








**FRANKLIN
TEMPLETON**

FRANKLIN TEMPLETON MUNICIPAL BOND LADDERS

Consistent Yield, Investing with a Tax-Free Leader

Investment Objective Franklin municipal bond ladders are designed to deliver tax-free income opportunities from a well-diversified portfolio of municipal securities with laddered maturities. Our strategy invests in high-quality bonds, seeking to take advantage of relative valuation differences between sectors, geographic regions, issuers and individual bond issues.

Investment Process

1.	2.	3.	4.	5.
Identify Ladder Structure 	Leverage Deep In-House Research 	Uncover Attractive Yield Opportunities 	Build a High Quality Portfolio 	Ongoing Portfolio and Credit Monitoring 
<p>We review your current holdings and provide a comprehensive analysis of how they would be transitioned into a Franklin Laddered Municipal Portfolio. For new accounts incepting with cash, we will construct a diversified portfolio, equally weighted across the rungs of the chosen ladder. The ladder rungs are determined by the account size at either 1 or 2 year rungs.</p>	<p>We employ a rigorous credit research process centered around a sector-specific, transaction driven model. Each analyst typically follows between one and three sectors and works with all of the portfolio managers in assessing primary and secondary market transactions and surveillance of current holdings.</p>	<p>We source opportunities in both the primary and secondary markets. Our presence as a leader in the space allows for institutional access to primary market supply as well as institutional-level execution when both buying and selling.</p>	<p>The team implements the investment strategy using a disciplined conservative approach, focusing on credits with strong fundamentals while avoiding riskier bonds and those subject to the alternative minimum tax.</p>	<p>We regularly monitor each client's portfolio as well as the municipal bond market to help ensure the portfolio continues to be well positioned. A member of the team is available to review account holdings and performance upon request.</p>

Why Invest in Municipal Ladders

- A diversified set of municipal bonds with staggered maturities may offer advantages over self-managed portfolios by creating a stable stream of income.
- Ladders offer a stable, predictable source of cash flows generated by a portfolio of high quality securities with known maturity dates.
- Laddered portfolios may help minimize the impact of rising interest rates by allowing any principal from maturing bonds to be reinvested at higher prevailing rates.
- Ladders represent a disciplined approach to credit selection and rigorous on-going monitoring that gives investor access to investment expertise through various credit cycles.

Why Franklin Templeton Municipal Ladders?

Credit Research

Opportunity to tap into the expertise of Franklin's credit research team who offer in-depth analysis and coverage across the entire municipal market.

Institutional Market Access and Pricing




With over 40 years' experience and an extensive network of national and regional dealers, Franklin is a leader in municipal bond investing with more than \$63 billion in municipal assets under management as of December 31, 2018. Our broad presence in the market provides us greater access to inventory, helping us efficiently navigate the market to find bonds in appropriate sizes and at institutional prices.

Conservative Approach

We combine comprehensive research with a risk-aware approach to generate income and reduce volatility. We do not use leverage or invest in derivatives.

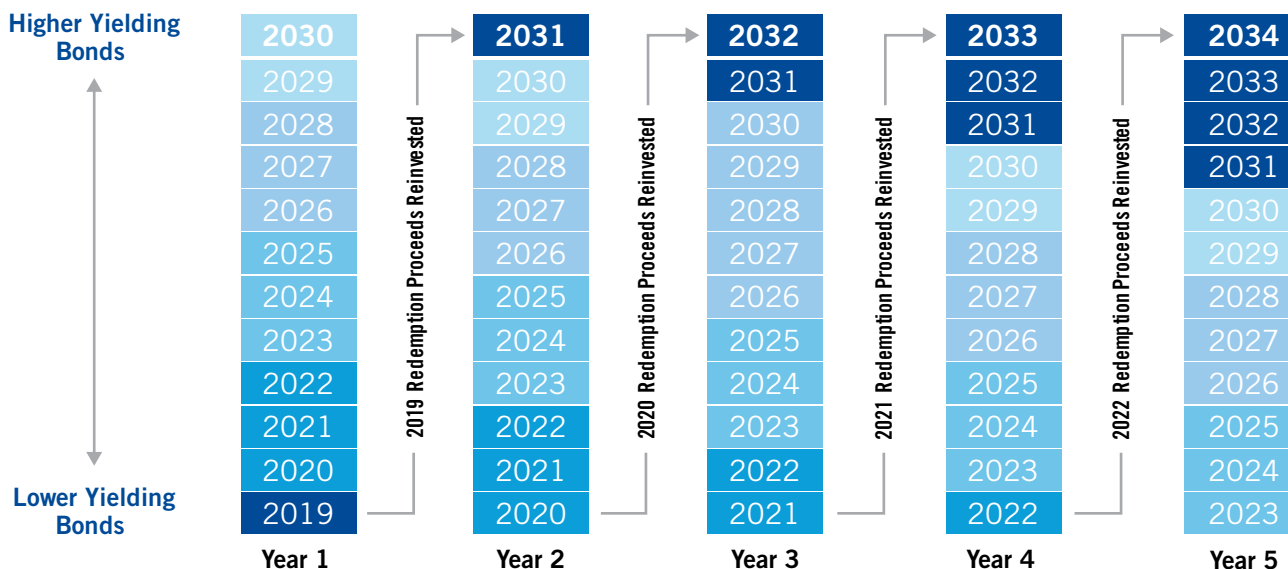
Portfolio Customization Options

Franklin offers a full range of customizable, actively managed strategies across the maturity and duration spectrum. Franklin is committed to collaborating with you to address your objectives including; risk profile, cash flow, investment flexibility, and tax management goals.

	Short Laddered 	Intermediate Laddered 	Long Laddered 
AMT Restrictions	Excluded	Excluded	Excluded
Credit Quality	Minimum credit rating of A- / A3	Minimum credit rating of A- / A3	Minimum credit rating of A- / A3
Coupon Income	Choice to reinvest coupon income or receive cash	Choice to reinvest coupon income or receive cash	Choice to reinvest coupon income or receive cash
Maturity Target	1–7 Years	1–12 Years	1–20 Years
Minimum Initial Investment	\$250K	\$250K	\$250K
State Availability	National, CA, NY	National, CA, NY	National, CA, NY

Mechanics of Climbing the Ladder

As bonds in each rung of the ladder mature, the principal plus interest are typically reinvested into longer maturing, higher yielding securities:



For illustrative purposes only. Minimum initial amount may vary.

Investment Team



Jeff Snyder

Vice President
Director of Portfolio Management & Trading
Franklin Separately Managed Accounts
San Mateo, California, United States

Jeff is a Senior Portfolio Manager and Director of Portfolio Management and Trading (municipal bonds) for Franklin Separately Managed Accounts (SMA) and Co-Portfolio Manager on the Franklin Connecticut Tax-Free Income Fund. His primary responsibilities include management of various municipal fixed income portfolios, including researching and selecting securities within established investment policy guidelines.



Nick Bucklin, CFA

Vice President
Franklin Templeton Fixed Income
Franklin Advisers, Inc.
San Mateo, California, United States

Nick is a lead Portfolio Manager for Franklin Separately Managed Accounts (SMA) and a Co-Portfolio Manager of the Franklin Massachusetts Tax-Free Income Fund. He is a member of the investment committee for the Franklin Intermediate Municipal Fixed Income SMA strategy.



Dylan Sanderson

Portfolio Manager
Franklin Separately Managed Accounts
San Mateo, California, United States

Dylan is a Portfolio Manager for Franklin Separately Managed Accounts (SMA). His primary responsibilities include management of various SMA municipal fixed income state specific portfolios, including researching and selecting securities within established investment policy guidelines.

IMPORTANT LEGAL INFORMATION

Investors should review their investment objectives, risk tolerance and liquidity needs before choosing a manager. There is no guarantee that investment strategies will work under all market conditions and investors should evaluate their ability to invest for the long-term, especially during periods of market downturns.

All investments involve risks, including possible loss of principal. Before investing in municipal bonds, you should understand the risks involved, including interest rate risk, credit risk and market risk. The value of the portfolio will fluctuate based on the value of the underlying securities, and you may lose some or all of your principal. Please contact your tax advisor regarding the suitability of tax-exempt investments in your portfolio, the applicability of local taxes and the Alternative Minimum Tax to municipal bond income, and any gains or losses on sales prior to maturity.

Franklin Separately Managed Accounts is a division of Franklin Templeton Portfolio Advisors, Inc., a subsidiary of Franklin Resources, Inc., a global investment management organization operating as Franklin Templeton Investments.



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