

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Franklin Limited Duration Income Trust		20-0099615	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Shareholder Services	(800) 632-2301	N/A	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
One Franklin Parkway; Attn: Fund Tax Department		San Mateo, CA 94403	
8 Date of action		9 Classification and description	
August 30, 2018		Redemption Class M, W, and F Preferred	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
354 72T 200; 354 72T 309; 354 72T 408	N/A	N/A	N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On August 31, 2018, Franklin Limited Duration Income Trust redeemed all 1,200 Preferred Shares Series M, 1,200 Preferred Shares Series W and 1,200 Preferred Shares Series F. The preferred shares series M, W and F will be redeemed at the liquidation preference of \$25,000 per share plus \$51.11 in accumulated and unpaid dividends.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The shareholder will recognize gain or loss equal to the difference between the redemption price of \$25,000 per share and the shareholder's tax basis in the redeemed shares. Shareholders should consult their tax advisor for treatment to the extent they actually own or are treated as owning, as a result of constructive ownership rules under the tax code, other outstanding shares of Franklin Limited Duration Income Trust.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ See #15 above

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Internal Revenue Code Section 301 & 1001.

Horizontal lines for listing Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ Yes, to the extent the shareholders basis in the security exceeds \$25,000 per share.

Horizontal lines for providing details for question 18.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ N/A

Horizontal lines for providing other information for question 19.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature | Date

Print your name | Title

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name			Firm's EIN	
	Firm's address			Phone no.	