FRANKLIN TEMPLETON

Franklin Municipal Bond Ladders

Invest with a tax-free leader

Investment objective Franklin municipal bond ladders seek to deliver tax-free income opportunities by investing across different municipal issuers. 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**
Current holdings are reviewed and a comprehensive analysis is provided of how they would be transitioned into a Franklin Laddered Portfolio. For new accounts incepting with cash, we will construct a portfolio, equally weighted across the rungs of the chosen ladder with different issuers. The ladder rungs are determined by the account size at either 1 or 2 year increments.	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.	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.	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.	We regularly monitor each client's portfolio as well as the municipal bond market to help ensure the portfolio continues to be appropriately positioned. A member of the team is available to review account holdings and performance upon request.

Why invest in municipal ladders

- A diversified set of municipal bonds with staggered maturities may offer advantages over self-managed portfolios by creating a potential for a stable stream of income.
- Ladders have the potential to 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 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

Franklin is one of the largest municipal bond managers in the nation. 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 as we seek 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, laddered 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.

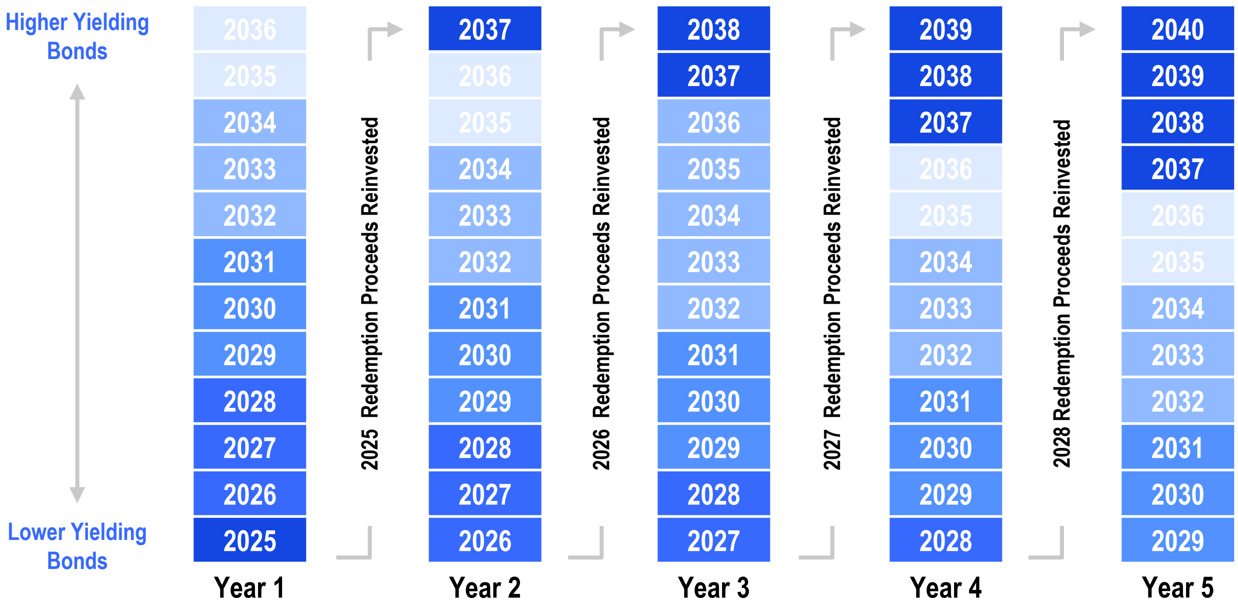
	1–3 Years Ladder	1-7 Years Ladder	1-15 Years Ladder	5-20 Years Ladder
AMT Exposure	Excluded	Excluded	Excluded	Excluded
Credit Quality	Minimum credit rating of A-	Minimum credit rating of A-	Minimum credit rating of A-	Minimum credit rating of A-
Coupon Income	Choice to reinvest coupon income or receive cash	Choice to reinvest coupon income or receive cash	Choice to reinvest coupon income or receive cash	Choice to reinvest coupon income or receive cash
Minimum Initial Investment	$175K	$175K	$175K	$250K
State Availability[1]	National, 20 State-specific portfolios, 6 state preference	National, 20 State-specific portfolios, 6 state preference	National, 20 State-specific portfolios, 6 state preference	National, 20 State-specific portfolios, 6 state preference
Number of Bonds[2]	Minimum 4 bonds every rung Minimum 14 positions	Minimum 2 bonds every rung Minimum 14 positions	Minimum 1 bond every rung Minimum 15 positions	Minimum 1 bond every rung Minimum 16 positions
Benchmark	Bloomberg Municipal 1–3 Year Index	Bloomberg Municipal 1–5 Year Blend	Bloomberg Municipal 1–15 Year Index	Bloomberg Municipal Bond Index
Tax Managed Overlay[3]	Systematic availability to harvest losses	Systematic availability to harvest losses	Systematic availability to harvest losses	Systematic availability to harvest losses

Please note that all investment solutions may not be available for sale. Please consult your Financial Professional for availability. Portfolio targets and characteristics subject to change.

1. 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 and 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. Strategy availability may vary by firm. For those strategies available at your firm, please contact your home office for details.
2. The number of bonds in a portfolio may vary by the timing of purchases and sales, changes in the purchase and sell list, general market conditions, and factors specific to each existing account due to client considerations. A concentration in a small number of holdings may increase risk exposure. Any decline in value of an individual bond may have a material impact on the account value.
3. Market conditions may limit the ability to generate tax losses. Tax-loss harvesting involves the risks that the new investment could perform worse than the original investment and that transaction costs could offset the tax benefit. Also, a tax-managed strategy may cause a client portfolio to hold a security in order to achieve more favorable tax treatment or to sell a security to create tax losses. Prospective investors should consult with a tax or legal advisor before making any investment decision.

Mechanics of climbing the ladder

As bonds on each rung of the ladder mature, the principal plus interest (if desired) are typically reinvested into longer-dated, higher-yielding securities:



For illustrative purposes only. Minimum initial amount may vary.

Investment team

Jeff Snyder
Vice President/Senior Portfolio Manager
Director of Portfolio Management & Trading

Lloyd Nemerever, CFA
Vice President/ Portfolio Manager
Head of Municipal Bonds SMA

Francisco Rivera
Vice President/Portfolio Manager

Chris Sperry, CFA
Vice President/Portfolio Manager

Dylan Sanderson
Vice President/Portfolio Manager

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. **Liquidity risk** exists when securities or other investments become more difficult to sell, or are unable to be sold, at the price at which they have been valued. **Active management** does not ensure gains or protect against market declines. Portfolios focused on a single state are subject to greater risk of adverse economic and regulatory changes than a geographically diversified portfolio.

IMPORTANT LEGAL INFORMATION

Any information, statement or opinion set forth herein is general in nature, is not directed to or based on the financial situation or needs of any particular investor, and does not constitute, and should not be construed as, investment advice, forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy or type of retirement account. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial professional.

Separately Managed Accounts (SMAs) are investment services provided by Franklin Templeton Private Portfolio Group, LLC (FTPPG), a federally registered investment advisor. Client portfolios are managed based on investment instructions or advice provided by affiliated subadvisors of Franklin Templeton. Management is implemented by FTPPG, the designated subadvisor or, in the case of certain programs, the program sponsor or its designee.

These materials are being provided for illustrative and informational purposes only. The information contained herein is obtained from multiple sources that are believed to be reliable. However, such information has not been verified, and may be different from the information included in documents and materials created by the sponsor firm in whose investment program a client participates. Some sponsor firms may require that these materials be preceded or accompanied by investment profiles or other documents or materials prepared by such sponsor firms, which will be provided upon a client's request. For additional information, documents and/or materials, please speak to your Financial Professional or contact your sponsor firm.

FRANKLIN TEMPLETON

(800) DIAL BEN/342-5236
franklintempleton.com

US_GM_881798_1557803
MUNI LAD 12/24