

## MANAGED ACCOUNTS

### COLUMBIA MUNICIPAL LADDER STRATEGIES

#### WHY MANAGED LADDERS?

##### Client customization

- **Maturity options**  
Choice of three maturity options: 1–10 year; 5–10 year or 10–15 year
- **Credit quality**  
Choice of AA or A average credit quality
- **State-specific**  
Tailored portfolios available to clients who qualify as California or New York state residents for tax purposes

##### Ease of transitioning existing holdings

- Personalized portfolio transition analysis
- Retain bonds that meet the size, credit quality and maturity parameters of the client-selected ladder portfolio structure
- Bonds that don't meet the parameters can be held outside the account or will be opportunistically replaced

##### Additional highlights

- Predictable cash flow
- No bonds subject to the Alternative Minimum Tax
- Tax efficient strategy with low turnover to avoid unnecessary capital gains
- Strategy leverages maturing bonds, calls and downgrades for reinvestment opportunities
- \$250,000 minimum

#### Objective

To generate tax-free income consistent with a portfolio of laddered, municipal securities

#### Investment approach

In an environment of heightened credit concerns, potentially volatile interest rates and limited access to municipal bonds, professionally managed ladder portfolios can offer significant advantages.

##### Focus on fundamental credit research

Our specialized municipal credit analysts are compensated for the quality of their long-term credit coverage, enabled by proprietary credit analysis.

##### Proactive risk management

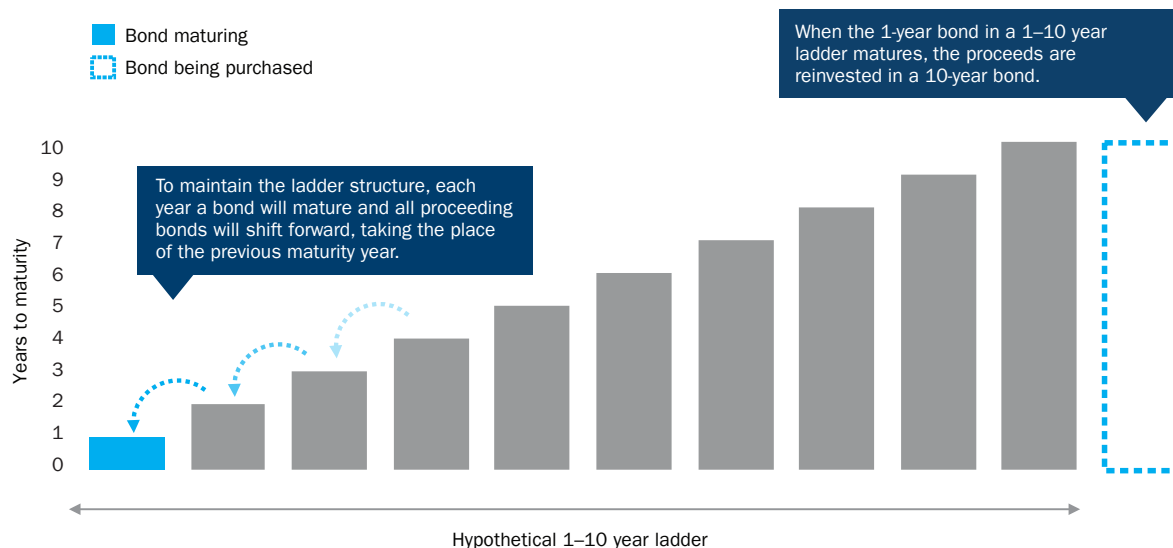
Municipal bond portfolios undergo systematic risk oversight and daily monitoring. The team uses leading analytics tools to help identify and proactively manage risk.

##### Priority access to bonds

Tenured traders leverage institutional scale to access a nationwide network of broker-dealers to buy and sell bonds at attractive prices.

#### HOW DO LADDER MUNIS WORK?

A municipal ladder is achieved by investing in bonds of varying maturity in equal proportion. As the shorter bonds mature, the redemption principal is reinvested, creating a new sleeve.



#### WHY MANAGED ACCOUNTS AT COLUMBIA THREADNEEDLE?

Columbia Threadneedle is a top 20 separate account manager\* striving to provide customized strategies that deliver consistent, dependable results to meet the unique needs of our sophisticated investors. We capitalize on our strong municipal capabilities to provide a suite of tax-exempt managed accounts.



Source: Columbia Management Investment Advisers, LLC as of 12/31/19. Information updated semi-annually.

\*Source: Cerulli U.S. Managed Account Report - 2019. AUM as of year-end 2018.

To find out more, call **800.426.3750**  
or visit **[columbiathreadneedle.com](http://columbiathreadneedle.com)**



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**Investment risks – Investing involves risk including the risk of loss of principal.** There are risks associated with **fixed-income** investments, including credit risk, interest rate risk, and prepayment and extension risk. In general, bond prices rise when interest rates fall and vice versa. This effect is usually more pronounced for longer term securities. Investments in **municipal securities** will be affected by tax, legislative, regulatory, demographic or political changes, as well as changes impacting a state's financial, economic or other conditions. Income from **tax-exempt** municipal bonds may be subject to state and local taxes, and a portion of income may be subject to the federal and/or state alternative minimum tax for certain investors. Federal income tax rules will apply to any capital gains.

Columbia Management Investment Advisers, LLC and its affiliates do not offer tax advice. Investors should consult with their tax advisor regarding their specific situation.

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