit of Spencer McGowan, the Fund believes such shares should be deemed to be beneficially owned by McGowan Group Asset Management, Inc. in accordance with Rule 13d-3 under the 1934 Act, which states that:

> (a) For the purposes of sections 13(d) and 13(g) of the Act a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares:
>
> > (1) Voting power which includes the power to vote, or to direct the voting of, such security; and/or,
> >
> > (2) Investment power which includes the power to dispose, or to direct the disposition of, such security.

Factoring in the shares disclosed in the Proposal and in the Form 13F filing described above, the Fund believes that McGowan owned approximately 3,417,718 shares altogether as of the date of the Proposal. It therefore appears that McGowan owned approximately 7.12% of the Fund's 47,998,418 total outstanding shares as of the date of the Proposal. As the holder of 7.12% of the Fund's shares, the Fund believes that McGowan was in violation of Rule 13d-1(a) at the time the Proposal was submitted. Rule 13d-1(a) requires that:

> Any person who, after acquiring directly or indirectly the beneficial ownership of any equity security of a class which is specified in paragraph (i) of this section, is directly or indirectly the beneficial owner of more than five percent of the class shall, within 10 days after the acquisition, file with the Commission, a statement containing the information required by Schedule 13D.

At the time when the Proposal was submitted (and also as of the date of this letter), McGowan had not filed a Schedule 13D or Schedule 13G disclosing its ownership of the Fund. As a result, the Fund believes that when the Proponent submitted the Proposal, McGowan was in violation of Rule 13d-1(e)(1), which states that:

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[2] We note that Schedule A of McGowan's Form ADV Part 1 dated June 30, 2020 lists Mr. McGowan as the sole control person of McGowan, and McGowan's Form ADV Part 2 dated March, 2020 states that McGowan is wholly owned by Mr. McGowan. Available at https://adviserinfo.sec.gov/firm/summary/154127. The Fund shares owned by McGowan and Mr. McGowan are therefore all under common control.

> [A] person that . . . is required to report the acquisition but has not yet filed the schedule, shall immediately become subject to Rules 13d-1(a) and 13d-2(a) and shall file a statement on Schedule 13D (§ 240.13d-101) within 10 days if, and shall remain subject to those requirements for so long as, the person:
>
> > (i) Has acquired or holds the securities with a purpose or effect of changing or influencing control of the issuer, or in connection with or as a participant in any transaction having that purpose or effect, including any transaction subject to § 240.13d-3(b); and
> >
> > (ii) Is at that time the beneficial owner of more than five percent of a class of equity securities described in § 240.13d-1(i).

At the time when the Proposal was submitted, McGowan was subject to Rule 13d-1(e)(2), which states that a failure to submit a required filing on Schedule 13D results in the loss of the ability to vote the related shares.

Accordingly, at the time when the Proposal was submitted, the Proponent did not hold shares entitled to be voted on the Proposal in accordance with Rule 14a-8(b)(1). The Fund has therefore concluded that the Proposal should be excluded from its Proxy Statement and requests the Staff's concurrence with this conclusion.

2. Rule 14a-8(i)(3) and Rule 14a-9.

Rule 14a-8(i)(3) states that a company can exclude a proposal from its proxy materials if it constitutes a "violation of proxy rules," such as:

> [i]f the proposal or supporting statement is contrary to any of the Commission's proxy rules, including Rule 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials[.]

The Fund may therefore exclude the Proposal pursuant to Rule 14a-8(i)(3) because the Proposal contains materially false and misleading statements contrary to Rule 14a-9. The Fund believes that the Proponent has violated Rule 14a-8(i)(3) by not disclosing its apparent violation of Rule 13d-1 (as discussed above). Based on the McGowan Schedule13F filing dated November 12, 2020, the Proponent appears to be in violation of Rule 13d-1(e)(1), yet it failed to disclose in its Proposal that its ownership of the Fund's shares violated the 1934 Act, removing the Proponent's ability to vote. The Fund believes that a reasonable shareholder's vote may be influenced by knowing whether the Proponent itself can vote on the Proposal independently and without restriction, and that a reasonable shareholder's vote may also be influenced by knowing that the Proponent is violating the 1934 Act with respect to the disclosure of its ownership. Allowing the Proponent to make and vote on the Proposal without disclosing its apparent 1934 Act violation is an omission of material fact and should be prohibited. The Fund believes that by omitting this information from the Proposal, the Proponent is materially misleading the Fund's shareholders

Accordingly, the Fund has therefore concluded that the Proposal violates Rule 14a-8(i)(3) by omitting material information and requests the Staff's concurrence with this conclusion.

IV. Conclusion

On the basis of the foregoing, the Fund requests the concurrence of the Staff that the Proposal may be excluded from the Proxy Statement.

The Proposal's deficiencies cannot be remedied. Accordingly, the Fund was not required to send a 14-day notice to cure the eligibility deficiencies as described in Rule 14a-8(f)(1) under the 1934 Act.

We would be happy to provide you with any additional information or answer any questions that you may have. Should you disagree with the conclusions set forth herein, we request the opportunity to confer with you prior to the determination of the Staff's final position. Please do not hesitate to call me at (215) 564-8071 or email me at ebrody@stradley.com if I may be of any further assistance in this matter.

In accordance with the webpage of the Division of Investment Management of the SEC,[3] the undersigned, on behalf of the Fund, has submitted a portable document format (pdf) copy of this letter and the exhibit referred to in this letter, via email to IMshareholderproposals@sec.gov. Also, in accordance with Rule 14a-8(j)(1) under the 1934 Act, a copy of this letter and the accompanying exhibit are being forwarded to the Proponent, as formal notice of the Fund's intention to omit the Proposal from the Proxy Statement.

Very truly yours,

Taylor Brody

attachments

cc: Spencer McGowan
Adam Finerman, Esq.
Lori Weber, Esq.

[3] https://www.sec.gov/divisions/investment/imcontact.htm.

Exhibit A

Templeton Emerging Markets Income Fund, Inc.
300 S.E. 2nd Street
Fort Lauderdale, FL 33301-1923
Attn: Lori A. Weber, Secretary

November 25, 2020

Re: Submission of Shareholder Proposal Pursuant to Rule 14a-8 ("Rule 14a-8") of the Securities Exchange Act of 1934, as amended, for the 2021 Annual Meeting of Shareholders of the Templeton Emerging Markets Income Fund, Inc.

Dear Ms. Weber,

This letter shall serve as notice to the Templeton Emerging Markets Income Fund, Inc. ("TEI" or the "Fund"), as to The McGowan Group Asset Management Retirement Plan, FBO Spencer McGowan's (the "Plan") timely submission of a resolution and supporting statement (the "Proposal"), pursuant to Rule 14a-8, for inclusion in the proxy statement of TEI and presentation to TEI shareholders at the Fund's next annual shareholders' meeting, anticipated to be held on May 27, 2021, including any postponement or adjournment or special meeting held in lieu thereof (the "Meeting").

MCGOWAN GROUP ASSET MANAGEMENT

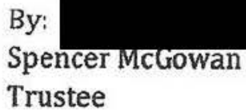
As of the date hereof, the Plan is the beneficial owner of 2,195 common shares of TEI and has full power and authority to submit the Proposal. As of the date hereof, Mr. McGowan confirms that the Plan (i) has continuously and beneficially owned at least $2,000 in market value of TEI securities entitled to be voted on the Proposal for at least one year, and (ii) intends to continue to hold at least $2,000 in market value of TEI securities through the date of the Meeting. Attached hereto as Exhibit A is a statement from Pershing LLC, and a copy of the brokerage statement confirming such ownership, pursuant to Rule 14a-8(b)(2)(i), verifying that the Plan has continuously held the TEI securities for at least one year. Mr. McGowan will appear in person or by proxy on behalf of the Plan to present the Proposal at the Meeting. The Proposal is attached as Exhibit B.

Please advise me immediately if you believe this notice is deficient in any way, or if you believe that any additional information is required, so that we may promptly provide it in order to cure any purported deficiency. We will assume the Proposal will be included in TEI's proxy material for the Meeting unless advised otherwise in writing (with a copy to my counsel, Olshan Frome Wolosky LLP, 1325

Avenue of the Americas, New York, New York 10019, Attention: Adam Finerman, Esq., telephone (212) 451-2289, email: afinerman@olshanlaw.com).

Sincerely,

The McGowan Group Asset Management Retirement Plan, FBO Spencer McGowan

By: 

Spencer McGowan
Trustee

McGOWANGROUP
ASSET MANAGEMENT

EXHIBIT A

OWNERSHIP VERIFICATION

McGOWANGROUP
ASSET MANAGEMENT

Karen Duckworth

From: Kindle, Thomas <thomas.kindle@pershing.com>
Sent: Wednesday, November 25, 2020 8:33 AM
To: Spencer McGowan
Cc: Karen Duckworth
Subject: Confirmation of TEI Holding
Attachments: [redacted]pdf

To whom it may concern,
This is to confirm that account [redacted] The McGowan Group Asset Management Retirement Plan Spencer McGowan, FBO Spencer McGowan has held 2195 shares of TEI, Templeton Emerging Income since 07/19/2019. This ownership is currently held through today, 11/25/2020.

Please find enclosed the October 2020 statement.

Tom Kindle
Director | Relationship Management
Advisor Solutions
BNY Mellon | Pershing
Office: 303-486-1230
Email: thomas.kindle@pershing.com

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Bank custody provided by BNY Mellon, National Association. Member FDIC

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EXHIBIT B

PROPOSAL

BE IT RESOLVED, that the shareholders of Templeton Emerging Markets Income Fund, Inc. ("TEI" or the "Fund"), assembled at the annual meeting in person and by proxy, request that the Board of Directors ("Board") authorize and take all steps necessary to pursue a self-tender offer for at least 30% of outstanding common shares of the Fund at net asset value ("NAV").

Supporting Statement

You are urged to vote **FOR** this proposal for the following reasons:

In our view, an unresponsive, apathetic Board has not satisfied its fiduciary duty and has failed to address TEI's persistent discount for too long, precipitating a decline that is unlikely to reverse itself without extraordinary action. In fact, at this point we believe that the discount of TEI largely reflects a lack of investor confidence in the Board and its ability or willingness to do the right things for shareholders. Fortunately, the Fund has appropriate tools at its disposal to address this.

In terms of the Fund's continued inability to reduce its large discount, the numbers speak for themselves. The 5-year NAV discount average is -11.06%. Meanwhile, distributions have fallen consistently since the Fund's inception in 1993, starting at $1.24 per year to the current average of $0.60. One reason for this persistent discount and reducing dividend may be the Fund's poor performance, with a 10-year average annual NAV return of 1.77% with the share price average annual return at 0.22%. This return is well below similarly positioned funds, such as the JPMorgan EMBI Global Index that had a 10-year average annual NAV return of 5.21%. The Board seems to be either unable or unwilling to reverse the Fund's decline.

As a committed investor in TEI, we want the Fund to generate maximum value for its shareholders. In our view, dividend increases, fortuitous market conditions, or operational improvements alone will not allow TEI to eliminate or significantly narrow the persistent discount to NAV and fully realize its true value. More decisive action needs to be taken by the Board, starting with the recommended 30% tender, and we believe that narrowing the discount relative to NAV must be the primary focus.

A tender offer for at least 30% of outstanding common shares at a price equal to NAV is a chance for the Board to take advantage of current market conditions and increase shareholder value by narrowing the Fund's current discount.

We believe a vote FOR this shareholder proposal will benefit all shareholders.

END OF PROPOSAL