

Franklin Fixed Income Municipal Bond Experts



Wherever you may live, municipal bonds can provide an important dimension to your fixed income portfolio. Virtually every state and major municipality offers them, with the income nearly always exempt from federal income taxes, and in some cases exempt from state or local income taxes as well. That's why Franklin can offer customized state-specific strategies that offer "double" exemption from both federal and state taxes.

Bond overload: unravel the complexity with Franklin's municipal bond expertise



\$64.1 billion
in municipal bond assets under management

33
investment professionals

23 years
of financial industry experience, on average

16
research analysts

1 | Our experienced investment management team
Franklin is one of the largest municipal bond fund managers in the nation. Our experienced team of 33 investment professionals has an average of 23 years of industry experience. The team's experience navigating through multiple market cycles helps them uncover opportunities and identify indications of risk others may miss.



Ben Barber
SVP, Director of Municipal Bonds
Years of industry experience: 33



Jennifer Johnston
SVP, Director of Municipal Research
Years of industry experience: 32

2 | An active, research-driven approach

- Investing in municipal bonds can be difficult because the municipal bond market is vast in size and complex.
- We believe an active, research-driven approach is best suited to identify and potentially benefit from opportunities created by inefficiencies in the marketplace.
- Franklin's deep team of seasoned investment professionals and vast research capabilities allow us to gather a detailed and comprehensive perspective on individual bond issuers.

Our team of investment professionals conducts in-depth research across the entire municipal bond landscape, covering over 9,000 municipal bond issuers.

3 | A focus on attractive risk-adjusted returns while providing investment options

We believe our rigorous research capabilities are an advantage in seeking out value opportunities in the municipal market—up and down the yield curve, across the entire term structure, around the country and across the full credit spectrum. Leveraging the collective experience of our entire team, we apply an active and research-driven approach that seeks to provide tax-efficient portfolios and optimize risk.

Our team places a premium on risk management, which is fully incorporated into our process. We are generally patient when times are good and active when volatility increases. Unlike aggressive strategies which run a greater risk of becoming forced sellers, periods of stress have often been when we are able to capitalize on opportunities that can enhance a portfolio's income earning potential.

Franklin's full suite of municipal products

Mutual Funds

13 National Strategies

State-Specific

- Alabama
- Florida
- Michigan
- North Carolina
- Arizona
- Georgia
- Missouri
- Ohio
- California
- Louisiana
- Minnesota
- Oregon
- Colorado
- Massachusetts
- New Jersey
- Pennsylvania
- Connecticut
- Maryland
- New York
- Virginia

Exchange Traded Funds (ETFs)

2 National Strategies

Closed End Funds (CEFs)

2 Closed End Funds

Separately Managed Accounts (SMAs) Strategies

38* Separately Managed Accounts (SMA) Strategies

*Includes national, state-specific and state-preference portfolios, limited maturity, green bond, and the following laddered portfolios years: 1-3-year (with optional tax managed overlay), 1-7-year (with optional tax managed overlay), 1-15-year (with optional tax managed overlay), 5-20-year (with optional tax managed overlay). State-specific mandates include Arizona, California, Colorado, Connecticut, Florida, Louisiana, Massachusetts, Maryland, Michigan, Missouri, Minnesota, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, Texas, Utah, and Virginia. State preference mandates include Alabama, Georgia, Hawaii, Indiana, Kentucky, South Carolina. Certain state-specific portfolios may not be available in all programs. Additional state-specific portfolios may be available upon request and are subject to review.

All classes of shares may not be available to all investors or through all distribution channels.

Mutual Funds, ETFs, SMAs and institutional separate accounts offer different choices to access professional investment management, but have important differences including with respect to fees, ownership structure, investment minimums, customization and tax efficiency. Account minimums and other requirements may apply for separately managed accounts and institutional separate account. Strategy availability may vary by firm. For those strategies available at your firm, please contact your home office for details.

WHAT ARE THE RISKS?

All investments involve risks, including possible loss of principal. Fixed income securities involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **Changes in the credit rating of a bond,** or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. **Low-rated, high-yield bonds** are subject to greater price volatility, illiquidity and possibility of default. **Active management** does not ensure gains or protect against market declines. An investor may be subject to the federal **Alternative Minimum Tax**, and state and local taxes may apply. These and other risks are discussed in the fund's prospectus.

For state-specific offerings: Portfolios focused on a **single state** are subject to greater risk of adverse economic and regulatory changes in that state than a geographically diversified portfolio.

Investors should carefully consider a fund or strategy's investment goals, risks, charges, and expenses before investing. To obtain a summary prospectus and/or prospectus, which contains this and other information, talk to your financial professional, call us at (800) DIAL BEN/342-5236, or visit franklintempleton.com. Please carefully read the prospectus before you invest or send money.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns. ETF shares may be bought or sold throughout the day at their market price, not their Net Asset Value (NAV), on the exchange on which they are listed. Shares of ETFs are tradable on secondary markets and may trade either at a premium or a discount to their NAV on the secondary market. Retail investors buy and sell shares of ETFs at market price (not NAV) in the secondary market throughout the trading day. These shares are not individually available for purchase or redemption directly from the ETF.

This material has been provided for informational purposes and should not be construed as investment advice or a recommendation of any particular investment product, strategy, investment manager or account arrangement. Prospective investors should consult a legal, tax or financial professional in order to determine whether an investment product or service is appropriate for a particular situation. Factual statements are taken from sources considered reliable but have not been independently verified for completeness or accuracy by the Fund's manager or its affiliates.



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