

## U.S. Government Bond Ladders

*Seeks to provide current income and regular maturities by building an equally-weighted portfolio of U.S. Treasury securities based on the designated maturity range that will be typically held to maturity or sold as they reach minimum maturity*

### GENERAL ACCOUNT INFORMATION

- Invests exclusively in U.S. Treasury instruments – direct obligations of the U.S. government
- New accounts are invested within approximately 1 week<sup>1</sup>

### INVESTMENT PHILOSOPHY

- We believe that clients can enhance the risk-adjusted return of their investment portfolio while seeking current income via a laddered portfolio.

### INVESTMENT PROCESS

- Build a bond ladder composed of U.S. Treasuries based on each client's designated maturity range
- Monitor portfolio positions; no active trading unless warranted by client cash flow needs<sup>2</sup>
- Maintain designated maturity of the ladder by purchasing new bonds at the longest available maturity in the range to replace those that mature or are sold as they reach the minimum maturity

	1-7 year government ladder	1-10 year government ladder	1-15 year government ladder	Custom government ladder
<b>Maturity ranges</b>	1-7 years	1-10 years	1-15 years	Custom
<b>Range of holdings<sup>3</sup></b>	12-16	18-22	28-32	Varies
<b>Maximum position exposure<sup>4</sup></b>	15%	15%	15%	15%
<b>Minimum initial investment</b>	\$250K	\$250K	\$250K	\$250K

<sup>1</sup> Nuveen retains the discretion to sell any transferred security used to fund the account that does not fit into the model portfolio.

<sup>2</sup> This strategy does not utilize the opportunistic and more active trading approach found in certain other Nuveen bond strategies. The laddered strategies are not designed for cash withdrawal where account balances drop below \$250,000. Minimum account size is \$250,000.

<sup>3</sup> Typical number of holdings based on minimum account size. The number of bonds may vary and may be greater or fewer based on factors such as account size, client transactions and market conditions. Accordingly, one or more individual bonds may each represent greater than 15% of the account. A decline in value of any one or more individual bonds may have a material impact on the account value. Concentration in a small number of holdings may increase risk exposure.

<sup>4</sup> At time of purchase.

Please see next page for additional disclosures.

**NOT FDIC INSURED MAY LOSE VALUE NO BANK GUARANTEE**

## CUSTOMIZATION OPTIONS AND IMPLEMENTATION EXAMPLES

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For \$250,000+ accounts

### **Maturity/duration**

Set a target or maximum maturity or duration

**Example:**

Maximum maturity of 10 years or duration less than 3 years

### **Distributions**

Set up regular withdrawals for income

**Example:**

Manage maturities and cash balances to fund monthly withdrawals

### **Transition/tax awareness**

Hold or gradually transition securities; Address tax management need

**Example:**

Transition existing securities slowly to avoid tax implications; tax gain or loss harvesting

*Nuveen can be flexible in responding to requests for these and other appropriate customizations.*

## **For more information, contact your financial professional and visit [nuveen.com](https://nuveen.com)**

### **Clients should consult their financial professional regarding unknown financial terms and concepts.**

This material is not intended to be a recommendation or investment advice, does not constitute a solicitation to buy, sell or hold a security or an investment strategy, and is not provided in a fiduciary capacity. The information provided does not take into account the specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on an investor's objectives and circumstances and in consultation with his or her financial professionals. These strategies are only provided through separately managed accounts program sponsors. Check with your financial professional for availability.

The statements contained herein are the opinions of Nuveen and are provided for informational purposes only. Certain information was obtained from third party sources, which we believe to be reliable but not guaranteed for accuracy or completeness. The Taxable U.S. Government Bond Ladder strategies are new strategies with limited history that are newly offered to the public. The proposed strategies' target characteristics are subject to change without notice. Nuveen has not previously managed these strategies and there is no guarantee the strategies will meet their investment objectives. Please note that laddered strategies may not lend themselves to certain types of customizations including, but not limited to: sector

restrictions, requests to replace individual bonds, and certain client trading such as tax sales. These strategies do not utilize the opportunistic and more active trading approach found in certain other Nuveen bond strategies. The laddered bonds will typically be held to maturity in the absence of material credit events, contributions/withdrawals and calls. Initially, Nuveen will typically purchase individual bonds that are given equal weight, with differing maturities across the specified strategy maturity range. The maturity range is typically segmented into 1 year ranges ("rungs"). Nuveen will typically purchase 1-2 bonds in each rung creating a "ladder" of individual bonds. As bonds mature (or are called) and cash is generated in the account, Nuveen will purchase additional bonds in the longest available rung within the strategy's bond maturity range.

### **A word on risk**

There is no assurance that an investment will provide positive performance over any period of time. All investments carry a certain degree of risk and it is important to review investment objectives, risk tolerance, tax liability and liquidity needs before choosing an investment style or manager. Fixed income investments emphasize U.S. government agency debt securities. Debt or fixed income securities are subject to credit risk and interest rate risk. The value of and income generated by debt securities will decrease or increase based on changes in market interest rates. Credit risk refers to an issuer's ability to make interest and principal payments when due.

Nuveen Asset Management is a registered investment adviser and affiliate of Nuveen, LLC.