



ALLIANCEBERNSTEIN®

AB Municipal Capabilities

Leveraging 50+ Years of
Expertise and Innovation to
Deliver Tax-Advantaged Income



Municipals: Advancing Fixed-Income Portfolios

With benefits ranging from strong tax-equivalent returns to the ability to offset equity volatility, muni bonds offer solutions to fit most investors' needs.

Investors looking for a steady, tax-free income stream should take a closer look at the benefits of municipal bonds.

Not only do munis offer higher after-tax yields, they've also historically gained ground when stocks have tumbled. This ability to offset the volatility of stocks makes municipal bonds a strong complement to investors' equity holdings. And municipal bond issuers rarely default on their debt.

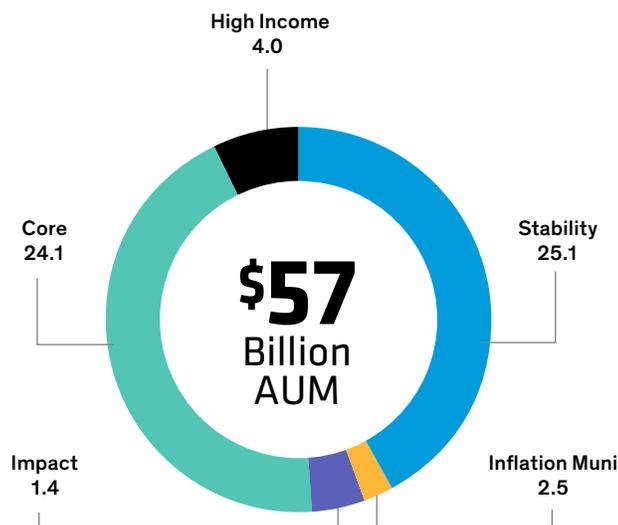
Munis are particularly appealing for wealthy investors in high income tax brackets or those living in states with high income taxes.

Benefits

- Attractive tax treatment
- Higher after-tax yields
- Offset to equity volatility
- Extremely low defaults

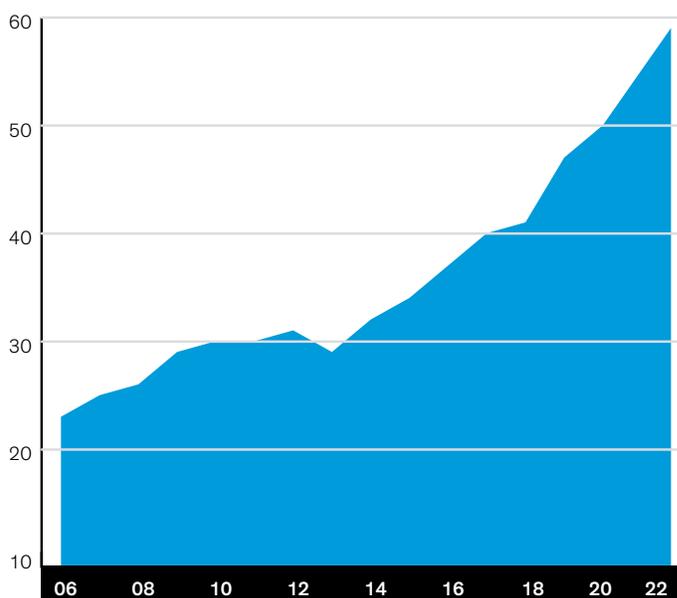
AB Manages a Broad Range of Client Solutions to Serve Different Objectives

Comprehensive Scope of Solutions



Source: AB
As of January 3, 2022

AB's Historical Muni AUM Growth (USD Billions)



Source: AB
As of January 3, 2022

Over 50 Years of Experience in Meeting Investors' Needs

\$742 Billion Firm Assets Under Management
Over 30 Years Managing Municipal Portfolios
Over 19,000 Municipal Investment Portfolios Managed
AB Municipals: \$57 Billion Assets Under Management

The Muni Market Challenges Many Asset Managers

Today's \$3.5 trillion muni market is complex, fragmented, fast-moving and inefficient—with over a million bonds trading on a growing number of platforms. That challenging landscape makes it hard for most professional asset managers to be truly active. When it comes to managing muni bonds, not all managers are created equal.

Choosing the Right Muni Manager: The AB Advantage

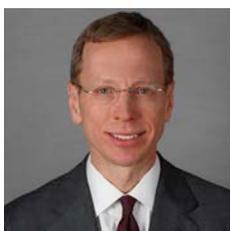
AB's technology edge and proprietary tools empower us to do in seconds what takes many asset managers days. Harnessing the power of experience, size and tech advances, our dynamic process adapts rapidly to changing liquidity trends and connects market information directly to clients' municipal portfolios.

The results? Alternative alpha sources. By leading the way in muni trading innovation, technological advances and portfolio structure, we've been able to deliver speed alpha, execution alpha and tax alpha to our clients.

AB's Tax-Exempt Portfolio Management Team



Matthew Norton
Chief Investment Officer
Portfolio Management
17 Yrs. Experience



Terrance T. Hults
Portfolio Management
31 Yrs. Experience



Daryl Clements
Portfolio Management
31 Yrs. Experience



Andrew Potter, CFA
Portfolio Management
15 Yrs. Experience



Marc Uy
Portfolio Management
19 Yrs. Experience

Experienced and Deep Resources



5 Portfolio Managers



5 Municipal Traders



7 Research Analysts



17 Support Staff

Portfolio team is subject to change. Some individuals are members of multiple teams. As of March 31, 2022



Standing Out in a Competitive Muni Market: Distinctive Capabilities Drive Investment Success

- 1. Advanced Design and Integrated Research Drive Results:** Leading-edge portfolio construction and a research-driven approach cultivate solutions that meet investors' needs.
- 2. Innovation Fosters Better Outcomes:** Innovation is in our DNA. As early technology adopters, we've advanced our municipal capabilities, enabling us to support better outcomes for clients.
- 3. Tax Optimization Reduces the Tax Bite:** Proactive tax optimization fosters sophisticated consideration of tax benefits, market liquidity and the expected increase in return/yield of replacement bonds after maturity.

1. Advanced Design

Building portfolios using **active management** with **flexible, customized investment mandates** creates opportunities tailored to clients' unique needs.

Thoughtful Portfolio Structures to Enhance Results

- Design portfolios that capture lasting market inefficiencies
- Empower active management to bolster diversification opportunities
- Create flexible portfolio mandates with access to a broader investment universe

Translating Integrated Research into Portfolios

- Navigate complex markets with an experienced management team and disciplined investment process
- Integrate quantitative and fundamental research in client portfolios
- Fuel alpha through security selection

A Flexible Approach Paired with Powerful Active-Management Tools

Completion Funds

Completion funds broaden the investment opportunity set and facilitate enhanced portfolio diversification and liquidity.

Crossover Trades

AB has the unique flexibility to make "crossover" trades into the taxable bond market to increase after-tax income and minimize volatility.

Inflation Protection

Inflation protection preserves real purchasing power in a tax-efficient way.

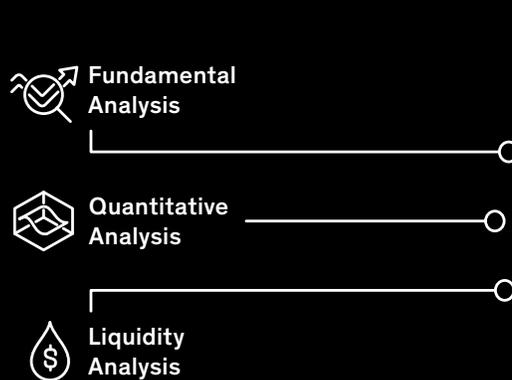
2. Innovative Technology

Tech-Empowered Muni Investing: In a complex, fragmented muni market, our leading-edge technology advances are vital to improving clients' investment outcomes.

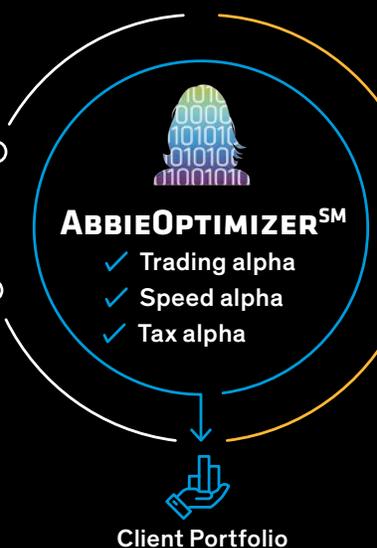
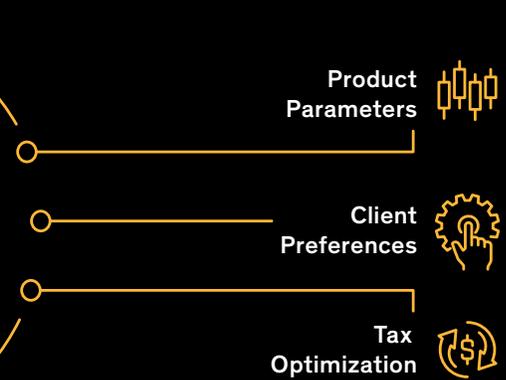
AbbieOptimizer

AbbieOptimizer, AB's one-of-a-kind innovation, creates a seamless ecosystem by digitally connecting all of our investment systems. It's the key to generating alpha through trading and speed in AB's municipal bond portfolios.

Research and Trading Liquidity Data



Portfolio Construction Parameters



Proactive, Tech-Enabled Tax Optimization Fueled by Innovation: ALFA, Quantitative Models and Abbie

One of the first asset managers to integrate quantitative and fundamental research into the investment process, AB is an industry pioneer—continually introducing technology advancements that give investors access to more alpha sources.

AbbieOptimizer harnesses the power of technology to combine ALFA's real time liquidity analysis with quantitative and fundamental analysis insights.

The result? We can take a custom client portfolio from inception to execution faster and with better results than traditional processes.

Liquidity Analysis:

AB's proprietary Automated Liquidity Filtering & Analytics (ALFA) provides an unmatched market view. It integrates a stream of communication, trading activity and inventories into a digital database every day, so we can filter and target specific bond types in a way humans alone can't.

Quantitative Analysis:

With our relative-value pricing model, we can systematically price the entire muni bond universe every day in an instant—filtering out the noise to focus on the top 5% to 10% of cheap bonds we seek to target for our portfolios.

Fundamental Analysis:

We've advanced our heritage of in-depth fundamental research into the 21st century by going digital. Fundamental credit analysis is integrated into our investment process, so AbbieOptimizer can zero in on securities and issuers that our analysts view positively.

3. Tax Optimization

Tax Management: No Longer Limited to Equity Portfolios and Year-End Harvesting

Using AbbieOptimizer to systematically scan municipal portfolios with an active, tech-driven approach, we uncover opportunities in real time to transform an investment that has lost money into a tax winner through tax-loss harvesting. With tax-loss harvesting, we continuously scan accounts, identify opportunities to harvest losses, then simultaneously reinvest the proceeds into tax-favorable bonds—all of it automated to maximize after-tax results. Many of the structural inefficiencies that make fixed-income tax management so challenging can also be used to create potential tax alpha using technology to automate tax optimization.

The bottom line: less of your money used to pay taxes means more of it stays invested.

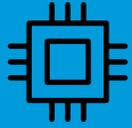
Why Tax Management Shouldn't Happen Only at Year-End

Many managers claim to actively tax manage portfolios, but their approach is manual, infrequent and unsystematic. Less frequent and irregular loss harvesting can result in missed opportunities and meaningfully lower after-tax returns. And it's often done as an afterthought in the last months of the year to beat the December 31 deadline—leaving most of the year's opportunities uncaptured. **AB's automation and tax optimization enable us to generate superior after-tax returns... in portfolios tailored for each client.**



How Tax Optimization Can Enhance Municipal Bond Portfolios

- Add to after-tax returns by generating systematic tax alpha. This is a crucial benefit for investors in an environment where returns are generally expected to be lower.
- Set up future opportunities for tax optimization, as natural turnover and cash flow from maturing bonds and coupon payments create automated opportunities to reset your cost basis.
- Create the potential for attractive replacement securities at similar or better yields while preserving portfolio structure and attributes. But managers need leading-edge technology to scour a broad opportunity set.



AB's Research- and Technology-Driven Municipal Bond Platform

We've tailored our diverse range of actively managed muni solutions to meet specific risk/return objectives, integrating research and technology to maximize after-tax returns. Talk to your AB representative to learn more about AB's municipal bond solutions.

Separately Managed Account Solutions

	Tax Aware	Tax Aware Limited Duration	Municipal Income	Municipal High Quality	Municipal Impact	Custom Municipal SMA Solutions
Description	Flexible Strategy Seeking After-Tax Total Return	Flexible Strategy Seeking After-Tax Total Return	Flexible Strategy Seeking After-Tax Total Return	Capital Preservation and Income	Socially Responsible Investing	Customizable Muni Portfolio Harnessing Tech-Driven Alphas
Portfolio Construction	<ul style="list-style-type: none"> Individual Muni Bonds Completion Funds Crossover Trades Inflation Protection 	<ul style="list-style-type: none"> Individual Muni Bonds Completion Funds Crossover Trades Inflation Protection 	<ul style="list-style-type: none"> Individual Muni Bonds Completion Funds Inflation Protection 	<ul style="list-style-type: none"> Individual Muni Bonds 	<ul style="list-style-type: none"> Individual Muni Bonds Completion Funds Crossover Trades Inflation Protection 	<ul style="list-style-type: none"> Individual Muni Bonds
Launch Date	March 1991	June 2012	October 2010	August 2010	January 2017	January 2022
Account Minimum	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$125,000

Mutual Fund Solutions

AB Intermediate Diversified Municipal Portfolio (AIDYX)	AB National Portfolio (ALTVX)	AB High Income Municipal Portfolio (ABTYX)	AB Municipal Bond Inflation Strategy (AUNYX)	AB Tax Aware Fixed Income Opportunities Portfolio (ATTYX)
Overall Morningstar Rating™ Advisor Class Shares	Overall Morningstar Rating™ Advisor Class Shares	Overall Morningstar Rating™ Advisor Class Shares	Overall Morningstar Rating™ Advisor Class Shares	Overall Morningstar Rating™ Advisor Class Shares
★★★★★	★★★★★	★★★★	★★★★★	★★★★★
Rated against 203 funds in the Muni National Short Category, based on risk-adjusted returns	Rated against 263 funds in the Muni National Intermediate Category, based on risk-adjusted returns	Rated against 185 funds in the High Yield Muni Category, based on risk-adjusted returns	Rated against 203 funds in the Muni National Short Category, based on risk-adjusted returns	Rated against 270 funds in the Muni National Intermediate Category, based on risk-adjusted returns

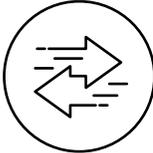
As of February 28, 2022

Past performance is not an indicator of future results.

AB Custom Municipal SMA's: Customizations That Count

Next-Generation Customized Accounts Infused with Technology

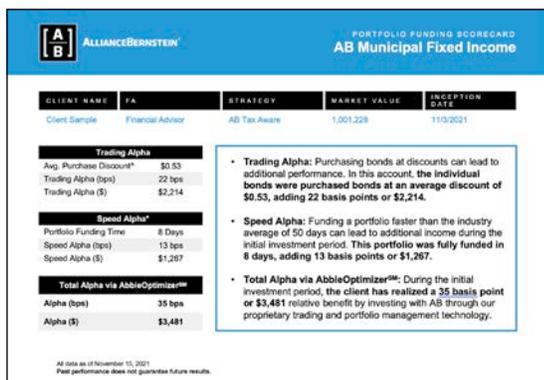
AllianceBernstein seamlessly implements customizations to match client demands. From personalizing portfolios to meet ESG preferences to automating tax-loss harvesting, AB seeks to build better outcomes through customizations for portfolios with \$125k account minimums.

Structure		Ladder		Targeted Duration									
Duration		Short 1-5 Year		Intermediate 1-10 Year		Long 1-15 Year							
State		National		State Specific (CA, NY, TX)		State Preference (MA, MD, OH, VA)		State Best Efforts (AL, AZ, CO, CT, GA, IN, MI, MO, NJ, NC, OR, PA)					
ESG Tilts (Up to Four)		Air Quality		Clean Energy		Income Equality		Quality Healthcare		Sustainable Transportation		Women's Empowerment	
Additional Customizations		Addition of A-Rated (up to 25%)				Sector Exclusions (up to Two)				Tax Loss Harvesting Opt-out			
Innovative Tech Powered Alphas													
		Speed Alpha				Trading Alpha				Tax Alpha			

For informational purposes only. There can be no assurance that any investment objectives will be achieved.

Leverage AB Resources

CUSTOM MUNI PORTFOLIO FUNDING SCORECARD



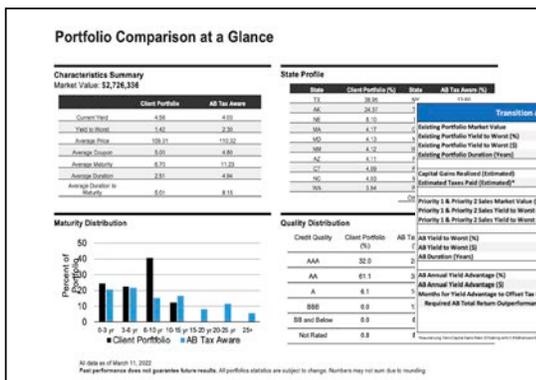
New account funding scorecard highlights how our innovations in trading and portfolio management technology deliver alternative forms of tech-enabled alpha for specific client accounts

WEEKLY MUNILAND COMMENTARY



Client approved municipal market commentary written weekly by AB's portfolio management team
[Learn More: abfunds.com/go/munis](https://abfunds.com/go/munis)

CUSTOM MUNI BOND ANALYSIS & TRANSITION ANALYSIS



- Customized tool to assist FA's in prospecting SMA portfolio and client transition efforts
- "Under the hood" look at individual SMA portfolio's to point out key risks and educate on portfolio positioning
- Allows clients and advisors to "pre-experience" the portfolio transition

PRACTICE MANAGEMENT WITH AB'S ADVISOR INSTITUTE



A full range of inspiring, informative seminars and easy-to-follow guides that provide skill-building in practice management, wealth planning and wealth management
[Learn More: abfunds.com/go/abai](https://abfunds.com/go/abai)

FAQs

Why are municipal bonds effective investments for a portfolio?

- A. Tax-exempt muni bonds hold numerous advantages over corporate bonds—a big one is that the interest investors earn is exempt from federal taxes and most state and local taxes, considered tax-free income. Munis are also known to have low default rates, help offset equity volatility and add stability.

How can investors access municipal bond strategies?

- A. Munis are available as individual investments or through exchange-traded funds (ETFs), mutual funds and separately managed accounts (SMAs), with strategies that range from simple to highly sophisticated. Investors can put their money in individual bonds, a bond ladder strategy that consists of a series of bonds with different interest rates and maturity dates, or a custom solution that uses technology to design a sophisticated basket of muni bonds based on individual preferences.

What are crossover trades and how does AB use them?

- A. AB has the unique flexibility to make “crossover” trades into the taxable bond market, for some portions of portfolios, in order to exploit relatively attractive US Treasury valuations, minimize volatility, boost after-tax portfolio yield and provide more liquidity and a safe haven during market stresses. A recent example was March 2020, as COVID-19 intensified.

What is Speed Alpha?

- A. The added income accrued by investing portfolios faster than the industry average. With AbbieOptimizer we’ve been able to fully invest a new muni portfolio from cash in 10 days, a 71% improvement from the 35-day average in 2017.

What is Trading Alpha?

- A. Trading Alpha is the average of AB’s execution price less the bond’s end of day evaluation price on that day divided by the account AUM.

What is Tax Alpha?

- A. A measure of relative outperformance attributable to tax-optimization strategies.

Are any of AB’s muni products ESG-related?

- A. AB’s Municipal Impact Portfolio promotes and favors investments in historically underserved and low-socioeconomic communities.

This solution uses a proprietary scoring model. Each investment has a specific intention, either delivering positive environmental and/or social impact. The team tracks that intention through key performance indicators specific to individual sectors (education, healthcare, energy efficiency, mass transit, sustainable water and economic community development).

How does AB harvest tax losses for the client’s benefit?

- A. When portfolios realize losses, it generates tax savings that can be reinvested at higher market yields. Active tax optimization scans fixed-income SMAs in conjunction with client tax data coded into our systems. This process identifies and trades to generate the best after-tax returns tailored for each client.

What are completion funds and how does AB use them?

- A. AB first used completion funds in 2010, increasing our flexibility to make strategic and tactical shifts in less liquid market segments. These funds bring access to diversification and opportunities that would be hard to get with individual bonds. The general public can’t invest in completion funds (aka income shares or commingled vehicles)—they’re exclusively for SMAs.

What is inflation protection?

- A. As tax-aware investors, we always assess securities and trade ideas, including inflation protection, in after-tax terms. At times, incorporating inflation protection can add returns and preserve real purchasing power. That’s why AB has the flexibility to allocate to tax-efficient inflation protection via Consumer Price Index swaps, which generally have a favorable tax profile versus other approaches.

What are municipal bonds?

- A. A municipal bond (or “muni”), is a debt security issued by a government entity to help fund local civic projects. Think of munis as loans that investors make to local governments. They help fund capital projects like building roads and schools. In exchange, investors receive regular interest payments during the bond’s life and the repayment of the bond’s principal amount when the bond matures.

Investors should consider the investment objectives, risks, charges and expenses of the Fund/Portfolio carefully before investing. For copies of our prospectus or summary prospectus, which contain this and other information, visit us online at <http://www.abfunds.com> or contact your AB representative. Please read the prospectus and/or summary prospectus carefully before investing.

Morningstar ratings are only one method of evaluating a fund. Morningstar ratings for the funds shown reflect performance as of December 31, 2021. Morningstar ratings are specific metrics of performance and do not represent absolute performance of any fund. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance, placing more emphasis on downward variations and rewarding consistent performance. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics. Morningstar Rating is for the share class noted only; other share classes may have different performance characteristics. © 2022 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Please note, some of the Morningstar proprietary calculations, including the Morningstar Rating, are not customarily calculated based on adjusted historical returns. The evaluation of this investment does not affect the retail mutual fund data published by Morningstar. The investment's independent Morningstar Rating metric is compared against the retail mutual fund universe breakpoints to determine its hypothetical rating. Bloomberg Municipal Bond Index represents the performance of the long-term tax-exempt bond market consisting of investment-grade bonds. Bloomberg 5-Year GO (General Obligation) Municipal Bond Index represents the performance of long-term, investment-grade tax-exempt bonds with maturities ranging from four to six years. Bloomberg 1-10 Year TIPS Index (formerly Lehman Brothers 1-10 Year US TIPS Index) measures the performance of intermediate (one- to 10-year) US Treasury Inflation-Protected Securities. Investors cannot invest directly in indices or averages, and their performance does not reflect fees and expenses or represent the performance of any AB fund.

WORD ABOUT RISK

Market Risk: The market values of the portfolio's holdings rise and fall from day to day, so investments may lose value. **Municipal Market Risk:** Debt securities issued by state or local governments may be subject to special political, legal, economic and market factors that can have a significant effect on the portfolio's yield or value. **Interest-Rate Risk:** Fixed-income securities may lose value if interest rates rise or fall—long-term securities tend to rise and fall more than short-term securities. The values of mortgage-related and asset-backed securities are particularly sensitive to changes in interest rates due to prepayment risk. **Credit Risk:** A bond's credit rating reflects the issuer's ability to make timely payments of interest or principal—the lower the rating, the higher the risk of default. If the issuer's financial strength deteriorates, the issuer's rating may be lowered and the bond's value may decline. **Inflation Risk:** Prices for goods and services tend to rise over time, which may erode the purchasing power of investments. **Diversification Risk:** Portfolios that hold a smaller number of securities may be more volatile than more diversified portfolios, since gains or losses from each security will have a greater impact on the portfolio's overall value. **Derivatives Risk:** Investments in derivative instruments such as options, futures, forwards or swaps can be riskier than traditional investments, and may be more volatile, especially in a down market. **Leverage Risk:** Trying to enhance investment returns by borrowing money or using other leverage tools can magnify both gains and losses, resulting in greater volatility.

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