

DWS MUNICIPAL INCOME TRUST  
Form N-CSR  
February 05, 2019  
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

FORM N-CSR

Investment Company Act file number: 811-05655

DWS Municipal Income Trust

(Exact Name of Registrant as Specified in Charter)

345 Park Avenue

New York, NY 10154-0004

(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, including Area Code: (212) 250-2500

Diane Kenneally

One International Place

Boston, MA 02110

(Name and Address of Agent for Service)

Date of fiscal year end: 11/30

Date of reporting period: 11/30/2018

**ITEM 1. REPORT TO STOCKHOLDERS**

**Table of Contents**

November 30, 2018

**Annual Report**

**to Shareholders**

**DWS Municipal Income Trust**

(formerly Deutsche Municipal Income Trust)

Ticker Symbol: KTF

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's annual and semiannual shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports. Instead, the reports will be made available on the Fund's Web site (dws.com), and you will be notified by mail each time a report is posted and provided with a Web site link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund electronically anytime by contacting your financial intermediary (such as a broker-dealer or bank), or if you are a direct investor, by calling (800) 728-3337 or sending an email request to [service@dws.com](mailto:service@dws.com).

You may elect to receive all future reports in paper free of charge. If you invest through a financial intermediary, you can contact your financial intermediary to request that you continue to receive paper copies of your shareholder reports. If you invest directly with the Fund, you can call (800) 728-3337 or send an email request to [service@dws.com](mailto:service@dws.com) to continue receiving paper copies of your shareholder reports. Your election to receive reports in paper will apply to all funds held in your account if you invest through your financial intermediary or all funds held with DWS if you invest directly with the Fund.

**Table of Contents**

**Contents**

3	<u>Portfolio Management Review</u>
8	<u>Performance Summary</u>
10	<u>Portfolio Summary</u>
12	<u>Investment Portfolio</u>
28	<u>Statement of Assets and Liabilities</u>
29	<u>Statement of Operations</u>
30	<u>Statement of Cash Flows</u>
31	<u>Statements of Changes in Net Assets</u>
32	<u>Financial Highlights</u>
34	<u>Notes to Financial Statements</u>
44	<u>Report of Independent Registered Public Accounting Firm</u>
46	<u>Tax Information</u>
47	<u>Shareholder Meeting Results</u>
48	<u>Dividend Reinvestment and Cash Purchase Plan</u>
51	<u>Advisory Agreement Board Considerations and Fee Evaluation</u>
55	<u>Board Members and Officers</u>
60	<u>Additional Information</u>

The Fund's investment objective is to provide a high level of current income exempt from federal income tax.

Closed-end funds, unlike open-end funds, are not continuously offered. There is a one time public offering and once issued, shares of closed-end funds are sold in the open market through a stock exchange. Shares of closed-end funds frequently trade at a discount to net asset value. The price of the Fund's shares is determined by a number of factors, several of which are beyond the control of the Fund. Therefore, the Fund cannot predict whether its shares will trade at, below or above net asset value.

Bond investments are subject to interest-rate, credit, liquidity and market risks to varying degrees. When interest rates rise, bond prices generally fall. Credit risk refers to the ability of an issuer to make timely payments of principal and interest. Investing in derivatives entails special risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility. Leverage results in additional risks and can magnify the effect of any gains or losses. Although the Fund seeks income that is exempt from federal income taxes, a portion of the Fund's distributions may be subject to federal, state and local taxes, including the alternative minimum tax.

The brand DWS represents DWS Group GmbH & Co. KGaA and any of its subsidiaries such as DWS Distributors, Inc. which offers investment products or DWS Investment Management Americas, Inc. and RREEF America L.L.C. which offer advisory services.

NOT FDIC/NCUA INSURED NO BANK GUARANTEE MAY LOSE VALUE NOT A DEPOSIT NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

**2 | DWS Municipal Income Trust**

**Table of Contents**

**Portfolio Management Review**

**(Unaudited)**

**Market Overview and Fund Performance**

**All performance information below is historical and does not guarantee future results. Investment return and principal fluctuate, so your shares may be worth more or less when sold. Current performance may differ from performance data shown. Please visit [dws.com](http://dws.com) for the Fund's most recent month-end performance. Fund performance includes reinvestment of all distributions. Please refer to pages 8 through 9 for more complete performance information.**

**Investment Guidelines**

The Fund's investment objective is to provide a high level of current income exempt from federal income tax. Under normal circumstances, at least 80% of the Fund's net assets, plus the amount of any borrowings for investment purposes, will be invested in municipal securities. The Fund will invest substantially all of its net assets in tax-exempt municipal securities valued at the time of purchase within the four highest grades (Baa or BBB or better) by Moody's Investors Service, Inc. (Moody's) or Standard & Poor's Corporation (S&P). The Fund may also invest up to 20% of its assets in unrated municipal securities which, in the opinion of the Fund's investment advisor, have credit characteristics equivalent to, and will be of comparable quality to, municipal securities rated within the four highest grades by Moody's or S&P.

DWS Municipal Income Trust returned 0.35% based on net asset value for the annual period ending November 30, 2018, compared with 1.13% for the Fund's benchmark, the unmanaged, unleveraged Bloomberg Barclays Municipal Bond Index, and 1.34% for the broad taxable bond market as measured by the Bloomberg Barclays Aggregate Bond Index, for the same period. The Fund's return based on market price was 7.18%. Over the period, the Fund's traded shares went from a discount of 5.76% to a discount of 12.22%. The Fund lowered its dividend from 5.25 cents per share to 4.75 cents per share during the period.

Municipal bond returns were muted for the 12 months ended November 30, 2018, as rising interest rates weighed on bond prices generally. As the period opened, the municipal market was roiled by anticipation of a tax reform bill. Speculation that the bill would eliminate both tax-exempt advance refundings, used by municipalities to lower debt service costs, and private activity bonds led to a flood of issuance, sending most tax-free yields higher. (Only tax-exempt advance refundings were eliminated by the final bill.) The bill ultimately lowered rates for

**Table of Contents**

individual taxpayers through 2025 and included a permanent reduction in the top corporate tax rate from 35% to 21%. Municipal yields eventually declined across most maturities, as investors pondered the impact of lower supply going forward given the acceleration in the issuance calendar seen in late 2017.

As 2018 progressed, performance for the broader fixed income markets was constrained by an upward move in U.S. Treasury yields. We believe the rise in rates was attributable to investor expectations for stronger economic growth and higher inflation, as well as an environment of arguably full employment. In the municipal market, performance of long-maturity bonds was dampened to a degree as demand from banks and insurers softened as expected in the wake of a lower corporate tax rate. This was partially offset by positive flows into tax-free mutual funds and a reduction in municipal supply relative to 2017. The third quarter of 2018 actually saw negative net municipal supply due to relatively light new issuance combined with a significant volume of issues maturing or being called. Most new issues were oversubscribed as investors continued to seek yield opportunities. November of 2018 saw municipal bond funds experience net outflows on concerns that the U.S. Federal Reserve Board (the Fed) was tilting toward a more hawkish direction on interest rates.

*As 2018 progressed, performance for the broader fixed income markets was constrained by an upward move in U.S. Treasury yields.*

Over the 12 months ended November 30, 2018, the Fed implemented four quarter-point increases in its benchmark overnight lending rate, leaving fed funds at 2.25%, generally considered the low end of normal. The U.S. Treasury yield curve moved higher along the length of the curve, with the greatest yield increases seen on the short end of the curve. Municipal bond returns were dampened as yields rose along the length of the municipal curve as well. To illustrate, the two-year municipal yield rose 35 basis points, from 1.57% to 1.92%, while the 10-year municipal yield rose 36 basis points from 2.15% to 2.51% and the 30-year municipal yield rose 43 basis points from 2.79% to 3.22%. (100 basis points equals one percentage point. See the graph below for municipal bond yield changes from the beginning to the end of the period.)

**Table of Contents**

For the 12 months ending November 30, 2018, municipal market credit spreads – the incremental yield offered by lower-quality issues vs. AAA-rated issues – generally narrowed, as investors continued to seek sources of higher yield.

**AAA Municipal Bond Yield Curve** (as of 11/30/18 and 11/30/17)

Source: Thompson Reuters as of 11/30/18.

Chart is for illustrative purposes only and does not represent any DWS product.

**Positive and Negative Contributors to Performance**

In broad terms, the Fund's positioning with respect to the yield curve had a negative impact on performance relative to the benchmark, which was partially offset by the Fund's overall credit stance.

Given a meaningfully steep yield curve for much of the period, the Fund had significant exposure to bonds with remaining maturities in the 20-to-30-year range. This acted as the primary constraint on performance, as the yield curve steepened and longer-term issues experienced the most significant impact from rising municipal yields over the 12 months.

The Fund had meaningfully overweight exposure to bonds in the A quality range vs. the benchmark, adding to relative performance as credit spreads narrowed over the 12 months ending November 30, 2018. In terms of sectors, the Fund's overweighting of transportation bonds detracted from performance relative to the benchmark.

By prospectus, the Fund is not permitted to invest in below-investment-grade issues. The Fund's higher quality profile acted as a constraint on performance relative to the Morningstar peer group.

**Table of Contents**

**Outlook and Positioning**

At the end of November 2018, municipal yields on an absolute basis remained somewhat low by historical standards. Yields for longer-maturity municipals remained reasonably attractive vs. taxable alternatives. As of November 30, 2018, the 10-year municipal yield of 2.51% was 83.4% of the 3.01% yield on comparable-maturity U.S. Treasuries, as compared to a ratio of 89.2% twelve months earlier. The 30-year municipal yield of 3.22% was 97.6% of the 3.30% yield on comparable-maturity U.S. Treasuries, as compared to a ratio of 98.6% twelve months earlier.

Entering the new fiscal period, the Fund was focused on generating income by adding exposure to municipal issues in the A and BBB quality range with remaining maturities between 20 and 30 years. We continue to perform careful fundamental analysis of each issue in assessing its risk/reward profile.

**Portfolio Management Team**

Ashton P. Goodfield, CFA, Managing Director

Portfolio Manager of the Fund. Began managing the Fund in 2014.

Joined DWS in 1986.

Co-Head of Municipal Bonds.

BA, Duke University.  
Michael J. Generazo, Director

Portfolio Manager of the Fund. Began managing the Fund in 2010.

Joined DWS in 1999.

BS, Bryant College; MBA, Suffolk University.  
Peter Aloisi, CFA, Vice President

Portfolio Manager of the Fund. Began managing the Fund in 2018.

Joined DWS in 2010 with five years of industry experience; previously, served as an Associate at Banc of America Securities.

BA and MBA, Boston College.



The views expressed reflect those of the portfolio management team only through the end of the period of the report as stated on the cover. The management team's views are subject to change at any time based on market and other conditions and should not be construed as a recommendation. Past performance is no guarantee of future results. Current and future portfolio holdings are subject to risk.

**6** | DWS Municipal Income Trust

## Table of Contents

### Terms to Know

The unmanaged, unleveraged **Bloomberg Barclays Municipal Bond Index** covers the U.S.-dollar-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds.

The **Bloomberg Barclays Aggregate Bond Index** is an unmanaged, unleveraged index representing domestic taxable investment-grade bonds, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities with average maturities of one year or more.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

The **yield curve** is a graphical representation of how yields on bonds of different maturities compare. Normally, yield curves slant up, as bonds with longer maturities typically offer higher yields than short-term bonds.

**Spread** refers to the excess yield various bond sectors offer over financial instruments with similar maturities. When spreads widen, yield differences are increasing between bonds in the two sectors being compared. When spreads narrow, the opposite is true.

**Credit quality** measures a bond issuer's ability to repay interest and principal in a timely manner. Rating agencies assign letter designations, such as AAA, AA and so forth. The lower the rating, the higher the probability of default. Credit quality does not remove market risk and is subject to change.

**Overweight** means the fund holds a higher weighting in a given sector or security than the benchmark. **Underweight** means the fund holds a lower weighting.

**Table of Contents****Performance Summary****November 30, 2018 (Unaudited)**

**Performance is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when sold, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit [dws.com](http://dws.com) for the Fund's most recent month-end performance.**

**Fund specific data and performance are provided for informational purposes only and are not intended for trading purposes.**

**Average Annual Total Returns as of 11/30/18**

<b>Deutsche Municipal Income Trust</b>	<b>1-Year</b>	<b>5-Year</b>	<b>10-Year</b>
<b>Based on Net Asset Value<sup>(a)</sup></b>	<b>-0.35%</b>	<b>4.77%</b>	<b>8.79%</b>
<b>Based on Market Price<sup>(a)</sup></b>	<b>-7.18%</b>	<b>3.58%</b>	<b>9.14%</b>
Bloomberg Barclays Municipal Bond Index <sup>(b)</sup>	1.13%	3.52%	4.88%
Morningstar Closed-End Municipal National Long Funds Category <sup>(c)</sup>	0.33%	6.26%	8.62%

<sup>(a)</sup> Total return based on net asset value reflects changes in the Fund's net asset value during each period. Total return based on market price reflects changes in market price. Each figure assumes that dividend and capital gain distributions, if any, were reinvested. These figures will differ depending upon the level of any discount from or premium to net asset value at which the Fund's shares traded during the period. Expenses of the Fund include management fee, interest expense and other fund expenses. Total returns shown take into account these fees and expenses. The expense ratio of the Fund for the year ended November 30, 2018 was 2.16% (0.86% excluding interest expense).

<sup>(b)</sup> The unmanaged, unleveraged Bloomberg Barclays Municipal Bond Index covers the U.S. dollar-denominated long-term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and pre-refunded bonds. Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

<sup>(c)</sup> Morningstar's Closed-End Municipal National Long Funds category represents muni national long portfolios that invest in municipal bonds. Such bonds are issued by various state and local governments to fund public projects and are free from federal taxes. To lower risk, these funds spread their assets across many states and sectors. They focus on bonds with durations of seven years or more. This makes them more sensitive to interest rates, and thus riskier, than muni funds that focus on bonds with shorter maturities. Morningstar figures represent the average of the total returns based on net asset value reported by all of the closed-end funds designated by Morningstar, Inc. as falling into the Closed-End Municipal National Long Funds category. Category returns assume reinvestment of all distributions. It is not possible to invest directly in a Morningstar category.

**Table of Contents****Net Asset Value and Market Price**

	<b>As of 11/30/18</b>	<b>As of 11/30/17</b>
Net Asset Value	\$ 11.78	\$ 12.50
Market Price	\$ 10.34	\$ 11.78
Premium (discount)	(12.22%)	(5.76%)

Prices and net asset value fluctuate and are not guaranteed.

**Distribution Information**

Twelve Months as of 11/30/18:

Income Dividends (common shareholders)	\$ .61
Capital Gain Dividend (common shareholders)	\$ .0087
November Income Dividend (common shareholders)	\$ .0475
Current Annualized Distribution Rate (based on Net Asset Value) as of 11/30/18	4.84%
Current Annualized Distribution Rate (based on Market Price) as of 11/30/18	5.51%
Tax Equivalent Distribution Rate (based on Net Asset Value) as of 11/30/18	8.55%
Tax Equivalent Distribution Rate (based on Market Price) as of 11/30/18	9.74%

Current annualized distribution rate is the latest monthly dividend shown as an annualized percentage of net asset value/market price on November 30, 2018. Distribution rate simply measures the level of dividends and is not a complete measure of performance. Tax equivalent distribution rate is based on the Fund's distribution rate and a marginal income tax rate of 40.8%. Distribution rates are historical, not guaranteed and will fluctuate. Distributions do not include return of capital or other non-income sources.

**Table of Contents****Portfolio Summary****(Unaudited)**

<b>Asset Allocation</b> (As a % of Investment Portfolio)	<b>11/30/18</b>	<b>11/30/17</b>
Revenue Bonds	72%	70%
Escrow to Maturity/Prerefunded Bonds	15%	15%
General Obligation Bonds	8%	11%
Lease Obligations	5%	4%
	100%	100%
<b>Quality</b>	<b>11/30/18</b>	<b>11/30/17</b>
AAA	3%	4%
AA	37%	42%
A	48%	44%
BBB	9%	6%
BB	0%	
Not Rated	3%	4%
	100%	100%

The quality ratings represent the higher of Moody's Investors Service, Inc. ( Moody's ), Fitch Ratings, Inc. ( Fitch ) or Standard & Poor's Corporation ( S&P ) credit ratings. The ratings of Moody's, Fitch and S&P represent their opinions as to the quality of the securities they rate. Credit quality measures a bond issuer's ability to repay interest and principal in a timely manner. Ratings are relative and subjective and are not absolute standards of quality. Credit quality does not remove market risk and is subject to change.

**Top Five State/Territory Allocations**

(As a % of Investment Portfolio)	<b>11/30/18</b>	<b>11/30/17</b>
Texas	13%	13%
California	12%	12%
Florida	9%	10%
New York	8%	8%
Illinois	6%	5%

**Table of Contents**

<b>Interest Rate Sensitivity</b>	<b>11/30/18</b>	<b>11/30/17</b>
Effective Maturity	5.5 years	5.4 years
Modified Duration	5.2 years	5.2 years

<b>Leverage (As a % of Total Assets)</b>	<b>11/30/18</b>	<b>11/30/17</b>
	36%	36%

Effective maturity is the weighted average of the maturity date of bonds held by the Fund taking into consideration any available maturity shortening features.

Modified duration is an approximate measure of the Fund's sensitivity to movements in interest rates based on the current interest rate environment.

Leverage results in additional risks and can magnify the effect of any gains or losses to a greater extent than if leverage were not used.

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 12. A fact sheet is available on [dws.com](http://dws.com) or upon request. Please see the Additional Information section on page 60 for contact information.

**Table of Contents****Investment Portfolio**

as of November 30, 2018

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>Municipal Bonds and Notes 134.7%</b>		
<b>Alabama 0.4%</b>		
Alabama, UAB Medicine Finance Authority Revenue, Series B2, 5.0%, 9/1/2041	1,625,000	<b>1,762,085</b>
<b>Arizona 1.3%</b>		
Arizona, Salt Verde Financial Corp., Gas Revenue: 5.0%, 12/1/2037	1,050,000	1,196,381
5.5%, 12/1/2029	1,400,000	1,666,882
Phoenix, AZ, Civic Improvement Corp., Airport Revenue, Series A, Prerefunded, 5.0%, 7/1/2040	3,000,000	3,142,620
		<b>6,005,883</b>
<b>California 18.9%</b>		
California, Golden State Tobacco Securitization Corp., Tobacco Settlement: Series A-1, 5.0%, 6/1/2035	2,500,000	2,693,775
Series A-1, 5.0%, 6/1/2034	2,500,000	2,704,050
California, Health Facilities Financing Authority Revenue, Catholic Healthcare West, Series A, Prerefunded, 6.0%, 7/1/2039	3,500,000	3,588,340
California, M-S-R Energy Authority, Series A, 7.0%, 11/1/2034	3,180,000	4,438,485
California, Morongo Band of Mission Indians Revenue, Series B, 144A, 5.0%, 10/1/2042	345,000	350,872
California, South Bayside Waste Management Authority, Solid Waste Enterprise Revenue, Shoreway Environmental Center, Series A, 6.25%, 9/1/2029	5,345,000	5,514,223
California, State General Obligation: 5.0%, 11/1/2043	5,000,000	5,468,750
5.25%, 4/1/2035	4,295,000	4,686,189
5.5%, 3/1/2040	1,370,000	1,426,375
6.0%, 4/1/2038	6,465,000	6,550,338
Prerefunded, 6.0%, 4/1/2038	3,535,000	3,586,399
California, State Municipal Finance Authority Revenue, LINXS Apartment Project: Series A, AMT, 5.0%, 12/31/2043	1,200,000	1,289,928
Series A, AMT, 5.0%, 12/31/2047	640,000	685,056
Series B, AMT, 5.0%, 6/1/2048	240,000	256,238
California, State Public Works Board, Lease Revenue, Capital Projects, Series I-1, Prerefunded, 6.375%, 11/1/2034	2,000,000	2,086,120
California, Statewide Communities Development Authority Revenue, American Baptist Homes of the West, 6.25%, 10/1/2039, GTY: American Baptist Homes of the Midwest	1,250,000	1,290,388

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-CSR

The accompanying notes are an integral part of the financial statements.

**12** | DWS Municipal Income Trust



**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
Long Beach, CA, Harbor Revenue, Series D, 5.0%, 5/15/2039	1,065,000	1,196,549
Los Angeles, CA, Department of Airports Revenue, Los Angeles International Airport:		
Series B, 5.0%, 5/15/2035	8,500,000	8,856,575
Series B, AMT, 5.0%, 5/15/2046	6,430,000	6,998,090
Series D, AMT, 5.0%, 5/15/2048	5,000,000	5,572,600
San Diego County, CA, Regional Airport Authority Revenue, Series B, AMT, 5.0%, 7/1/2043	7,000,000	7,510,510
San Diego, CA, Unified School District, Election 2012, Series C, 5.0%, 7/1/2035	5,000,000	5,553,100
San Francisco, CA, City & County Airports Commission, International Airport Revenue, Series B, AMT, 5.0%, 5/1/2046	5,000,000	5,443,300
		<b>87,746,250</b>
<b>Colorado 5.3%</b>		
Colorado, State Board of Governors, University Enterprise System Revenue, Series E-1, 5.0%, 3/1/2040	1,730,000	1,919,989
Colorado, State Health Facilities Authority Revenue, School Health Systems, Series A, 5.5%, 1/1/2035	5,450,000	6,101,329
Colorado, State Health Facilities Authority, Hospital Revenue, Covenant Retirement Communities Obligation Group:		
Series A, 5.0%, 12/1/2043	815,000	874,634
Series A, 5.0%, 12/1/2048	1,305,000	1,393,870
Denver, CO, City & County Airport Revenue:		
Series A, AMT, 5.0%, 12/1/2048	10,110,000	11,101,387
Series A, AMT, 5.25%, 11/15/2043	2,400,000	2,636,352
Denver, CO, Health & Hospital Authority, Certificates of Participation, 5.0%, 12/1/2048	490,000	522,928
		<b>24,550,489</b>
<b>Connecticut 0.1%</b>		
Connecticut, State Health & Educational Facilities Authority Revenue, Covenant Home, Inc., Series B, 5.0%, 12/1/2040	435,000	<b>467,938</b>
<b>Delaware 0.4%</b>		
Delaware, State Economic Development Authority, Retirement Communities Revenue, Acts Retirement Life Communities, Series B, 5.0%, 11/15/2048	1,750,000	<b>1,871,660</b>
<b>District of Columbia 1.2%</b>		
District of Columbia, Metropolitan Airport Authority Systems Revenue:		
Series A, AMT, 5.0%, 10/1/2038	800,000	865,048
Series A, AMT, 5.0%, 10/1/2043	3,400,000	3,668,566
Metropolitan Washington, DC, Airports Authority Systems Revenue, AMT, 5.0%, 10/1/2047	1,000,000	1,094,700
		<b>5,628,314</b>

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-CSR

The accompanying notes are an integral part of the financial statements.

DWS Municipal Income Trust I **13**

**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>Florida 11.6%</b>		
Davie, FL, Educational Facilities Revenue, Nova Southeastern University Project, 5.0%, 4/1/2048	1,665,000	1,796,435
Florida, State Higher Educational Facilities, Financial Authority Revenue, Nova Southeastern University Project, 5.0%, 4/1/2034	1,350,000	1,469,772
Greater Orlando, FL, Aviation Authority Airport Facilities Revenue:		
Series A, AMT, 5.0%, 10/1/2042	1,490,000	1,629,032
Series A, AMT, 5.0%, 10/1/2047	965,000	1,051,088
Hillsborough County, FL, Aviation Authority, Tempa International Airport, Series A, AMT, 5.0%, 10/1/2048	2,500,000	2,738,050
Miami-Dade County, FL, Aviation Revenue:		
Series A, AMT, 5.0%, 10/1/2035	5,000,000	5,415,700
Series B, AMT, 5.0%, 10/1/2040	2,360,000	2,577,427
Series A, Prerefunded, 5.5%, 10/1/2041	10,000,000	10,295,500
Miami-Dade County, FL, Aviation Revenue, Miami International Airport:		
Series A-1, 5.375%, 10/1/2035	420,000	441,302
Series A-1, Prerefunded, 5.375%, 10/1/2035	1,580,000	1,677,391
Miami-Dade County, FL, Expressway Authority, Toll Systems Revenue, Series A, 5.0%, 7/1/2035, INS: AGMC	3,000,000	3,124,710
Miami-Dade County, FL, Health Facilities Authority Hospital Revenue, Nicklaus Children's Hospital, 5.0%, 8/1/2047	3,335,000	3,610,171
Orange County, FL, Health Facilities Authority Revenue, Orlando Health, Inc.:		
Series A, 5.0%, 10/1/2035	720,000	792,641
Series A, 5.0%, 10/1/2036	865,000	949,415
Orlando & Orange County, FL, Expressway Authority Revenue, Series A, Prerefunded, 5.0%, 7/1/2040	11,895,000	12,447,375
Palm Beach County, FL, Health Facilities Authority, Acts Retirement-Life Communities, Inc., Series A, 5.0%, 11/15/2045	1,750,000	1,868,703
Tallahassee, FL, Health Facilities Revenue, Memorial Healthcare, Inc. Project, Series A, 5.0%, 12/1/2055	2,045,000	2,145,491
		<b>54,030,203</b>
<b>Georgia 7.2%</b>		
Atlanta, GA, Airport Revenue:		
Series A, 5.0%, 1/1/2035	1,030,000	1,059,860
Series C, AMT, 5.0%, 1/1/2037	1,690,000	1,785,637
Cobb County, GA, Kennestone Hospital Authority, Revenue Anticipation Certificates, Wellstar Health System, Series A, 5.0%, 4/1/2047	875,000	934,701
Fulton County, GA, Hospital Development Authority Revenue, Revenue Anticipation Certificates, Wellstar Health System, Series A, 5.0%, 4/1/2042	1,055,000	1,133,693

The accompanying notes are an integral part of the financial statements.

**14** | DWS Municipal Income Trust

**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
Gainesville & Hall County, GA, Hospital Authority, Northeast Georgia Healthcare:		
Series A, 5.5%, 2/15/2045	505,000	523,609
Series A, Prerefunded, 5.5%, 2/15/2045	1,630,000	1,696,520
Georgia, Glynn-Brunswick Memorial Hospital Authority, Anticipation Certificates, Southeast Georgia Health System Project, 5.0%, 8/1/2047	465,000	493,867
Georgia, Main Street Natural Gas, Inc., Gas Project Revenue:		
Series A, 5.0%, 3/15/2020	7,250,000	7,497,660
Series A, 5.5%, 9/15/2024	5,000,000	5,701,450
Series A, 5.5%, 9/15/2028	10,000,000	11,793,200
Georgia, Municipal Electric Authority Revenue, Project One, Series A, 5.0%, 1/1/2035	1,010,000	1,082,528
		<b>33,702,725</b>
<b>Guam 0.2%</b>		
Guam, International Airport Authority Revenue, Series C, AMT, 6.375%, 10/1/2043	535,000	604,646
Guam, Port Authority Revenue, Series A, 5.0%, 7/1/2048	315,000	337,447
		<b>942,093</b>
<b>Hawaii 1.5%</b>		
Hawaii, State Airports Systems Revenue:		
Series A, 5.0%, 7/1/2039	4,200,000	4,374,594
Series A, AMT, 5.0%, 7/1/2041	1,490,000	1,637,257
Hawaii, State Department of Budget & Finance, Special Purpose Revenue, Hawaiian Electric Co., Inc., 6.5%, 7/1/2039	1,000,000	1,023,080
		<b>7,034,931</b>
<b>Idaho 0.6%</b>		
Idaho, Health Facilities Authority Revenue, St. Luke's Regional Medical Center, Prerefunded, 5.0%, 7/1/2035, INS: AGMC	2,500,000	<b>2,616,875</b>
<b>Illinois 9.2%</b>		
Chicago, IL, Airport Revenue, O'Hare International Airport, Series A, Prerefunded, 5.75%, 1/1/2039	4,200,000	4,522,056
Chicago, IL, Airport Revenue, O'Hare International Airport, Senior Lien, Series D, AMT, 5.0%, 1/1/2047	2,085,000	2,219,524
Chicago, IL, O'Hare International Airport Revenue, Series B, Prerefunded, 6.0%, 1/1/2041	9,000,000	9,735,660
Chicago, IL, O'Hare International Airport, Airport Revenue, Third Lien, Series A, 5.75%, 1/1/2039	800,000	849,128
Chicago, IL, O'Hare International Airport, Special Facility Revenue, AMT, 5.0%, 7/1/2048	395,000	422,907

The accompanying notes are an integral part of the financial statements.



**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
Illinois, Finance Authority Revenue, Memorial Health Systems, 5.5%, 4/1/2039	4,200,000	4,243,974
Illinois, Metropolitan Pier & Exposition Authority, Dedicated State Tax Revenue, Capital Appreciation-McCormick, Series A, Zero Coupon, 6/15/2036, INS: NATL	3,500,000	1,500,555
Illinois, Railsplitter Tobacco Settlement Authority, Prerefunded, 6.0%, 6/1/2028	915,000	1,000,250
Illinois, State Finance Authority Revenue, Advocate Health Care Network, Series B, Prerefunded, 5.375%, 4/1/2044	2,500,000	2,527,633
Illinois, State Finance Authority Revenue, Ascension Health Credit Group, Series A, 5.0%, 11/15/2032	730,000	781,363
Illinois, State Finance Authority Revenue, OSF Healthcare Systems: Series A, 5.0%, 5/15/2041	1,580,000	1,660,422
Series A, 5.0%, 11/15/2045	1,745,000	1,872,176
Illinois, State Finance Authority Revenue, University of Chicago, Series A, 5.0%, 10/1/2038	4,445,000	4,958,664
Illinois, State General Obligation: Series B, 5.0%, 10/1/2033	1,970,000	2,039,482
Series A, 5.0%, 5/1/2034	3,500,000	3,613,890
Springfield, IL, Electric Revenue, Senior Lien, 5.0%, 3/1/2040, INS: AGMC	970,000	1,052,411
		<b>43,000,095</b>
<b>Indiana 3.2%</b>		
Indiana, Finance Authority Hospital Revenue, Deaconess Hospital Obligation, Series A, Prerefunded, 6.75%, 3/1/2039	1,745,000	1,765,137
Indiana, State Finance Authority Revenue, Community Foundation of Northwest Indiana, 5.0%, 3/1/2041	5,000,000	5,290,950
Indiana, State Finance Authority, Hospital Revenue, Parkview Health System Obligated Group, Series A, 5.0%, 11/1/2043	7,000,000	7,672,840
		<b>14,728,927</b>
<b>Iowa 0.3%</b>		
Iowa, State Finance Authority, Lifespace Communities Revenue: Series A, 5.0%, 5/15/2043	645,000	663,782
Series A, 5.0%, 5/15/2048	820,000	840,418
		<b>1,504,200</b>
<b>Kentucky 0.2%</b>		
Kentucky, State Economic Development Finance Authority, Owensboro Health, Inc. Obligated Group: Series A, 5.0%, 6/1/2045	320,000	331,661
Series A, 5.25%, 6/1/2041	480,000	505,147
		<b>836,808</b>

The accompanying notes are an integral part of the financial statements.

**16** | DWS Municipal Income Trust



**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>Louisiana 3.4%</b>		
Louisiana, New Orleans Aviation Board, General Airport North Terminal, Series B, AMT, 5.0%, 1/1/2048	710,000	761,965
Louisiana, Public Facilities Authority Revenue, Ochsner Clinic Foundation Project, 5.0%, 5/15/2047	6,000,000	6,380,100
Louisiana, Public Facilities Authority, Hospital Revenue, Lafayette General Medical Center, 5.5%, 11/1/2040	3,000,000	3,107,280
Louisiana, State Local Government Environmental Facilities & Community Development Authority Revenue, Westlake Chemical Corp. Project, 3.5%, 11/1/2032	3,540,000	3,381,656
New Orleans, LA, Aviation Board Special Facility Revenue, Parking Facilities Corp., Consol Garage System:		
Series A, 5.0%, 10/1/2043 , INS: AGMC	1,020,000	1,128,028
Series A, 5.0%, 10/1/2048 , INS: AGMC	1,140,000	1,255,413
		<b>16,014,442</b>
<b>Maine 0.5%</b>		
Maine, Health & Higher Educational Facilities Authority Revenue, Maine Medical Center:		
Series A, 5.0%, 7/1/2043	1,050,000	1,156,544
Series A, 5.0%, 7/1/2048	1,050,000	1,150,086
		<b>2,306,630</b>
<b>Maryland 2.1%</b>		
Gaithersburg, MD, Economic Development Revenue, Asbury Maryland Obligation Group, Series A, 5.0%, 1/1/2036	1,000,000	1,075,450
Maryland, State Health & Higher Educational Facilities Authority Revenue, Adventist Healthcare Obligated Group, Series A, 5.5%, 1/1/2046	745,000	815,075
Maryland, State Health & Higher Educational Facilities Authority Revenue, Anne Arundel Health Systems, Series A, Prerefunded, 6.75%, 7/1/2039	1,100,000	1,130,283
Maryland, State Health & Higher Educational Facilities Authority Revenue, Broadmead Inc.:		
Series A, 5.0%, 7/1/2043	1,250,000	1,324,087
Series A, 5.0%, 7/1/2048	3,000,000	3,165,720
Maryland, State Health & Higher Educational Facilities Authority Revenue, Medstar Health Obligated Group, Series A, 5.0%, 5/15/2045	2,000,000	2,161,680
		<b>9,672,295</b>
<b>Massachusetts 1.4%</b>		
Massachusetts, State Development Finance Agency Revenue, Northeastern University, Series A, 5.25%, 3/1/2037	2,500,000	2,751,400

The accompanying notes are an integral part of the financial statements.



**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
Massachusetts, State Development Finance Agency Revenue, Suffolk University:		
Series A, 5.75%, 7/1/2039	1,200,000	1,220,088
Series A, Prerefunded, 5.75%, 7/1/2039	2,370,000	2,423,680
		<b>6,395,168</b>
<b>Michigan 3.9%</b>		
Detroit, MI, Water & Sewerage Department, Sewerage Disposal System Revenue, Series A, 5.25%, 7/1/2039	1,120,000	1,195,790
Michigan, State Building Authority Revenue, Series I-A, 5.375%, 10/15/2041	7,500,000	8,079,000
Michigan, State Building Authority Revenue, Facilities Program:		
Series I, 5.0%, 4/15/2038	1,930,000	2,149,711
Series H, 5.125%, 10/15/2033	2,495,000	2,558,673
Michigan, State Finance Authority Revenue, Trinity Health Corp., 5.0%, 12/1/2035	665,000	709,362
Michigan, State Strategic Fund Ltd. Obligation Revenue, AMT, 5.0%, 12/31/2043	1,200,000	1,279,440
Wayne County, MI, Airport Authority Revenue, Series F, AMT, 5.0%, 12/1/2034	2,000,000	2,194,960
		<b>18,166,936</b>
<b>Minnesota 3.0%</b>		
Duluth, MN, Economic Development Authority, Health Care Facilities Revenue, Essentia Health Obligated Group:		
Series A, 5.0%, 2/15/2048	1,800,000	1,921,554
Series A, 5.0%, 2/15/2053	5,060,000	5,361,930
Minneapolis, MN, Health Care Systems Revenue, Fairview Health Services, Series A, 5.0%, 11/15/2049	1,220,000	1,321,565
Rochester, MN, Health Care Facilities Revenue, Mayo Clinic, Series B, 5.0%, 11/15/2036	4,200,000	5,164,362
		<b>13,769,411</b>
<b>Missouri 0.3%</b>		
Missouri, State Health & Educational Facilities Authority Revenue, Medical Research, Lutheran Senior Services, Series A, 5.0%, 2/1/2046	335,000	343,074
St. Louis County, MO, Industrial Development Authority, Senior Living Facilities, Friendship Village, 5.0%, 9/1/2048	1,060,000	1,039,012
		<b>1,382,086</b>
<b>Nebraska 0.3%</b>		
Douglas County, NE, Hospital Authority No.2, Health Facilities, Children's Hospital Obligated Group, 5.0%, 11/15/2047	1,330,000	<b>1,439,286</b>

The accompanying notes are an integral part of the financial statements.

**18** | DWS Municipal Income Trust

**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>Nevada 2.1%</b>		
Clark County, NV, Airport Revenue, Series B, 5.125%, 7/1/2036	4,305,000	4,432,213
Las Vegas Valley, NV, Water District, Series B, 5.0%, 6/1/2037	4,830,000	5,210,459
		<b>9,642,672</b>
<b>New Jersey 3.0%</b>		
New Jersey, Hospital & Healthcare Revenue, General Hospital Center at Passaic, ETM, 6.75%, 7/1/2019, INS: AGMC	1,130,000	1,161,968
New Jersey, State Economic Development Authority Revenue, Series BBB, 5.5%, 6/15/2030	2,690,000	3,005,671
New Jersey, State Economic Development Authority Revenue, The Goethals Bridge Replacement Project, AMT, 5.125%, 7/1/2042, INS: AGMC	1,250,000	1,332,888
New Jersey, State Economic Development Authority, Motor Vehicle Surcharge Revenue, Series A, 5.0%, 7/1/2033	295,000	313,381
New Jersey, State Economic Development Authority, State Government Buildings Project:		
Series A, 5.0%, 6/15/2042	345,000	357,344
Series A, 5.0%, 6/15/2047	385,000	396,904
New Jersey, State Transportation Trust Fund Authority, Transportation Systems:		
Series A, 5.0%, 12/15/2033	715,000	767,746
Series A, 5.0%, 12/15/2034	1,145,000	1,223,707
Series A, 5.0%, 12/15/2036	475,000	502,721
Series A, 6.0%, 12/15/2038	1,955,000	1,957,444
New Jersey, State Turnpike Authority Revenue:		
Series B, 5.0%, 1/1/2040	65,000	72,728
Series E, Prerefunded, 5.25%, 1/1/2040	1,750,000	1,754,515
New Jersey, Tobacco Settlement Financing Corp.:		
Series A, 5.0%, 6/1/2046	875,000	906,439
Series A, 5.25%, 6/1/2046	440,000	467,007
		<b>14,220,463</b>
<b>New York 8.7%</b>		
New York, Metropolitan Transportation Authority Revenue:		
Series C, 5.0%, 11/15/2038	6,000,000	6,395,580
Series D, 5.0%, 11/15/2038	1,090,000	1,169,287
Series C, 5.0%, 11/15/2042	5,000,000	5,323,250
Series A-1, 5.25%, 11/15/2039	4,000,000	4,366,640
New York, State Dormitory Authority Revenues, Non-State Supported Debt, Montefiore Obligation Group:		
Series A, 5.0%, 8/1/2034	220,000	244,048
Series A, 5.0%, 8/1/2035	315,000	348,113

The accompanying notes are an integral part of the financial statements.



**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
New York, State Environmental Facilities Corp., State Clean Water & Drinking Revolving Funds, New York City Municipal Water Finance Authority Projects, 5.0%, 6/15/2036	2,000,000	2,127,420
New York, State Liberty Development Corp. Revenue, World Trade Center Port Authority Construction, 5.25%, 12/15/2043	8,000,000	8,657,680
New York, State Transportation Development Corp., Special Facilities Revenue, Delta Air Lines, Inc., Laguardia Airport C&D Redevelopment: AMT, 5.0%, 1/1/2033	410,000	449,434
AMT, 5.0%, 1/1/2034	410,000	447,786
AMT, 5.0%, 1/1/2036	410,000	444,182
New York, TSASC, Inc., Series A, 5.0%, 6/1/2041	150,000	153,225
New York, Utility Debt Securitization Authority, Restructuring Revenue: Series TE, 5.0%, 12/15/2034	800,000	887,592
Series TE, 5.0%, 12/15/2035	1,000,000	1,108,000
New York City, NY, Municipal Water Finance Authority, Water & Sewer Systems Revenue, Second General Resolution, Series EE, 5.375%, 6/15/2043	3,750,000	3,969,787
New York City, NY, Transitional Finance Authority, Building Aid Revenue, Fiscal 2018, Series S-1, 5.0%, 7/15/2035	700,000	794,185
Port Authority of New York & New Jersey, Series 193, AMT, 5.0%, 10/15/2035	800,000	876,712
Port Authority of New York & New Jersey, One Hundred Eighty-Fourth: 5.0%, 9/1/2036	205,000	227,382
5.0%, 9/1/2039	510,000	563,407
Port Authority of New York & New Jersey, Two Hundred Seven, AMT, 5.0%, 9/15/2048	1,875,000	2,064,881
		<b>40,618,591</b>
<b>North Carolina 1.1%</b>		
New Hanover County, NC, Hospital Revenue, New Hanover Regional Medical Centre: 5.0%, 10/1/2042	1,040,000	1,141,961
5.0%, 10/1/2047	960,000	1,049,405
North Carolina, Medical Care Commission, Health Care Facilities Revenue, University Health System, Series D, Prerefunded, 6.25%, 12/1/2033	3,000,000	3,000,000
		<b>5,191,366</b>
<b>North Dakota 0.8%</b>		
Fargo, ND, Sanford Health Systems Revenue, 6.25%, 11/1/2031	3,240,000	<b>3,615,937</b>

The accompanying notes are an integral part of the financial statements.

**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>Ohio 4.7%</b>		
Chillicothe, OH, Hospital Facilities Revenue, Adena Health System Obligated Group Project, 5.0%, 12/1/2047	1,785,000	1,899,097
Franklin County, OH, Trinity Health Corp. Revenue, Series 2017, 5.0%, 12/1/2046	2,950,000	3,221,872
Lucas County, OH, Hospital Revenue, Promedica Healthcare, Series A, Prerefunded, 6.5%, 11/15/2037	1,500,000	1,686,270
Ohio, Akron, Bath & Copley Joint Township Hospital District Revenue, 5.25%, 11/15/2046	2,320,000	2,505,322
Ohio, State Hospital Facility Revenue, Cleveland Clinic Health: Series A, Prerefunded, 5.5%, 1/1/2039	5,000,000	5,013,600
Series B, Prerefunded, 5.5%, 1/1/2039	3,500,000	3,509,520
Ohio, State Turnpike Commission, Junior Lien, Infrastructure Projects, Series A-1, 5.25%, 2/15/2039	3,520,000	3,859,117
		<b>21,694,798</b>
<b>Pennsylvania 6.7%</b>		
Allegheny County, PA, Hospital Development Authority Revenue, University of Pittsburgh Medical, 5.625%, 8/15/2039	1,700,000	1,737,791
Allegheny County, PA, Hospital Development Authority, Allegheny Health Network Obligated Group, Series A, 5.0%, 4/1/2047	3,090,000	3,306,887
Franklin County, PA, Industrial Development Authority Revenue, Chambersburg Hospital Project, 5.375%, 7/1/2042	7,000,000	7,304,780
Montgomery County, PA, Industrial Development Authority, Meadowood Senior Living Project:		
Series A, 5.0%, 12/1/2038	335,000	351,060
Series A, 5.0%, 12/1/2048	865,000	896,693
Pennsylvania, Certificate of Participations, Series A, 5.0%, 7/1/2043	460,000	498,990
Pennsylvania, Commonwealth Financing Authority, Series A, 5.0%, 6/1/2035	1,560,000	1,679,808
Pennsylvania, Commonwealth Financing Authority, Tobacco Master Settlement Payment Revenue Bonds:		
5.0%, 6/1/2034	750,000	831,240
5.0%, 6/1/2035	375,000	413,404
Pennsylvania, Geisinger Authority Health System Revenue, Series A-1, 5.0%, 2/15/2045	20,000	21,890
Pennsylvania, State Turnpike Commission Revenue:		
Series A, 5.0%, 12/1/2038	2,030,000	2,198,997
Series B-1, 5.0%, 6/1/2042	2,000,000	2,130,940
Series C, 5.0%, 12/1/2043	4,000,000	4,238,760

The accompanying notes are an integral part of the financial statements.





**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
Philadelphia, PA, Airport Revenue:		
Series A, 5.0%, 6/15/2035	2,835,000	2,939,385
Series B, AMT, 5.0%, 7/1/2047	915,000	989,243
Philadelphia, PA, School District, Series B, 5.0%, 9/1/2043	1,500,000	1,624,980
		<b>31,164,848</b>
<b>Rhode Island 0.1%</b>		
Narragansett Bay, RI, Commission Wastewater System Revenue, Series A, 1.69%*, 12/7/2018, LOC: TD Bank NA	600,000	<b>600,000</b>
<b>South Carolina 5.2%</b>		
Charleston County, SC, Airport District, Airport System Revenue, Series A, AMT, 5.875%, 7/1/2032	6,560,000	7,414,374
Greenwood County, SC, Hospital Revenue, Self Regional Healthcare, Series B, 5.0%, 10/1/2031	1,000,000	1,071,870
South Carolina, State Jobs-Economic Development Authority, Acts Retirement Life Communities, Inc., Series C, 5.0%, 11/15/2047	1,350,000	1,439,303
South Carolina, State Ports Authority Revenue, Prerefunded, 5.25%, 7/1/2040	2,550,000	2,679,056
South Carolina, State Public Service Authority Revenue, Series E, 5.25%, 12/1/2055	4,000,000	4,247,200
South Carolina, State Public Service Authority Revenue, Santee Cooper, Series A, Prerefunded, 5.75%, 12/1/2043	6,220,000	7,252,022
		<b>24,103,825</b>
<b>Tennessee 0.7%</b>		
Greeneville, TN, Health & Educational Facilities Board Hospital Revenue, Ballad Health Obligation Group:		
Series A, 5.0%, 7/1/2037	1,200,000	1,321,128
Series A, 5.0%, 7/1/2044	1,600,000	1,740,112
		<b>3,061,240</b>
<b>Texas 18.0%</b>		
Central Texas, Regional Mobility Authority Revenue, Senior Lien, Series A, 5.0%, 1/1/2040	1,155,000	1,235,631
Harris County, TX, Health Facilities Development Corp., Hospital Revenue, Memorial Hermann Healthcare System, Series B, Prerefunded, 7.25%, 12/1/2035	1,000,000	1,000,000
Houston, TX, Airport System Revenue, Series A, AMT, 5.0%, 7/1/2041	2,250,000	2,473,875
North Texas, Tollway Authority Revenue:		
Series B, 5.0%, 1/1/2040	2,060,000	2,198,679
5.0%, 1/1/2048	2,145,000	2,340,474
First Tier, Prerefunded, 6.0%, 1/1/2043	5,000,000	5,398,050

The accompanying notes are an integral part of the financial statements.

**22** | DWS Municipal Income Trust

**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
North Texas, Tollway Authority Revenue, Special Project Systems, Series D, Prerefunded, 5.0%, 9/1/2032	2,000,000	2,153,120
Tarrant County, TX, Cultural Education Facilities Finance Corp. Revenue, Christus Health Obligated Group, Series B, 5.0%, 7/1/2048	5,000,000	5,371,350
Texas, Dallas/Fort Worth International Airport Revenue:		
Series H, AMT, 5.0%, 11/1/2042	5,425,000	5,665,653
Series F, 5.25%, 11/1/2033	3,500,000	3,867,850
Series A, 5.25%, 11/1/2038	4,000,000	4,187,560
Texas, Grand Parkway Transportation Corp., System Toll Revenue:		
Series B, 5.0%, 4/1/2053	3,500,000	3,729,705
Series B, 5.25%, 10/1/2051	5,000,000	5,464,400
Texas, Lower Colorado River Authority, LCRA Transmission Services Corp. Project, 5.0%, 5/15/2048	6,250,000	6,871,687
Texas, Municipal Gas Acquisition & Supply Corp. I, Gas Supply Revenue, Series B, 67% of 3-month USD-LIBOR + 0.700% , 2.264%** , 12/15/2026	1,380,000	1,368,146
Texas, SA Energy Acquisition Public Facility Corp., Gas Supply Revenue:		
5.5%, 8/1/2021	1,155,000	1,246,822
5.5%, 8/1/2025	7,250,000	8,360,120
Texas, Southwest Higher Education Authority, Inc., Southern Methodist University Project, Prerefunded, 5.0%, 10/1/2035	1,600,000	1,687,920
Texas, State Municipal Gas Acquisition & Supply Corp. I, Gas Supply Revenue, Series D, 6.25%, 12/15/2026	4,650,000	5,349,825
Texas, State Municipal Gas Acquisition & Supply Corp. III Gas Supply Revenue:		
5.0%, 12/15/2030	250,000	268,138
5.0%, 12/15/2031	3,165,000	3,388,734
5.0%, 12/15/2032	2,000,000	2,138,420
Texas, State Transportation Commission, Turnpike Systems Revenue, Series C, 5.0%, 8/15/2034	1,235,000	1,324,599
West Harris County, TX, Regional Water Authority, Water Systems Revenue, 5.0%, 12/15/2035	6,500,000	6,677,060
		<b>83,767,818</b>
<b>Utah 0.4%</b>		
Salt Lake City, UT, Airport Revenue:		
Series A, AMT, 5.0%, 7/1/2043	960,000	1,052,554
Series A, AMT, 5.0%, 7/1/2048	575,000	627,877
		<b>1,680,431</b>

The accompanying notes are an integral part of the financial statements.



**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>Virginia 1.2%</b>		
Stafford County, VA, Economic Development Authority, Hospital Facilities Revenue, Mary Washington Healthcare, 5.0%, 6/15/2036	400,000	434,828
Virginia, Small Business Financing Authority, Private Activity Revenue, Transform 66 P3 Project, AMT, 5.0%, 12/31/2052	3,645,000	3,804,943
Washington County, VA, Industrial Development Authority, Hospital Facility Revenue, Mountain States Health Alliance, Series C, Prerefunded, 7.75%, 7/1/2038	1,370,000	1,376,055
		<b>5,615,826</b>
<b>Washington 4.2%</b>		
Washington, Port of Seattle Revenue, Series A, AMT, 5.0%, 5/1/2043	1,935,000	2,093,922
Washington, State Convention Center Public Facilities District, 5.0%, 7/1/2048	6,000,000	6,556,800
Washington, State Health Care Facilities Authority, Catholic Health Initiatives, Series A, 5.0%, 2/1/2041	2,985,000	3,065,147
Washington, State Health Care Facilities Authority, Swedish Health Services, Series A, Prerefunded, 6.75%, 11/15/2041	1,825,000	2,029,144
Washington, State Health Care Facilities Authority, Virginia Mason Medical Center: 5.0%, 8/15/2034	275,000	294,008
5.0%, 8/15/2035	235,000	250,024
5.0%, 8/15/2036	155,000	164,137
Washington, State Motor Vehicle Tax-Senior 520 Corridor Program, Series C, 5.0%, 6/1/2031	5,000,000	5,325,050
		<b>19,778,232</b>
<b>West Virginia 0.9%</b>		
West Virginia, State Hospital Finance Authority, State University Health System Obligated Group, Series A, 5.0%, 6/1/2047	4,025,000	<b>4,301,115</b>
<b>Wisconsin 0.4%</b>		
Wisconsin, State Health & Educational Facilities Authority, St. John's Communities, Inc. Project:: Series A, 5.0%, 9/15/2040	70,000	71,275
Series A, 5.0%, 9/15/2045	95,000	96,445
Series A, 5.0%, 9/15/2050	380,000	384,967
Wisconsin, State Health & Educational Facilities Authority Revenue, Prohealth Care, Inc. Obligation Group, Prerefunded, 6.625%, 2/15/2039	1,555,000	1,569,601
		<b>2,122,288</b>
<b>Total Municipal Bonds and Notes (Cost \$597,260,153)</b>		<b>626,755,180</b>

The accompanying notes are an integral part of the financial statements.



**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>Underlying Municipal Bonds of Inverse Floaters (a) 19.1%</b>		
<b>Florida 2.4%</b>		
Orange County, FL, School Board, Certificates of Participation, Series C, 5.0%, 8/1/2034 (b) <i>Trust: Florida, School Board, Series 2016-XM0182, 144A, 12.74%, 2/1/2024, Leverage Factor at purchase date: 4 to 1</i>	10,000,000	<b>11,295,450</b>
<b>Massachusetts 7.0%</b>		
Massachusetts, State Development Finance Agency Revenue, Partners Healthcare System, Inc., Series Q, 5.0%, 7/1/2035 (b) <i>Trust: Massachusetts, State Development Finance Agency Revenue, Series 2016-XM0137, 144A, 12.935%, 1/1/2024, Leverage Factor at purchase date: 4 to 1</i>	10,425,000	11,610,488
Massachusetts, State General Obligation, Series E, 4.0%, 4/1/2038 (b) <i>Trust: Massachusetts, State General Obligation, Series 2016-XM0335, 144A, 8.95%, 4/1/2023, Leverage Factor at purchase date: 4 to 1</i>	10,000,000	10,195,675
Massachusetts, State Development Finance Agency Revenue, Harvard University, Series A, 4.0%, 7/15/2036 (b) <i>Trust: Massachusetts, State Development Finance Agency Revenue, Series 2016-XM0400, 144A, 8.95%, 7/15/2024, Leverage Factor at purchase date: 4 to 1</i>	10,000,000	10,641,025
		<b>32,447,188</b>
<b>New York 4.8%</b>		
New York, State Urban Development Corp. Revenue, Personal Income Tax, Series C-3, 5.0%, 3/15/2040 (b) <i>Trust: New York, State Urban Development Corp. Revenue, Personal Income Tax, Series 2018-XM0580, 144A, 13.385%, 9/15/2025, Leverage Factor at purchase date: 4 to 1</i>	10,000,000	11,229,500
New York City, NY, Transitional Finance Authority, Building AID Revenue, Series S-4A, 5.0%, 7/15/2034 (b) <i>Trust: New York, Transitional Finance Authority, Building AID Revenue, Series 2017-XM0620, 144A, 13.272%, 1/15/2026, Leverage Factor at purchase date: 4 to 1</i>	7,165,000	8,244,046
New York City, NY, Transitional Finance Authority, Building AID Revenue, Series S-4A, 5.0%, 7/15/2038 (b) <i>Trust: New York, Transitional Finance Authority, Building AID Revenue, Series 2017-XM0620, 144A, 13.316%, 1/15/2026, Leverage Factor at purchase date: 4 to 1</i>	2,685,000	3,039,403
		<b>22,512,949</b>

The accompanying notes are an integral part of the financial statements.





**Table of Contents**

	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>Texas 2.4%</b>		
Texas, State Transportation Commission- Highway Improvement, Series A, 5.0%, 4/1/2038 (b) <i>Trust: Texas, State Transportation Commission, Series 2016-XM0404, 144A, 12.95%, 4/1/2024, Leverage Factor at purchase date: 4 to 1</i>	10,000,000	<b>11,247,800</b>
<b>Washington 2.5%</b>		
Washington, State General Obligation, Series D, 5.0%, 2/1/2035 (b) <i>Trust: Washington, State General Obligation, Series 2017-XM0477, 144A, 12.95%, 8/1/2024, Leverage Factor at purchase date: 4 to 1</i>	10,000,000	<b>11,359,200</b>
<b>Total Underlying Municipal Bonds of Inverse Floaters</b> (Cost \$91,183,564)		<b>88,862,587</b>
	<b>% of Net Assets</b>	<b>Value (\$)</b>
<b>Total Investment Portfolio</b> (Cost \$688,443,717)	153.8	<b>715,617,767</b>
<b>Floating Rate Notes (a)</b>	(12.9)	<b>(60,200,000)</b>
<b>Series 2018 MTPS, net of deferred offering costs</b>	(42.7)	<b>(198,720,068)</b>
<b>Other Assets and Liabilities, Net</b>	1.8	<b>8,561,513</b>
<b>Net Assets Applicable to Common Shareholders</b>	100.0	<b>465,259,212</b>

\* Variable rate demand notes are securities whose interest rates are reset periodically (usually daily mode or weekly mode) by remarketing agents based on current market levels, and are not directly set as a fixed spread to a reference rate. These securities may be redeemed at par by the holder at any time, and are shown at their current rates as of November 30, 2018. Date shown reflects the earlier of demand date or stated maturity date.

\*\* Variable or floating rate security. These securities are shown at their current rate as of November 30, 2018. For securities based on a published reference rate and spread, the reference rate and spread are indicated within the description above. Certain variable rate securities are not based on a published reference rate and spread but adjust periodically based on current market conditions, prepayment of underlying positions and/or other variables.

(a) Securities represent the underlying municipal obligations of inverse floating rate obligations held by the Fund. The Floating Rate Notes represents leverage to the Fund and is the amount owed to the floating rate note holders.

(b) Security forms part of the below inverse floater. The Fund accounts for these inverse floaters as a form of secured borrowing, by reflecting the value of the underlying bond in the investments of the Fund and the amount owed to the floating rate note holder as a liability.

144A: Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

The accompanying notes are an integral part of the financial statements.

**26** | DWS Municipal Income Trust

**Table of Contents**

AGMC: Assured Guaranty Municipal Corp.

AMT: Subject to alternative minimum tax.

ETM: Bonds bearing the description ETM (escrow to maturity) are collateralized usually by U.S. Treasury securities which are held in escrow and used to pay principal and interest on bonds so designated.

GTY: Guaranty Agreement

INS: Insured

LIBOR: London Interbank Offered Rate

NATL: National Public Finance Guarantee Corp.

Prerefunded: Bonds which are prerefunded are collateralized usually by U.S. Treasury securities which are held in escrow and used to pay principal and interest on tax-exempt issues and to retire the bonds in full at the earliest refunding date.

**Fair Value Measurements**

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of November 30, 2018 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

<b>Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Municipal Investments (c)	\$	\$ 715,617,767	\$	\$ 715,617,767
<b>Total</b>	<b>\$</b>	<b>\$ 715,617,767</b>	<b>\$</b>	<b>\$ 715,617,767</b>

(c) See Investment Portfolio for additional detailed categorizations.

The accompanying notes are an integral part of the financial statements.

**Table of Contents****Statement of Assets and Liabilities**

as of November 30, 2018

**Assets**

Investments in non-affiliated securities, at value (cost \$688,443,717)	\$ 715,617,767
Cash	37,478
Receivable for investments sold	470,000
Interest receivable	8,971,148
Other assets	10,980
<b>Total assets</b>	<b>725,107,373</b>

**Liabilities**

Payable for floating rate notes issued	60,200,000
Interest expense payable on preferred shares	433,275
Accrued management fee	308,383
Accrued Trustees' fees	7,235
Other accrued expenses and payables	179,200
Series 2018 MTPS, net of deferred offering costs (liquidation value \$198,750,000, see page 39 for more details)	198,720,068
<b>Total liabilities</b>	<b>259,848,161</b>

**Net assets applicable to common shareholders, at value** **\$ 465,259,212**

**Net Assets Applicable to Common Shareholders Consist of**

Distributable earnings (loss)	31,821,588
Paid-in capital	433,437,624
<b>Net assets applicable to common shareholders, at value</b>	<b>\$ 465,259,212</b>

**Net Asset Value****Net Asset Value** per common share

(\$465,259,212 ÷ 39,500,938 outstanding shares of beneficial interest, \$.01 par value, unlimited number of common shares authorized) **\$ 11.78**

The accompanying notes are an integral part of the financial statements.

**Table of Contents****Statement of Operations**

for the year ended November 30, 2018

**Investment Income**

Income:

Interest \$ 32,291,865

Total income 32,291,865

Expenses:

Management fee 3,727,978

Services to shareholders 30,567

Custodian fee 7,715

Professional fees 105,643

Reports to shareholders 70,461

Trustees fees and expenses 29,132

Interest expense and amortization of deferred cost on Series 2018 MTPS 4,798,740

Interest expense on floating rate notes 1,398,403

Stock Exchange listing fees 41,391

Other 123,751

Total expenses 10,333,781

**Net investment income 21,958,084****Realized and Unrealized Gain (Loss)**

Net realized gain (loss) from investments 349,297

Change in net unrealized appreciation (depreciation) on investments (26,429,055)

**Net gain (loss) (26,079,758)****Net increase (decrease) in net assets resulting from operations \$ (4,121,674)**

The accompanying notes are an integral part of the financial statements.

**Table of Contents****Statement of Cash Flows**

for the year ended November 30, 2018

**Increase (decrease) in cash:****Cash Flows from Operating Activities**

Net increase (decrease) in net assets resulting from operations	\$ (4,121,674)
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:	
Purchases of long-term investments	(378,006,399)
Net amortization of premium/(accretion of discount)	2,824,670
Proceeds from sales and maturities of long-term investments	396,689,626
Amortization of deferred offering cost on Series 2018 MTPS	19,935
(Increase) decrease in interest receivable	967,011
(Increase) decrease in other assets	2,084
(Increase) decrease in receivable for investments sold	(425,000)
Increase (decrease) in other accrued expenses and payables	68
Change in unrealized (appreciation) depreciation on investments	26,429,055
Net realized (gain) loss from investments	(349,297)
<b>Cash provided by (used in) operating activities</b>	<b>44,030,079</b>
<b>Cash Flows from Financing Activities</b>	
Net increase (decrease) in cash overdraft	(180,739)
Cash paid for deferred offering cost on Series 2018 MTPS	(49,867)
Distributions paid	(24,322,039)
Increase (decrease) in payable for floating rate notes issued	(19,439,956)
<b>Cash provided by (used in) financing activities</b>	<b>(43,992,601)</b>
<b>Increase (decrease) in cash</b>	<b>37,478</b>
Cash at beginning of period	
<b>Cash at end of period</b>	<b>\$ 37,478</b>
<b>Supplemental disclosure</b>	
Interest expense paid on preferred shares	\$ (4,661,940)
Interest expense paid and fees on floating rate notes issued	\$ (1,398,403)

The accompanying notes are an integral part of the financial statements.

**Table of Contents****Statements of Changes in Net Assets**

	<b>Years Ended November 30,</b>	
	<b>2018</b>	<b>2017</b>
<b>Increase (Decrease) in Net Assets</b>		
Operations:		
Net investment income (loss)	\$ 21,958,084	\$ 25,930,343
Net realized gain (loss)	349,297	3,296,416
Change in net unrealized appreciation (depreciation)	(26,429,055)	2,777,220
<b>Net increase (decrease) in net assets applicable</b>		
<b>to common shareholders</b>	<b>(4,121,674)</b>	<b>32,003,979</b>
Distributions to common shareholders	(24,438,904)	(30,977,609)*
Fund share transactions:		
Net proceeds from shares issued to common		
shareholders in reinvestment of distributions		1,322,220
Net increase (decrease) in net assets from Fund share transactions		1,322,220
<b>Increase (decrease) in net assets</b>	<b>(28,560,578)</b>	<b>2,348,590</b>
Net assets at beginning of period applicable to common		
shareholders	493,819,790	491,471,200
Net assets at end of period applicable to common shareholders	<b>\$ 465,259,212</b>	<b>\$ 493,819,790**</b>
<b>Other Information:</b>		
Common shares outstanding at beginning of period	39,500,938	39,396,905
Shares issued to common shareholders in reinvestment of		
distributions		104,033
Common shares outstanding at end of period	39,500,938	39,500,938

\* Includes distributions from net investment income of \$30,579,600 and distributions from net realized gains \$398,009.

\*\* Includes undistributed net investment income of \$4,624,307.

The accompanying notes are an integral part of the financial statements.



**Table of Contents****Financial Highlights**

	<b>Years Ended November 30,</b>				
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Selected Per Share Data Applicable to Common Shareholders</b>					
<b>Net asset value, beginning of period</b>	<b>\$12.50</b>	<b>\$ 12.47</b>	<b>\$ 13.44</b>	<b>\$ 13.84</b>	<b>\$ 12.70</b>
<i>Income (loss) from investment operations:</i>					
Net investment income <sup>a</sup>	.56	.66	.75	.82	.83
Net realized and unrealized gain (loss)	(.66)	.16	(.88)	(.36)	1.16
<b>Total from investment operations</b>	<b>(.10)</b>	<b>.82</b>	<b>(.13)</b>	<b>.46</b>	<b>1.99</b>
Distributions to remarketed preferred shareholders from net investment income (common share equivalent)				(.00)*	(.00)*
<b>Net increase (decrease) in net assets from operations applicable to common shareholders</b>	<b>(.10)</b>	<b>.82</b>	<b>(.13)</b>	<b>.46</b>	<b>1.99</b>
<i>Less distributions applicable to common shareholders from:</i>					
Net investment income	(.61)	(.78)	(.84)	(.84)	(.84)
Net realized gains	(.01)	(.01)		(.02)	(.01)
<b>Total distributions</b>	<b>(.62)</b>	<b>(.79)</b>	<b>(.84)</b>	<b>(.86)</b>	<b>(.85)</b>
<b>Net asset value, end of period</b>	<b>\$11.78</b>	<b>\$ 12.50</b>	<b>\$ 12.47</b>	<b>\$ 13.44</b>	<b>\$ 13.84</b>
<b>Market price, end of period</b>	<b>\$10.34</b>	<b>\$ 11.78</b>	<b>\$ 12.83</b>	<b>\$ 13.45</b>	<b>\$ 13.27</b>
<b>Total Return</b>					
Based on net asset value (%) <sup>b</sup>	(.35)	6.66	(1.27)	3.51	16.21
Based on market price (%) <sup>b</sup>	(7.18)	(2.30)	1.50	8.04	19.92
<b>Ratios to Average Net Assets Applicable to Common Shareholders and Supplemental Data</b>					
Net assets, end of period (\$ millions)	465	494	491	528	544
Ratio of expenses (%) (including interest expense) <sup>c,d</sup>	2.16	1.88	1.59	1.41	1.45
Ratio of expenses (%) (excluding interest expense) <sup>e</sup>	.86	.85	.85	.88	.88
Ratio of net investment income (%)	4.58	5.20	5.56	6.01 <sup>f</sup>	6.23 <sup>f</sup>
Portfolio turnover rate (%)	51	37	40	19	18

The accompanying notes are an integral part of the financial statements.

**Table of Contents****Financial Highlights** (continued)

	<b>Years Ended November 30,</b>				
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Senior Securities</b>					
Preferred Shares information at period end, aggregate amount outstanding:					
Remarketed Preferred Shares (\$ millions)					10
Series MTPS (\$ millions)	199	199	199	199	189
Asset coverage per share (\$) <sup>g</sup>	16,705	17,423	17,364	18,289	18,675
Liquidation and market price per share (\$)	5,000	5,000	5,000	5,000	5,000

<sup>a</sup> Based on average common shares outstanding during the period.

<sup>b</sup> Total return based on net asset value reflects changes in the Fund's net asset value during each period. Total return based on market price reflects changes in market price. Each figure assumes that dividend and capital gain distributions, if any, were reinvested. These figures will differ depending upon the level of any discount from or premium to net asset value at which the Fund's shares traded during the period.

<sup>c</sup> Interest expense represents interest and fees on short-term floating rate notes issued in conjunction with inverse floating rate securities and interest paid to shareholders of Series MTPS.

<sup>d</sup> The ratio of expenses (based on net assets of common and Preferred Shares, including interest expense) was 1.52%, 1.35%, 1.16%, 1.03% and 1.05% for the periods ended November 30, 2018, 2017, 2016, 2015 and 2014, respectively.

<sup>e</sup> The ratio of expenses (based on net assets of common and Preferred Shares, excluding interest expense) was 0.61%, 0.62%, 0.62%, 0.64% and 0.64% for the periods ended November 30, 2018, 2017, 2016, 2015 and 2014, respectively.

<sup>f</sup> The ratio of net investment income after distributions paid to Remarketed Preferred Shareholders was 6.01% and 6.23% for the periods ended November 30, 2015 and 2014, respectively.

<sup>g</sup> Asset coverage per share equals net assets of common shares plus the liquidation value of the Preferred Shares divided by the total number of Preferred Shares outstanding at the end of the period.

\* Amount is less than \$.005.

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-CSR

The accompanying notes are an integral part of the financial statements.

DWS Municipal Income Trust I **33**

## **Table of Contents**

### **Notes to Financial Statements**

#### **A. Organization and Significant Accounting Policies**

DWS Municipal Income Trust (formerly Deutsche Municipal Income Trust) (the Fund ) is registered under the Investment Company Act of 1940, as amended (the 1940 Act ), as a closed-end, diversified management investment company organized as a Massachusetts business trust.

The Fund's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ( U.S. GAAP ) which require the use of management estimates. Actual results could differ from those estimates. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

In November 2016, the FASB issued Accounting Standards Update 2016-18, Statement of Cash Flows (Topic 230) Restricted Cash ( ASU 2016-18 ). For entities that have restricted cash and are required to present a statement of cash flows, ASU 2016-18 changes the cash flow presentation for restricted cash. Management has evaluated the potential impacts of ASU 2016-18 and expects that the effects of the fund's adoption will be limited to the reclassification of restricted cash on the fund's Statement of Cash Flows and the addition of disclosures regarding the nature of the restrictions on restricted cash, if any. ASU 2016-18 will be effective for annual reporting periods beginning after December 15, 2017, and interim periods within those annual periods.

In October 2018, the Securities and Exchange Commission adopted amendments to certain disclosure requirements in Securities Act Release No. 33-10532, Disclosure Update and Simplification, which is intended to facilitate the disclosure of information to investors and simplify compliance without significantly altering the total mix of information provided to investors. Effective with the current reporting period, the Fund adopted the amendments with the impacts being that the Fund is no longer required to present components of distributable earnings on the Statement of Assets and Liabilities or the sources of distributable earnings and the amount of undistributed net investment income on the Statements of Changes in Net Assets.

**Security Valuation.** Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2

**Table of Contents**

includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Municipal debt securities are valued at prices supplied by independent pricing services approved by the Fund's Board, whose valuations are intended to reflect the mean between the bid and asked prices. Such services may use various pricing techniques which take into account appropriate factors such as yield, quality, coupon rate, maturity, type of issue, trading characteristics and other data, as well as broker quotes. If the pricing services are unable to provide valuations, the securities are valued at the mean of the most recent bid and asked quotations or evaluated prices, as applicable, obtained from one or more broker-dealers. These securities are generally categorized as Level 2.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Board and are generally categorized as Level 3. In accordance with the Fund's valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company's or issuer's financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund's Investment Portfolio.

**When Issued/Delayed Delivery Securities.** The Fund may purchase or sell securities with delivery or payment to occur at a later date beyond the normal settlement period. At the time the Fund enters into a commitment to purchase or sell a security, the transaction is recorded and the value of the transaction is reflected in the net asset value. The price of such security and the date when the security will be delivered and paid for are

---

**Table of Contents**

fixed at the time the transaction is negotiated. The value of the security may vary with market fluctuations. At the time the Fund enters into a purchase transaction it is required to segregate cash or other liquid assets at least equal to the amount of the commitment. Additionally, the Fund may be required to post securities and/or cash collateral in accordance with the terms of the commitment.

Certain risks may arise upon entering into when-issued or delayed delivery transactions from the potential inability of counterparties to meet the terms of their contracts or if the issuer does not issue the securities due to political, economic, or other factors. Additionally, losses may arise due to changes in the value of the underlying securities.

**Inverse Floaters.** The Fund invests in inverse floaters. Inverse floaters are debt instruments with a weekly floating rate of interest that bears an inverse relationship to changes in the short-term interest rate market. Inverse floaters are created by depositing a fixed-rate long-term municipal bond into a special purpose Tender Offer Bond trust (the TOB Trust). In turn the TOB Trust issues a short-term floating rate note and an inverse floater. The short-term floating rate note is issued in a face amount equal to some fraction of the underlying bond's par amount and is sold to a third party, usually a tax-exempt money market fund. The Fund receives the proceeds from the sale of the short-term floating rate note and uses the cash proceeds to make additional investments. The short-term floating rate note represents leverage to the Fund. The Fund, as the holder of the inverse floater, has full exposure to any increase or decrease in the value of the underlying bond. The income stream from the underlying bond in the TOB Trust is divided between the floating rate note and the inverse floater. The inverse floater earns all of the interest from the underlying long-term fixed-rate bond less the amount of interest paid on the floating rate note and the expenses of the TOB Trust. The floating rate notes issued by the TOB Trust are valued at cost, which approximates fair value.

By holding the inverse floater, the Fund has the right to collapse the TOB Trust by causing the holders of the floating rate instrument to tender their notes at par and have the broker transfer the underlying bond to the Fund. The floating rate note holder can also elect to tender the note for redemption at par at each reset date. The Fund accounts for these transactions as a form of secured borrowing, by reflecting the value of the underlying bond in the investments of the Fund and the amount owed to the floating rate note holder as a liability under the caption Payable for floating rate notes issued in the Statement of Assets and Liabilities. Income earned on the underlying bond is included in interest income, and interest paid on the floaters and the expenses of the TOB Trust are included in Interest expense on floating rate notes in the Statement of Operations. For the year ended November 30, 2018, interest expense related to floaters amounted to \$1,398,403. The weighted average

## **Table of Contents**

outstanding daily balance of the floating rate notes issued during the year ended November 30, 2018 was approximately \$69,987,000, with a weighted average interest rate of 2.00%.

The Fund may enter into shortfall and forbearance agreements by which the Fund agrees to reimburse the TOB Trust, in certain circumstances, for the difference between the liquidation value of the underlying bond held by the TOB Trust and the liquidation value of the floating rate notes plus any shortfalls in interest cash flows. This could potentially expose the Fund to losses in excess of the value of the Fund's inverse floater investments. In addition, the value of inverse floaters may decrease significantly when interest rates increase. The market for inverse floaters may be more volatile and less liquid than other municipal bonds of comparable maturity. The TOB Trust could be terminated outside of the Fund's control, resulting in a reduction of leverage and disposal of portfolio investments at inopportune times and prices. Investments in inverse floaters generally involve greater risk than in an investment in fixed-rate bonds.

The final rules implementing Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Volcker Rule) preclude banking entities from sponsoring and/or providing services to TOB Trusts. In response to these rules, investment market participants have developed new TOB Trust structures that are intended to ensure that banking entities do not sponsor TOB Trusts in violation of the Volcker Rule. All Fund TOB Trusts are structured to be in compliance with the Volcker Rule. A Volcker-compliant TOB Trust structure is similar to pre-Volker TOB Trust structures, with certain key differences. The basic features of a Volcker-compliant TOB Trust structure are as follows:

Portfolio management continues to make certain basic investment determinations, such as which bonds are placed in the TOB Trust, the amount of leverage for any given transaction, whether the transaction is structured as non-recourse or recourse, etc.

Similar to pre-Volker TOB Trust structures, the fund continues to be the holder of the TOB Inverse Floater Residual Interests.

Unlike pre-Volker TOB Trust structures, a bank or financial institution no longer serves as the sponsor, depositor, or trust administrator nor does it have any discretionary decision making authority with respect to the TOB Trust.

Consistent with pre-Volker TOB Trust structures, a bank or financial institution serves as the trustee, liquidity provider, and remarketing agent.

A third-party administrative agent retained by the fund performs certain of the roles and responsibilities historically provided by banking entities in pre-Volker TOB Trust structures, including certain historical sponsor/administrative roles and responsibilities.

**Table of Contents**

The ultimate impact of the Volker Rule on the inverse floater market and the municipal market generally is not yet certain. Such changes could make early unwinds of TOB Trusts more likely, may make the use of TOB Trusts more expensive, and may make it more difficult to use TOB Trusts in general. The new rules may also expose the Fund to additional risks, including, but not limited to, compliance, securities law and operational risks.

**Federal Income Taxes.** The Fund's policy is to comply with the requirements of the Internal Revenue Code, as amended, which are applicable to regulated investment companies, and to distribute all of its taxable and tax-exempt income to its shareholders.

At November 30, 2018, the Fund had a net tax basis capital loss carryforward of approximately \$1,297,000, which may be applied against any realized net taxable capital gains until fully utilized or until November 30, 2019, the expiration date, whichever occurs first.

The Fund has reviewed the tax positions for the open tax years as of November 30, 2018 and has determined that no provision for income tax and/or uncertain tax provisions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

**Distribution of Income and Gains.** Distributions from net investment income of the Fund are declared and distributed to shareholders monthly. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations, which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to certain securities sold at a loss, reclassification of distributions and accretion of market discount on debt securities. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At November 30, 2018, the Fund's components of distributable earnings (accumulated losses) on a tax basis were as follows:

Undistributed tax-exempt income	\$ 1,607,939
Undistributed ordinary income*	\$ 441,427
Capital loss carryforwards	\$ (1,297,000)
Net unrealized appreciation (depreciation) on investments	\$ 31,068,998



**Table of Contents**

At November 30, 2018, the aggregate cost of investments for federal income tax purposes was \$624,348,769. The net unrealized appreciation for all investments based on tax cost was \$31,068,998. This consisted of aggregate gross unrealized appreciation for all investments which there was an excess of value over tax cost of \$36,689,527 aggregate gross unrealized depreciation for all investment in which was an excess of tax cost over value of \$5,620,529.

In addition, the tax character of distributions paid to common shareholders by the Fund is summarized as follows:

	<b>Years Ended November 30,</b>	
	<b>2018</b>	<b>2017</b>
Distributions from ordinary income*	\$ 343,658	\$ 398,009
Distributions from tax-exempt income	\$ 24,039,139	\$ 30,531,389

\* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

**Preferred Shares.** At November 30, 2018, the Fund had issued and outstanding 39,750 Floating Rate Municipal Term Preferred Shares ( Series 2018 MTPS ) with an aggregate liquidation preference of \$198,750,000 (\$5,000 per share). The Series 2018 MTPS are floating rate preferred shares with an original mandatory term redemption date of June 1, 2018, unless extended. Effective December 1, 2017, the terms of the Series 2018 MTPS were amended to extend the term redemption date of the Series 2018 MTPS to December 1, 2020. Except for the above-described extension and a related technical amendment, the other material terms and conditions of the Series 2018 MTPS remained the same. The extension did not result in any changes to the Series 2018 MTPS aggregate liquidation preference of \$198,750,000 or the Series 2018 MTPS dividend rate. Dividends on the Series 2018 MTPS are set weekly to a fixed spread (dependent on the then current rating of the Series 2018 MTPS) to the Securities Industry and Financial Markets Association ( SIFMA ) Municipal Swap Index. The average annualized dividend rate on the Series 2018 MTPS for the period December 1, 2017 through November 30, 2018 was 2.38%. In the Fund's Statement of Assets and Liabilities, the Series 2018 MTPS aggregate liquidation preference is shown as a liability since the Series 2018 MTPS have a stated mandatory redemption date. Dividends paid on the Series 2018 MTPS are treated as interest expense and recorded as incurred. For the period December 1, 2017 through November 30, 2018, interest expense related to Series 2018 MTPS amounted to \$4,778,805. Costs directly related to the issuance of Series 2018 MTPS have been deferred and are being amortized over the life of the MTPS. During the year ended November 30, 2018, the Fund amortized \$19,935 of Series 2018 MTPS deferred costs, which are included in the Statement of Operations under

**Table of Contents**

Interest expense and amortization of deferred cost on Series 2018 MTPS . The Series 2018 MTPS are senior in priority to the Fund s outstanding common shares as to payments of dividends and distributions upon liquidation.

As a result of the Series 2018 MTPS term date extension, the Fund s leverage attributable to preferred shares remained unchanged.

Under the terms of a purchase agreement between the Fund and the initial purchaser of the Series 2018 MTPS, the Fund is subject to various investment restrictions. These investment restrictions are, in certain respects, more restrictive than those to which the Fund is otherwise subject in accordance with its investment objective and policies. Such restrictions may limit the investment flexibility that might otherwise be pursued by the Fund if the Series 2018 MTPS were not outstanding. In addition, the Fund is subject to certain restrictions on its investments imposed by guidelines of the rating agencies that rate the Series 2018 MTPS, which guidelines may be changed by the applicable rating agency, in its sole discretion, from time to time. These guidelines may impose asset coverage or portfolio composition requirements that are more stringent than those imposed on the Fund by the 1940 Act. Moreover, the Fund is required to maintain various asset coverage ratios with respect to the Series 2018 MTPS in accordance with the Fund s charter documents and the 1940 Act.

The 1940 Act requires that the preferred shareholders of the Fund, voting as a separate class, have the right to: a) elect at least two trustees at all times, and b) elect a majority of the trustees at any time when dividends on the preferred shares are unpaid for two full years. Unless otherwise required by law or under the terms of the preferred shares, each preferred shareholder is entitled to one vote and preferred shareholders will vote together with common shareholders as a single class.

Leverage involves risks and special considerations for the Fund s common shareholders, including the likelihood of greater volatility of net asset value and market price of, and dividends on, the Fund s common shares than a comparable portfolio without leverage; the risk that fluctuations in interest rates will reduce the return to common shareholders; and the effect of leverage in a declining market, which is likely to cause a greater decline in the net asset value of the Fund s common shares than if the Fund were not leveraged, which may result in a greater decline in the market price of the Fund s common shares. Changes in the value of the Fund s portfolio will be borne entirely by the common shareholders. If there is a net decrease (or increase) in the value of the Fund s investment portfolio, leverage will decrease (or increase) the net asset value per share to a greater extent than if leverage were not used. It is also possible that the Fund will be required to sell assets at a time when it would otherwise not do so, possibly at a loss, in order to

## **Table of Contents**

redeem preferred shares to comply with asset coverage or other restrictions imposed by the rating agencies that rate the preferred shares. There is no assurance that the Fund's leveraging strategy will be successful.

**Statement of Cash Flows.** Information on financial transactions which have been settled through the receipt and disbursement of cash is presented in the Statement of Cash Flows. The cash amount shown in the Statement of Cash Flows represents the cash position at the Fund's custodian bank at November 30, 2018.

**Contingencies.** In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

**Other.** Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Realized gains and losses from investment transactions are recorded on an identified cost basis. All premiums and discounts are amortized/accreted for financial reporting purposes, with the exception of securities in default of principal.

## **B. Purchases and Sales of Securities**

During the year ended November 30, 2018, purchases and sales of investment securities (excluding short-term investments) aggregated \$378,006,399 and \$396,689,626, respectively.

## **C. Related Parties**

**Management Agreement.** Under the Investment Management Agreement with DWS Investment Management Americas, Inc. (formerly Deutsche Investment Management Americas Inc.) ( DIMA or the Advisor ), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA ( DWS Group ), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund. In addition to portfolio management services, the Advisor provides certain administrative services in accordance with the Investment Management Agreement. The management fee payable under the Investment Management Agreement is equal to an annual rate of 0.55% of the Fund's average weekly net assets, computed and accrued daily and payable monthly. Average weekly net assets, for

## **Table of Contents**

purposes of determining the management fee, means the average weekly value of the total assets of the Fund, minus the sum of accrued liabilities of the Fund (other than the liquidation value of the Series 2018 MTPS).

**Service Provider Fees.** DWS Service Company ( DSC ), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and DST Systems, Inc. ( DST ), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to DST. DSC compensates DST out of the shareholder servicing fee it receives from the Fund. For the year ended November 30, 2018, the amount charged to the Fund by DSC aggregated \$19,482, of which \$3,494 is unpaid.

**Typesetting and Filing Service Fees.** Under an agreement with the Fund, DIMA is compensated for providing certain pre-press and regulatory filing services to the Fund. For the year ended November 30, 2018, the amount charged to the Fund by DIMA included in the Statement of Operations under Reports to shareholders aggregated \$14,959, of which \$8,173 is unpaid.

**Trustees Fees and Expenses.** The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

**Transactions with Affiliates.** The Fund may purchase securities from, or sell securities to, an affiliated fund provided the affiliation is solely due to having a common investment adviser, common officers or common trustees. During the year ended November 30, 2018, the Fund engaged in securities purchases of \$130,095,000 and securities sales of \$120,300,000 with an affiliated fund in compliance with Rule 17a-7 under the 1940 Act.

## **D. Share Repurchases**

The Board has authorized the Fund to effect periodic repurchases of its outstanding shares in the open market from time to time when the Fund's shares trade at a discount to their net asset value. During the year ended November 30, 2018 and the year ended November 30, 2017, the Fund did not repurchase shares in the open market.

On September 20, 2017, the Fund announced that the Fund's Board of Trustees extended the Fund's existing open market share repurchase program for an additional 12-month period. The Fund was authorized to continue to purchase outstanding shares of common stock in open-market transactions over the period from December 1, 2017 until November 30, 2018, when the Fund's shares trade at a discount to net asset value.

**Table of Contents**

On September 19, 2018, the Fund announced that the Fund's Board of Trustees extended the Fund's existing open market share repurchase program for an additional 12-month period. The Fund may continue to purchase outstanding shares of common stock in open-market transactions over the period from December 1, 2018 until November 30, 2019, when the Fund's shares trade at a discount to net asset value. The Board's authorization of the repurchase program extension follows the previous repurchase program, which commenced on December 1, 2017 and ran until November 30, 2018.

**Table of Contents**

**Report of Independent Registered**

**Public Accounting Firm**

**To the Board of Trustees and Shareholders of DWS Municipal Income Trust:**

***Opinion on the Financial Statements***

We have audited the accompanying statement of assets and liabilities of DWS Municipal Income Trust (formerly Deutsche Municipal Income Trust) (the Fund ), including the investment portfolio, as of November 30, 2018, and the related statement of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the financial statements ). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund at November 30, 2018, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

***Basis for Opinion***

These financial statements are the responsibility of the Fund s management. Our responsibility is to express an opinion on the Fund s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ( PCAOB ) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of the Fund s internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial

**Table of Contents**

reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of November 30, 2018, by correspondence with the custodian and brokers. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts

January 23, 2019

DWS Municipal Income Trust | 45

**Table of Contents**

**Tax Information**

**(Unaudited)**

Of the dividends paid from net investment income for the taxable year ended November 30, 2018, 100% are designated as exempt-interest dividends for federal income tax purposes.

Please contact a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please call (800) 728-3337.

**46** | DWS Municipal Income Trust



**Table of Contents****Shareholder Meeting Results****(Unaudited)**

The Annual Meeting of Shareholders (the Meeting ) of DWS Municipal Income Trust (the Fund ) was held on September 12, 2018. At the close of business on July 12, 2018, the record date for the determination of shareholders entitled to vote at the Meeting, there were issued and outstanding 39,500,937.98 common shares and 39,750 preferred shares, each share being entitled to one vote, constituting all of the Fund s outstanding voting securities. At the Meeting, the holders of 36,637,727 common and preferred shares were represented in person or by proxy, constituting a quorum. The following matter was voted upon by the shareholders of the Fund.

1. To elect the following five individuals as Trustees of the Fund.

All of the nominees received a sufficient number of votes to be elected (the resulting votes are presented below):

Class I Trustees elected by Common and Preferred Shareholders voting together

	<b>Number of Votes:</b>	
	<b>For</b>	<b>Withheld</b>
Dawn-Marie Driscoll	34,513,580	2,124,147
Richard J. Herring	34,151,596	2,486,131
William N. Searcy, Jr.	34,513,927	2,123,800
Trustees elected by Preferred Shareholders only		

	<b>Number of Votes:</b>	
	<b>For</b>	<b>Withheld</b>
Keith R. Fox	39,750	0
Paul K. Freeman	39,750	0
John W. Ballantine, Henry P. Becton, Jr., William McClayton, Rebecca W. Rimel, and Jean Gleason Stromberg are each a Class II or Class III Trustee whose term of office continued after the Meeting.		

**Table of Contents**

**Dividend Reinvestment and Cash Purchase Plan**

The Board of Trustees of the Fund has established a Dividend Reinvestment and Cash Purchase Plan (the Plan) for shareholders that elect to have all dividends and distributions automatically reinvested in shares of the Fund (each a Participant). DST Systems, Inc. (the Plan Agent) has been appointed by the Fund's Board of Trustees to act as agent for each Participant.

A summary of the Plan is set forth below. Shareholders may obtain a copy of the entire Dividend Reinvestment and Cash Purchase Plan by visiting the Fund's Web site at [dws.com](http://dws.com) or by calling (800) 294-4366.

If you wish to participate in the Plan and your shares are held in your own name, contact DWS Service Company (the Transfer Agent) at P.O. Box 219066, Kansas City, Missouri 64121-9066 or (800) 294-4366 for the appropriate form. Current shareholders may join the Plan by either enrolling their shares with the Transfer Agent or making an initial cash deposit of at least \$250 with the Transfer Agent. First-time investors in the Fund may join the Plan by making an initial cash deposit of at least \$250 with the Transfer Agent. Initial cash deposits will be invested within approximately 30 days. If your shares are held in the name of a broker or other nominee, you should contact the broker or nominee in whose name your shares are held to determine whether and how you may participate in the Plan.

The Transfer Agent will establish a Dividend Investment Account (the Account) for each Participant in the Plan. The Transfer Agent will credit to the Account of each Participant any cash dividends and capital gains distributions (collectively, Distributions) paid on shares of the Fund (the Shares) and any voluntary cash contributions made pursuant to the Plan. Shares in a Participant's Account are transferable upon proper written instructions to the Transfer Agent.

If, on the valuation date for a Distribution, Shares are trading at a discount from net asset value per Share, the Plan Agent shall apply the amount of such Distribution payable to a Participant (less a Participant's pro rata share of brokerage commissions incurred with respect to open-market purchases in connection with the reinvestment of such Distribution) to the purchase on the open market of Shares for a Participant's Account. If, on the valuation date for a Distribution, Shares are trading at a premium over net asset value per Share, the Fund will issue on the payment date, Shares valued at net asset value per Share on the valuation date to the Transfer Agent in the aggregate amount of the funds credited to a Participant's Account. The Fund will increase the price at which Shares may be issued under the Plan to 95% of the fair market value of the

**Table of Contents**

Shares on the valuation date if the net asset value per Share of the Shares on the valuation date is less than 95% of the fair market value of the Shares on the valuation date. The valuation date will be the payment date for Distributions. Open-market purchases will be made on or shortly after the valuation date for Distributions, and in no event more than 30 days after such date except where temporary curtailment or suspension of purchase is necessary to comply with applicable provisions of federal securities law.

A Participant may from time to time make voluntary cash contributions to his or her Account in a minimum amount of \$100 in any month (with a \$36,000 annual limit) for the purchase on the open market of Shares for the Participant's Account. Such voluntary contributions will be invested by the Plan Agent on or shortly after the 15th of each month and in no event more than 30 days after such dates, except where temporary curtailment or suspension of purchase is necessary to comply with applicable provisions of federal securities law. Voluntary cash contributions received from a Participant on or prior to the fifth day preceding the 15th of each month will be applied by the Plan Agent to the purchase of additional Shares as of that investment date. No interest will be paid on voluntary cash contributions held until investment. Consequently, Participants are strongly urged to ensure that their payments are received by the Transfer Agent on or prior to the fifth day preceding the 15th of any month. Voluntary cash contributions should be made in U.S. dollars and be sent by first-class mail, postage prepaid only to the following address (deliveries to any other address do not constitute valid delivery):

DWS Municipal Income Trust  
Dividend Reinvestment and Cash Purchase Plan  
c/o DWS Service Company  
P.O. Box 219066  
Kansas City, MO 64121-9066  
(800) 294-4366

Participants may withdraw their entire voluntary cash contribution by written notice received by the Transfer Agent not less than 48 hours before such payment is to be invested.

The cost of Shares acquired for each Participant's Account in connection with the Plan shall be determined by the average cost per Share, including brokerage commissions, of the Shares acquired. There will be no brokerage charges with respect to Shares issued directly by the Fund as a result of Distributions. However, each Participant will pay a pro rata share of brokerage commissions incurred with respect to open market purchases.

The reinvestment of Distributions does not relieve the Participant of any tax that may be payable on the Distributions. The Transfer Agent will

**Table of Contents**

report to each Participant the taxable amount of Distributions credited to his or her Account. Participants will be treated for federal income tax purposes as receiving the amount of the Distributions made by the Fund, which amount generally will be either equal to the amount of the cash distribution the Participant would have received if the Participant had elected to receive cash or, for Shares issued by the Fund, the fair market value of the Shares issued to the Participant.

The Fund may amend the Plan at any time or times but, only by mailing to each Participant appropriate written notice at least 90 days prior to the effective date thereof except when necessary or appropriate to comply with applicable law or the rules or policies of the Securities and Exchange Commission or any other regulatory authority in which case such amendment shall be effective as soon as practicable. The Plan also may be terminated by the Fund.

Shareholders may withdraw from the Plan at any time by giving the Transfer Agent a written notice. A notice of withdrawal will be effective immediately following receipt of the notice by the Transfer Agent provided the notice is received by the Transfer Agent at least ten calendar days prior to the record date for the Distribution; otherwise such withdrawal will be effective after the investment of the current Distribution. When a Participant withdraws from the Plan, or when the Plan is terminated by the Fund, the Participant will receive a certificate for full Shares in the Account, plus a check for any fractional Shares based on market price; or, if a Participant so desires, the Transfer Agent will notify the Plan Agent to sell his or her Shares in the Plan and send the proceeds to the Participant, less brokerage commissions.

All correspondence and inquiries concerning the Plan, and requests for additional information about the Plan, should be directed to DWS Service Company at P.O. Box 219066, Kansas City, Missouri 64121-9066 or (800) 294-4366.

**Table of Contents**

**Advisory Agreement Board Considerations and Fee Evaluation**

The Board of Trustees (hereinafter referred to as the Board or Trustees ) approved the renewal of DWS Municipal Income Trust s (the Fund ) investment management agreement (the Agreement ) with DWS Investment Management Americas, Inc. ( DIMA ) in September 2018.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

During the entire process, all of the Fund s Trustees were independent of DIMA and its affiliates (the Independent Trustees ).

The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board s Contract Committee reviewed extensive materials received from DIMA, independent third parties and independent counsel. These materials included an analysis of the Fund s performance, fees and expenses, and profitability from a fee consultant retained by the Fund s Independent Trustees (the Fee Consultant ). Based on its evaluation of the information provided, the Contract Committee presented its findings and recommendations to the Board. The Board then reviewed the Contract Committee s findings and recommendations.

The Board also received extensive information throughout the year regarding performance of the Fund.

The Independent Trustees regularly met privately with counsel to discuss contract review and other matters. In addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund s contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.

In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund s transfer agency agreement and other material service agreements.

In connection with the contract review process, the Contract Committee and the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the

**Table of Contents**

Fund. DIMA is part of DWS Group GmbH & Co. KGaA ( DWS Group ). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. In 2018, approximately 20% of DWS Group s shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund s performance. In many cases, this led to the negotiation and implementation of expense caps. As part of these negotiations, the Board indicated that it would consider relaxing these caps in future years following sustained improvements in performance, among other considerations.

While shareholders may focus primarily on fund performance and fees, the Fund s Board considers these and many other factors, including the quality and integrity of DIMA s personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

**Nature, Quality and Extent of Services.** The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services and administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board reviewed the Fund s performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct ( Morningstar ), an independent fund data service. The Board also noted that it has put into place a process of identifying Funds in Review (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA s plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2017, the Fund s net asset value performance was in the 4th quartile of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has outperformed its benchmark in the one-, three- and five-year periods ended December 31, 2017. The Board noted the disappointing investment performance of the Fund in recent periods and continued to discuss with senior management of DIMA the factors contributing to such underperformance and actions being taken to

**Table of Contents**

improve performance. The Board recognized the efforts by DIMA in recent years to enhance its investment platform and improve long-term performance across the DWS fund complex.

**Fees and Expenses.** The Board considered the Fund's investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ( Broadridge ) and the Fee Consultant regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund were equal to the median of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2017). The Board noted that the Fund's total (net) operating expenses excluding certain investment related expenses and based on managed assets were expected to be lower than the median (2nd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2017). The Board considered the Fund's management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds ( DWS Funds ) and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors ( DWS Europe Funds ) managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA. The Board concluded that the Fund's fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

**Profitability.** The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board and the Fee Consultant reviewed DIMA's methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not

## **Table of Contents**

unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates' overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was lower than the overall profitability levels of most comparable firms for which such data was available.

**Other Benefits to DIMA and Its Affiliates.** The Board also considered the character and amount of other incidental or fall-out benefits received by DIMA and its affiliates, including any fees received by an affiliate of DIMA for transfer agency services provided to the Fund. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund's management fees were reasonable.

**Compliance.** The Board considered the significant attention and resources dedicated by DIMA to its compliance processes in recent years. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA's and the Fund's chief compliance officers and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board unanimously determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement.



**Table of Contents**

**Board Members and Officers**

The following table presents certain information regarding the Board Members and Officers of the fund. Each Board Member's year of birth is set forth in parentheses after his or her name. Unless otherwise noted, (i) each Board Member has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity; and (ii) the address of each Independent Board Member is c/o Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600. The Board is divided into three classes of Board Members, Class I, Class II and Class III. At each annual meeting of shareholders of the Trust, the class of Board Members elected at such meeting is elected to hold office until the annual meeting held in the third succeeding year and until the election and qualification of such Board Member's successor, if any, or until such Board Member sooner dies, resigns, retires or is removed. In addition, at each annual meeting of shareholders of the Trust, two Board Members are elected by the holders of Preferred Shares, voting as a separate class ( Preferred Class ), to serve until the next annual meeting and until the election and qualification of such Board Member's successor, if any, or until such Board Member sooner dies, resigns, retires or is removed. The Board Members may also serve in similar capacities with other funds in the fund complex.

Class I Board Members were last elected in 2018 and will serve until the 2021 Annual Meeting of Shareholders. Class II Board Members were last elected in 2016 and will serve until the 2019 Annual Meeting of Shareholders. Class III Board Members were last elected in 2017 and will serve until the 2020 Annual Meeting of Shareholders. Preferred Class Board Members were last elected in 2018 and will serve until the 2019 Annual Meeting of Shareholders.

**Independent Board Members**

<b>Name, Year of Birth, Position with the Fund and Length of Time Served<sup>1</sup></b>	<b>Business Experience and Directorships During the Past Five Years</b>	<b>Number of Funds in DWS Fund Complex Overseen</b>	<b>Other Directorships Held by Board Member</b>
Keith R. Fox, CFA (1954)	Managing General Partner, Exeter Capital Partners (a series of private investment funds) (since 1986). Directorships: Progressive International Corporation (kitchen goods importer and distributor); The Kennel Shop (retailer); former Chairman, National Association of Small Business Investment Companies; former Directorships: BoxTop Media Inc. (advertising); Sun Capital Advisers Trust (mutual funds) (2011-2012)	82	
Preferred Class			
Chairperson since 2017, and Board Member since 1996			

**Table of Contents**

<b>Name, Year of Birth, Position with the Fund and Length of Time Served<sup>1</sup></b>	<b>Business Experience and Directorships During the Past Five Years</b>	<b>Number of Funds in DWS Fund Complex Overseen</b>	<b>Other Directorships Held by Board Member</b>
John W. Ballantine (1946)  Class III  Board Member since 1999	Retired; formerly, Executive Vice President and Chief Risk Management Officer, First Chicago NBD Corporation/The First National Bank of Chicago (1996-1998); Executive Vice President and Head of International Banking (1995-1996); former Directorships: Director and former Chairman of the Board, Healthways, Inc. <sup>2</sup> (population well-being and wellness services) (2003-2014); Stockwell Capital Investments PLC (private equity); Enron Corporation; FNB Corporation; Tokheim Corporation; First Oak Brook Bancshares, Inc. and Oak Brook Bank; Prisma Energy International; Public Radio International. Not-for-Profit Director, Trustee: Palm Beach Civic Association; Window to the World Communications (public media); Harris Theater for Music and Dance (Chicago); Life Director of Hubbard Street Dance Chicago	82	Portland General Electric <sup>2</sup> (utility company) (2003 present)
Henry P. Becton, Jr. (1943)  Class II  Board Member since 1990	Vice Chair and former President, WGBH Educational Foundation. Directorships: Public Radio International; Public Radio Exchange (PRX); The Pew Charitable Trusts (charitable organization); Massachusetts Humane Society; Overseer of the New England Conservatory; former Directorships: Becton Dickinson and Company <sup>2</sup> (medical technology company); Belo Corporation <sup>2</sup> (media company); The PBS Foundation; Association of Public Television Stations; Boston Museum of Science; American Public Television; Concord Academy; New England Aquarium; Mass. Corporation for Educational Telecommunications; Committee for Economic Development; Public Broadcasting Service; Connecticut College; North Bennett Street School (Boston); American Documentary, Inc. (public media)	82	
Dawn-Marie Driscoll (1946)  Class I	Emeritus Executive Fellow, Center for Business Ethics, Bentley University; formerly: President, Driscoll Associates (consulting firm); Partner, Palmer & Dodge (law firm) (1988-1990); Vice President of Corporate Affairs and General Counsel, Filene's (retail) (1978-1988). Directorships: Advisory Board, Center for Business Ethics, Bentley University; Trustee and former Chairman of the Board, Southwest Florida Community Foundation (charitable organization);	82	

Board Member  
since 1987

former Directorships: ICI Mutual Insurance Company (2007 2015); Sun Capital Advisers Trust (mutual funds) (2007 2012), Investment Company Institute (audit, executive, nominating committees) and Independent Directors Council (governance, executive committees)

56 | DWS Municipal Income Trust

**Table of Contents**

<b>Name, Year of Birth, Position with the Fund and Length of Time Served<sup>1</sup></b>	<b>Business Experience and Directorships During the Past Five Years</b>	<b>Number of Funds in DWS Fund Complex Overseen</b>	<b>Other Directorships Held by Board Member</b>
Paul K. Freeman* (1950)  Preferred  Class	Consultant, World Bank/Inter-American Development Bank; Independent Directors Council (former chair); Investment Company Institute (executive committee); Adjunct Professor, University of Denver Law School (2017 present); formerly: Chairman of Education Committee of Independent Directors Council; Project Leader, International Institute for Applied Systems Analysis (1998 2001); Chief Executive Officer, The Eric Group, Inc. (environmental insurance) (1986 1998); Directorships: Knoebel Institute for Healthy Aging, University of Denver (2017 present); former Directorships: Prisma Energy International; Denver Zoo Foundation (2012 2018)	82	
Board Member since 1993 Richard J. Herring (1946)  Class I	Jacob Safra Professor of International Banking and Professor of Finance, The Wharton School, University of Pennsylvania (since July 1972); Director, The Wharton Financial Institutions Center (since 1994); formerly: Vice Dean and Director, Wharton Undergraduate Division (1995 2000) and Director, The Lauder Institute of International Management Studies (2000 2006); Member FDIC Systemic Risk Advisory Committee since 2011, member Systemic Risk Council since 2012 and member of the Advisory Board at the Yale Program on Financial Stability since 2013; Formerly Co-Chair of the Shadow Financial Regulatory Committee (2003 2015), Executive Director of The Financial Economists Roundtable (2008 2015), Director of The Thai Capital Fund (2007 2013), Director of The Aberdeen Singapore Fund (2007 2018), and Nonexecutive Director of Barclays Bank DE (2010 2018)	82	Director, Aberdeen Japan Fund (since 2007)
Board Member since 1990  William McClayton (1944)  Class II	Private equity investor (since October 2009); previously, Managing Director, Diamond Management & Technology Consultants, Inc. (global consulting firm) (2001 2009); Directorship: Board of Managers, YMCA of Metropolitan Chicago; formerly: Senior Partner, Arthur Andersen LLP (accounting) (1966 2001); Trustee, Ravinia Festival	82	

Board Member  
since 2004

**Table of Contents**

<b>Name, Year of Birth, Position with the Fund and Length of Time Served<sup>1</sup></b>	<b>Business Experience and Directorships During the Past Five Years</b>	<b>Number of Funds in DWS Fund Complex Overseen</b>	<b>Other Directorships Held by Board Member</b>
Rebecca W. Rimel (1951)  Class III  Board Member since 1995	President, Chief Executive Officer and Director, The Pew Charitable Trusts (charitable organization) (1994 present); formerly: Executive Vice President, The Glenmede Trust Company (investment trust and wealth management) (1983 2004); Board Member, Investor Education (charitable organization) (2004 2005); Trustee, Executive Committee, Philadelphia Chamber of Commerce (2001 2007); Director, Viasys Health Care <sup>2</sup> (January 2007 June 2007); Trustee, Thomas Jefferson Foundation (charitable organization) (1994 2012)	82	Director, Becton Dickinson and Company <sup>2</sup> (medical technology company) (2012 present); Director, BioTelemetry Inc. <sup>2</sup> (health care) (2009 present)
William N. Searcy, Jr. (1946)  Class I  Board Member since 1993	Private investor since October 2003; formerly: Pension & Savings Trust Officer, Sprint Corporation <sup>2</sup> (telecommunications) (November 1989 September 2003); Trustee, Sun Capital Advisers Trust (mutual funds) (1998 2012)	82	
Jean Gleason Stromberg (1943)  Class II  Board Member since 1997	Retired. Formerly, Consultant (1997 2001); Director, Financial Markets U.S. Government Accountability Office (1996 1997); Partner, Norton Rose Fulbright, L.L.P. (law firm) (1978 1996); former Directorships: The William and Flora Hewlett Foundation (charitable organization) (2000 2015); Service Source, Inc. (nonprofit), Mutual Fund Directors Forum (2002 2004), American Bar Retirement Association (funding vehicle for retirement plans) (1987 1990 and 1994 1996)	82	
<b>Officers<sup>4</sup></b>	<b>Business Experience and Directorships During the Past Five Years</b>		
<b>Name, Year of Birth, Position with the Fund and</b>	<b>Business Experience and Directorships During the Past Five Years</b>		

**Length of Time Served<sup>5</sup>**

Hepsen Uzcan<sup>6</sup> (1974)

Managing Director<sup>3</sup>, DWS; Secretary, DWS USA Corporation (since March 2018); Assistant Secretary, DWS Distributors, Inc. (since June 25, 2018); Director and Vice President, DWS Service Company (since June 25, 2018); Assistant Secretary, DWS Investment Management Americas, Inc. (since June 25, 2018); and Director and President, DB Investment Managers, Inc. (since June 25, 2018); formerly: Vice President for the Deutsche funds (2016 2017)

President and Chief Executive Officer,  
2017 present

Assistant Secretary, 2013 present  
John Millette<sup>8</sup> (1962)

Director,<sup>3</sup> DWS; Chief Legal Officer, DWS Investment Management Americas, Inc. (2015 present); and Director and Vice President, DWS Trust Company (2016 present); formerly: Secretary, Deutsche Investment Management Americas Inc. (2015 2017)

Vice President and Secretary,  
1999 present

**58** | DWS Municipal Income Trust

**Table of Contents**

**Officers<sup>4</sup>**

**Name, Year of Birth,  
Position with the Fund and  
Length of Time Served<sup>5</sup>**

**Business Experience and Directorships During the Past  
Five Years**

Diane Kenneally<sup>8,9</sup> (1966)

Director<sup>3</sup>, DWS; formerly: Assistant Treasurer for the DWS funds (2007-2018)

Treasurer and Chief Financial Officer  
since 2018

Caroline Pearson<sup>8</sup> (1962)

Managing Director,<sup>3</sup> DWS; formerly: Secretary, Deutsche AM Distributors, Inc. (2002-2017); and Secretary, Deutsche AM Service Company (2010-2017)

Chief Legal Officer, 2010-present

Scott D. Hogan<sup>8</sup> (1970)

Director,<sup>3</sup> DWS

Chief Compliance Officer, 2016-present

Wayne Salit<sup>7</sup> (1967)

Director<sup>3</sup>, Deutsche Bank; and AML Officer, DWS Trust Company; formerly: Managing Director, AML Compliance Officer at BNY Mellon (2011-2014); and Director, AML Compliance Officer at Deutsche Bank (2004-2011)

Anti-Money Laundering Compliance  
Officer, 2014-present

Sheila Cadogan<sup>8</sup> (1966)

Director,<sup>3</sup> DWS; Director and Vice President, DWS Trust Company (since 2018)

Assistant Treasurer, 2017-present

Paul Antosca<sup>8</sup> (1957)

Director,<sup>3</sup> DWS

Assistant Treasurer, 2007-present

<sup>1</sup> The length of time served represents the year in which the Board Member joined the board of one or more DWS funds currently overseen by the Board.

<sup>2</sup> A publicly held company with securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

<sup>3</sup> Executive title, not a board directorship.



- <sup>4</sup> As a result of their respective positions held with the Advisor or its affiliates, these individuals are considered interested persons of the Advisor within the meaning of the 1940 Act. Interested persons receive no compensation from the Fund.
- <sup>5</sup> The length of time served represents the year in which the officer was first elected in such capacity for one or more DWS funds.
- <sup>6</sup> Address: 345 Park Avenue, New York, NY 10154.
- <sup>7</sup> Address: 60 Wall Street, New York, NY 10005.
- <sup>8</sup> Address: One International Place, Boston, MA 02110.
- <sup>9</sup> Appointed Treasurer and Chief Financial Officer effective July 2, 2018.
- \* Paul K. Freeman retired from the Board effective December 31, 2018.

**Table of Contents**

**Additional Information**

**Automated  
Information Line  
Web Site**      **DWS Closed-End Fund Info Line  
(800) 349-4281  
dws.com**

**Written  
Correspondence**

Obtain fact sheets, financial reports, press releases and webcasts when available.  
**DWS**

Attn: Secretary of the DWS Funds

One International Place, 12th Floor

**Legal Counsel**

Boston, MA 02110  
**Vedder Price P.C.**

222 North LaSalle Street

**Dividend Reinvestment  
Plan Agent**

Chicago, IL 60601  
**DST Systems, Inc.**

333 W. 11th Street, 5th Floor

**Shareholder Service  
Agent and Transfer  
Agent**

Kansas City, MO 64105  
**DWS Service Company**

P.O. Box 219066

Kansas City, MO 64121-9066

**Custodian**

**(800) 294-4366  
State Street Bank and Trust Company**

State Street Financial Center

One Lincoln Street

Boston, MA 02111

**Ernst & Young LLP**

**Independent  
Registered Public  
Accounting Firm**

200 Clarendon Street

Boston, MA 02116

**Proxy Voting**

The Fund's policies and procedures for voting proxies for portfolio securities and information about how the Fund voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site [dws.com/en-us/resources/proxy-voting](http://dws.com/en-us/resources/proxy-voting) or on the SEC's Web site [sec.gov](http://sec.gov). To obtain a written copy of the Fund's policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

**Table of Contents**

<b>Portfolio Holdings</b>	Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is filed with the SEC on Form N-Q. This form will be available on the SEC's Web site at sec.gov. The Fund's portfolio holdings as of the month-end are posted on dws.com on or after the last day of the following month. More frequent posting of portfolio holdings information may be made from time to time on dws.com.
<b>Investment Management</b>	DWS Investment Management Americas, Inc. ( DIMA or the Advisor ), which is part of the DWS Group GmbH & Co. KGaA ( DWS Group ), is the investment advisor for the Fund. DIMA and its predecessors have more than 90 years of experience managing mutual funds and DIMA provides a full range of investment advisory services to both institutional and retail clients. DIMA is an indirect, wholly owned subsidiary of DWS Group.  DWS Group is a global organization that offers a wide range of investing expertise and resources, including hundreds of portfolio managers and analysts and an office network that reaches the world's major investment centers. This well-resourced global investment platform brings together a wide variety of experience and investment insight across industries, regions, asset classes and investing styles.
<b>NYSE Symbol</b>	KTF
<b>CUSIP Numbers</b>	Common Shares 233368 109

**Table of Contents**

**Notes**

**Table of Contents**

**Notes**

**Table of Contents**

**DMIT-2**

(R-025442-8 1/19)

**ITEM  
2. CODE OF ETHICS**

As of the end of the period covered by this report, the registrant has adopted a code of ethics, as defined in Item 2 of Form N-CSR, that applies to its Principal Executive Officer and Principal Financial Officer.

There have been no amendments to, or waivers from, a provision of the code of ethics during the period covered by this report that would require disclosure under Item 2.

A copy of the code of ethics is filed as an exhibit to this Form N-CSR.

**ITEM  
3. AUDIT COMMITTEE FINANCIAL EXPERT**

The fund's audit committee is comprised solely of trustees who are "independent" (as such term has been defined by the Securities and Exchange Commission ("SEC") in regulations implementing Section 407 of the Sarbanes-Oxley Act (the "Regulations")). The fund's Board of Trustees has determined that there are several "audit committee financial experts" (as such term has been defined by the Regulations) serving on the fund's audit committee including Mr. William McClayton, the chair of the fund's audit committee. An "audit committee financial expert" is not an "expert" for any purpose, including for purposes of Section 11 of the Securities Act of 1933 and the designation or identification of a person as an "audit committee financial expert" does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the audit committee and board of directors in the absence of such designation or identification. In accordance with New York Stock Exchange requirements, the Board believes that all members of the fund's audit committee are financially literate, as such qualification is interpreted by the Board in its business judgment, and that at least one member of the audit committee has accounting or related financial management expertise.

**ITEM  
4. PRINCIPAL ACCOUNTANT FEES AND SERVICES**

DWS municipal income trust form n-csr disclosure re: AUDIT FEES

The following table shows the amount of fees that Ernst & Young LLP ("EY"), the Fund's Independent Registered Public Accounting Firm, billed to the Fund during the Fund's last two fiscal years. The Audit Committee approved in advance all audit services and non-audit services that EY provided to the Fund.

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-CSR

Services that the Fund’s Independent Registered Public Accounting Firm Billed to the Fund

Fiscal Year Ended	Audit Fees Billed to Fund	Audit-Related Fees Billed to Fund	Tax Fees Billed to Fund	All Other Fees Billed to Fund
November 30, 2018	\$72,555	\$0	\$6,741	\$0
2017	\$72,555	\$0	\$6,741	\$0

The above “Tax Fees” were billed for professional services rendered for tax return preparation.

Services that the Fund’s Independent Registered Public Accounting Firm Billed to the Adviser and Affiliated Fund Service Providers

The following table shows the amount of fees billed by EY to DWS Investment Management Americas, Inc. (“DIMA” or the “Adviser”), and any entity controlling, controlled by or under common control with DIMA (“Control Affiliate”) that provides ongoing services to the Fund (“Affiliated Fund Service Provider”), for engagements directly related to the Fund’s operations and financial reporting, during the Fund’s last two fiscal years.

Fiscal Year Ended	Audit-Related Fees Billed to Adviser and Affiliated Fund Service Providers	Tax Fees Billed to Adviser and Affiliated Fund Service Providers	All Other Fees Billed to Adviser and Affiliated Fund Service Providers
November 30, 2018	\$0	\$470,936	\$0
2017	\$0	\$502,238	\$0

The above “Tax Fees” were billed in connection with tax compliance services and agreed upon procedures.

**Non-Audit Services**

The following table shows the amount of fees that EY billed during the Fund’s last two fiscal years for non-audit services. The Audit Committee pre-approved all non-audit services that EY provided to the Adviser and any Affiliated Fund Service Provider that related directly to the Fund’s operations and financial reporting. The Audit Committee requested and received information from EY about any non-audit services that EY rendered during the Fund’s last fiscal year to the Adviser and any Affiliated Fund Service Provider. The Committee considered this information in evaluating EY’s independence.

Fiscal Year Ended	Total Non-Audit Fees Billed to Fund	Total Non-Audit Fees billed to Adviser and Affiliated Fund Service Providers (engagements related directly to the operations and financial reporting of the Fund)	Total Non-Audit Fees billed to Adviser and Affiliated Fund Service Providers (all other engagements)	Total of (A), (B) and (C)
November 30, 2018	(A)	(B)	(C)	
2018	\$6,741	\$470,936	\$513,130	\$990,807
2017	\$6,741	\$502,238	\$606,585	\$1,115,564



All other engagement fees were billed for services in connection with agreed upon procedures and tax compliance for DIMA and other related entities.

Audit Committee Pre-Approval Policies and Procedures. Generally, each Fund's Audit Committee must pre approve (i) all services to be performed for a Fund by a Fund's Independent Registered Public Accounting Firm and (ii) all non-audit services to be performed by a Fund's Independent Registered Public Accounting Firm for the DIMA Entities with respect to operations and financial reporting of the Fund, except that the Chairperson or Vice Chairperson of each Fund's Audit Committee may grant the pre-approval for non-audit services described in items (i) and (ii) above for non-prohibited services for engagements of less than \$100,000. All such delegated pre approvals shall be presented to each Fund's Audit Committee no later than the next Audit Committee meeting.

There were no amounts that were approved by the Audit Committee pursuant to the de minimis exception under Rule 2-01 of Regulation S-X.

According to the registrant's principal Independent Registered Public Accounting Firm, substantially all of the principal Independent Registered Public Accounting Firm's hours spent on auditing the registrant's financial statements were attributed to work performed by full-time permanent employees of the principal Independent Registered Public Accounting Firm.

\*\*\*

In connection with the audit of the 2017 and 2018 financial statements, the Fund entered into an engagement letter with EY. The terms of the engagement letter required by EY, and agreed to by the Audit Committee, include a provision mandating the use of mediation and arbitration to resolve any controversy or claim between the parties arising out of or relating to the engagement letter or services provided thereunder.

\*\*\*

Pursuant to PCAOB Rule 3526, EY is required to describe in writing to the Fund's Audit Committee, on at least an annual basis, all relationships between EY, or any of its affiliates, and the DWS Funds, including the Fund, or persons in financial reporting oversight roles at the DWS Funds that, as of the date of the communication, may reasonably be thought to bear on EY's independence. Pursuant to PCAOB Rule 3526, EY has reported the matters set forth below that may reasonably be thought to bear on EY's independence. With respect to each reported matter, individually and in the aggregate, EY advised the Audit Committee that, after careful consideration of the facts and circumstances and the applicable independence rules, it concluded that the matters do not and will not impair EY's ability to exercise objective and impartial judgement in connection with the audits of the financial statements for the Fund and a reasonable investor with knowledge of all relevant facts and circumstances would conclude that EY has been and is capable of exercising objective and impartial judgment on all issues encompassed within EY's audit engagements. EY also confirmed to the Audit Committee that it can continue act as the Independent Registered Public Accounting Firm

for the Fund.

EY advised the Fund's Audit Committee that EY Stiftung e.V., an affiliate of the EY member firm in Germany, and various other covered persons within EY and its affiliates held investments in, or had other financial relationships with, entities within the DWS Funds "investment company complex" (as defined in Regulation S-X) (the "DWS Funds Complex"). EY informed the Audit Committee that these investments and financial relationships were inconsistent with Rule 2-01(c)(1) of Regulation S-X. EY reported that all breaches have been resolved and that none of the breaches involved any investments in the Fund or any professionals who were part of the audit engagement team for the Fund or in a position to influence the audit engagement team. In addition, EY noted that the independence breaches did not (i) create a mutual or conflicting interest with the Fund, (ii) place EY in the position of auditing its own work, (iii) result in EY acting as management or an employee of the Fund, or (iv) place EY in a position of being an advocate of the Fund.

EY advised the Fund's Audit Committee of certain lending relationships of EY with owners of greater than 10% of the shares of certain investment companies within the DWS Funds Complex that EY had identified as inconsistent with Rule 2-01(c)(1)(ii)(A) of Regulation S-X (referred to as the "Loan Rule"). The Loan Rule specifically provides that an accounting firm would not be independent if it receives a loan from a lender that is a record or beneficial owner of more than ten percent of an audit client's equity securities. For purposes of the Loan Rule, an audit client includes the Fund as well as all other investment companies in the DWS Funds Complex. EY's lending relationships affect EY's independence under the Loan Rule with respect to all investment companies in the DWS Funds Complex. EY stated its belief that, in each lending relationship, the lender is or was not able to impact the impartiality of EY or assert any influence over the investment companies in the DWS Funds Complex whose shares the lender owns or owned, or the applicable investment company's investment adviser. In addition, on June 20, 2016, the SEC Staff issued a "no-action" letter to another mutual fund complex, Fidelity Management & Research Company et al., SEC Staff No-Action Letter (June 20, 2016) (the "Fidelity Letter"), related to similar Loan Rule issues as those described above. In the Fidelity Letter, the SEC Staff confirmed that it would not recommend enforcement action against an investment company that relied on the audit services performed by an audit firm that was not in compliance with the Loan Rule in certain specified circumstances. With respect to each lending relationship identified by EY, the circumstances described in the Fidelity Letter appear to be substantially similar to the circumstances that affected EY's independence under the Loan Rule with respect to the Fund, and, in each case, EY confirmed to the Audit Committee that it meets the conditions of the Fidelity Letter.

**ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS**

The registrant has a separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended. The registrant's audit committee consists of William McClayton (Chair), Henry P. Becton, Jr., Richard J. Herring (Vice Chair) and John W. Ballantine.

**ITEM 6. SCHEDULE OF INVESTMENTS**

Not applicable

**ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES**

**Part II: Appendix II-I — Proxy Voting Policy and Guidelines**

## **1. Introduction**

Deutsche Asset Management (“AM”) has adopted and implemented the following Policies and Guidelines, which it believes are reasonably designed to ensure that proxies are voted in the best economic interest of clients and in accordance with its fiduciary duties and local regulation. This Proxy Voting Policy and Guidelines – AM (“Policy and Guidelines”) shall apply to all accounts managed by US domiciled advisers and to all US client accounts managed by non-US regional offices. Non-US regional offices are required to maintain procedures and to vote proxies as may be required by law on behalf of their non-US clients. In addition, AM’s proxy policies reflect the fiduciary standards and responsibilities for ERISA accounts.

The attached guidelines represent a set of global recommendations that were determined by the Global Proxy Voting Sub-Committee (the “GPVSC”). These guidelines were developed to provide AM with a comprehensive list of recommendations that represent how AM will generally vote proxies for its clients. The recommendations derived from the application of these guidelines are not intended to influence the various AM legal entities either directly or indirectly by parent or affiliated companies. In addition, the organizational structures and documents of the various AM legal entities allows, where necessary or appropriate, the execution by individual AM subsidiaries of the proxy voting rights independently of any DB parent or affiliated company. This applies in particular to non-US fund management companies. The individuals that make proxy voting decisions are also free to act independently, subject to the normal and customary supervision by the Management/Boards of these AM legal entities.

## **2. AM’S Proxy Voting Responsibilities**

Proxy votes are the property of AM’s advisory clients.<sup>1</sup> As such, AM’s authority and responsibility to vote such proxies depend upon its contractual relationships with its clients or other delegated authority. AM has delegated responsibility for effecting its advisory clients’ proxy votes to Institutional Shareholder Services (“ISS”), an independent third-party proxy voting specialist. ISS votes AM’s advisory clients’ proxies in accordance with AM’s proxy guidelines or AM’s specific instructions. Where a client has given specific instructions as to how a proxy should be voted, AM will notify ISS to carry out those instructions. Where no specific instruction exists, AM will follow the procedures in voting the proxies set forth in this document. Certain Taft-Hartley clients may direct AM to have ISS vote their proxies in accordance with Taft Hartley Voting Guidelines.

Clients may in certain instances contract with their custodial agent and notify AM that they wish to engage in securities lending transactions. In such cases, it is the responsibility of the custodian to deduct the number of shares that are on loan so that they do not get voted twice. To the extent a security is out on loan and AM determines that a proxy vote (or other shareholder action) is materially important to the client’s account, AM may request, on a best efforts basis, that the agent recall the security prior to the record date to allow AM to vote the securities.

For purposes of this document, “clients” refers to persons or entities: (i) for which AM serves as investment adviser or sub-adviser; (ii) for which AM votes proxies; and (iii) that have an economic or beneficial ownership interest in the portfolio securities of issuers soliciting such proxies.

### **3. Policies**

#### **3.1. Proxy Voting Activities are Conducted in the Best Economic Interest of Clients**

AM has adopted the following Policies and Guidelines to ensure that proxies are voted in accordance with the best economic interest of its clients, as determined by AM in good faith after appropriate review.

#### **3.2. The Global Proxy Voting Sub-Committee**

The GPVSC is an internal working group established by the applicable AM’s Investment Risk Oversight Committee pursuant to a written charter. The GPVSC is responsible for overseeing AM’s proxy voting activities, including:

- (i) Adopting, monitoring and updating guidelines, attached as Attachment A (the “Guidelines”), that provide how AM will generally vote proxies pertaining to a comprehensive list of common proxy voting matters;

Voting proxies where (i) the issues are not covered by specific client instruction or the Guidelines; (ii) the Guidelines specify that the issues are to be determined on a case-by-case basis; or (iii) where an exception to the Guidelines may be in the best economic interest of AM’s clients; and

- (iii) Monitoring Proxy Vendor Oversight’s proxy voting activities (see below).

AM’s Proxy Vendor Oversight, a function of AM’s Operations Group, is responsible for coordinating with ISS to administer AM’s proxy voting process and for voting proxies in accordance with any specific client instructions or, if there are none, the Guidelines, and overseeing ISS’ proxy responsibilities in this regard.

#### **3.3 Availability of Proxy Voting Policy and Guidelines and Proxy Voting Record**

Copies of this Policy, as it may be updated from time to time, is made available to clients as required by law and otherwise at AM’s discretion. Clients may also obtain information on how their proxies were voted by AM as required by law and otherwise at AM’s discretion. Note, however, that AM must not selectively disclose its investment company clients’ proxy voting records. Proxy Vendor Oversight will make proxy voting reports available to advisory clients upon request. The investment companies’ proxy voting records will be disclosed to shareholders by means of publicly-available annual filings of each company’s proxy voting record for the 12-month periods ending June 30 (see

Section 5, below), if so required by relevant law.

#### **4. Procedures**

The key aspects of AM's proxy voting process are delineated below.

##### **4.1. The GPVSC's Proxy Voting Guidelines**

The Guidelines set forth the GPVSC's standard voting positions on a comprehensive list of common proxy voting matters. The GPVSC has developed, and continues to update the Guidelines based on consideration of current corporate governance principles, industry standards, client feedback, and the impact of the matter on issuers and the value of the investments.

The GPVSC will review the Guidelines as necessary to support the best economic interests of AM's clients and, in any event, at least annually. The GPVSC will make changes to the Guidelines, whether as a result of the annual review or otherwise, taking solely into account the best economic interests of clients. Before changing the Guidelines, the GPVSC will thoroughly review and evaluate the proposed change and the reasons therefore, and the GPVSC Chair will ask GPVSC members whether anyone outside of the AM organization (but within Deutsche Bank and its affiliates) or any entity that identifies itself as an AM advisory client has requested or attempted to influence the proposed change and whether any member has a conflict of interest with respect to the proposed change. If any such matter is reported to the GPVSC Chair, the Chair will promptly notify the Conflicts of Interest Management Sub-Committee (see Section 4.4) and will defer the approval, if possible. Lastly, the GPVSC will fully document its rationale for approving any change to the Guidelines.

The Guidelines may reflect a voting position that differs from the actual practices of the public company(ies) within the Deutsche Bank organization or of the investment companies for which AM or an affiliate serves as investment adviser or sponsor. Investment companies, particularly closed-end investment companies, are different from traditional operating companies. These differences may call for differences in voting positions on the same matter. Further, the manner in which AM votes investment company proxies may differ from proposals for which an AM-advised or sponsored investment company solicits proxies from its shareholders. As reflected in the Guidelines, proxies solicited by closed-end (and open-end) investment companies are generally voted in accordance with the pre-determined guidelines of ISS.

Funds ("Underlying Funds") in which Topiary Fund Management Fund of Funds (each, a "Fund") invest, may from time to time seek to revise their investment terms (i.e. liquidity, fees, etc.) or investment structure. In such event, the Underlying Funds may require approval/consent from its investors to effect the relevant changes. Topiary Fund Management has adopted Proxy Voting Procedures which outline the process for these approvals.

#### **4.2. Specific Proxy Voting Decisions Made by the GPVSC**

Proxy Vendor Oversight will refer to the GPVSC all proxy proposals (i) that are not covered by specific client instructions or the Guidelines; or (ii) that, according to the Guidelines, should be evaluated and voted on a case-by-case basis.

Additionally, if Proxy Vendor Oversight, the GPVSC Chair or any member of the GPVSC, a Portfolio Manager, a Research Analyst or a sub-adviser believes that voting a particular proxy in accordance with the Guidelines may not be in the best economic interests of clients, that individual may bring the matter to the attention of the GPVSC Chair and/or Proxy Vendor Oversight.<sup>2</sup>

If Proxy Vendor Oversight refers a proxy proposal to the GPVSC or the GPVSC determines that voting a particular proxy in accordance with the Guidelines is not in the best economic interests of clients, the GPVSC will evaluate and vote the proxy, subject to the procedures below regarding conflicts.

The GPVSC endeavors to hold meetings to decide how to vote particular proxies sufficiently before the voting deadline so that the procedures below regarding conflicts can be completed before the GPVSC's voting determination.

---

Proxy Vendor Oversight generally monitors upcoming proxy solicitations for heightened attention from the press or the industry and for novel or unusual proposals or circumstances, which may prompt Proxy Vendor Oversight to bring the solicitation to the attention of the GPVSC Chair. AM Portfolio Managers, AM Research Analysts and sub-advisers also may bring a particular proxy vote to the attention of the GPVSC Chair, as a result of their ongoing monitoring of portfolio securities held by advisory clients and/or their review of the periodic proxy voting record reports that the GPVSC Chair distributes to AM portfolio managers and AM research analysts.

#### **4.3. Certain Proxy Votes May Not Be Cast**

In some cases, the GPVSC may determine that it is in the best economic interests of its clients not to vote certain proxies, or that it may not be feasible to vote certain proxies. If the conditions below are met with regard to a proxy proposal, AM will abstain from voting:

Neither the Guidelines nor specific client instructions cover an issue;

ISS does not make a recommendation on the issue; and

The GPVSC cannot convene on the proxy proposal at issue to make a determination as to what would be in the client's best interest. (This could happen, for example, if the Conflicts of Interest Management Sub-Committee found that there was a material conflict or if despite all best efforts being made, the GPVSC quorum requirement could not be met).

In addition, it is AM's policy not to vote proxies of issuers subject to laws of those jurisdictions that impose restrictions upon selling shares after proxies are voted, in order to preserve liquidity. In other cases, it may not be possible to vote certain proxies, despite good faith efforts to do so. For example, some jurisdictions do not provide adequate notice to shareholders so that proxies may be voted on a timely basis. Voting rights on securities that have been loaned to third-parties transfer to those third-parties, with loan termination often being the only way to attempt to vote proxies on the loaned securities. Lastly, the GPVSC may determine that the costs to the client(s) associated with voting a particular proxy or group of proxies outweighs the economic benefits expected from voting the proxy or group of proxies.

Proxy Vendor Oversight will coordinate with the GPVSC Chair regarding any specific proxies and any categories of proxies that will not or cannot be voted. The reasons for not voting any proxy shall be documented.

#### **4.4. Conflict of Interest Procedures**

##### **4.4.1. Procedures to Address Conflicts of Interest and Improper Influence**

*Overriding Principle.* In the limited circumstances where the GPVSC votes proxies,<sup>3</sup> the GPVSC will vote those proxies in accordance with what it, in good faith, determines to be the best economic interests of AM's clients.<sup>4</sup>

*Independence of the GPVSC.* As a matter of Compliance policy, the GPVSC and Proxy Vendor Oversight are structured to be independent from other parts of Deutsche Bank. Members of the GPVSC and the employee responsible for Proxy Vendor Oversight are employees of AM. As such, they may not be subject to the supervision or control of any employees of Deutsche Bank Corporate and Investment Banking division ("CIB"). Their compensation cannot be based upon their contribution to any business activity outside of AM without prior approval of Legal and Compliance. They can have no contact with employees of Deutsche Bank outside of the Private Client and Asset Management division ("PCAM") regarding specific clients, business matters or initiatives without the prior approval of Legal and Compliance. They furthermore may not discuss proxy votes with any person outside of AM (and within AM only on a need to know basis).

*Conflict Review Procedures.* The "Conflicts of Interest Management Sub-Committee" within AM monitors for potential material conflicts of interest in connection with proxy proposals that are to be evaluated by the GPVSC. Promptly upon a determination that a proxy vote shall be presented to the GPVSC, the GPVSC Chair shall notify the Conflicts of Interest Management Sub-Committee. The Conflicts of Interest Management Sub-Committee shall promptly collect and review any information deemed reasonably appropriate to evaluate, in its reasonable judgment, if AM or any person participating in the proxy voting process has, or has the appearance of, a material conflict of interest. For the

purposes of this policy, a conflict of interest shall be considered “material” to the extent that a reasonable person could expect the conflict to influence, or appear to influence, the GPVSC’s decision on the particular vote at issue. GPVSC should provide the Conflicts of Interest Management Sub-Committee a reasonable amount of time (no less than 24 hours) to perform all necessary and appropriate reviews. To the extent that a conflicts review cannot be sufficiently completed by the Conflicts of Interest Management Sub-Committee the proxies will be voted in accordance with the standard Guidelines.

The information considered by the Conflicts of Interest Management Sub-Committee may include without limitation information regarding (i) AM client relationships; (ii) any relevant personal conflict known by the Conflicts of Interest Management Sub-Committee or brought to the attention of that sub-committee; and (iii) any communications with members of the GPVSC (or anyone participating or providing information to the GPVSC) and any person outside of the AM organization (but within Deutsche Bank and its affiliates) or any entity that identifies itself as an AM advisory client regarding the vote at issue. In the context of any determination, the Conflicts of Interest Management Sub-Committee may consult with and shall be entitled to rely upon all applicable outside experts, including legal counsel.

Upon completion of the investigation, the Conflicts of Interest Management Sub-Committee will document its findings and conclusions. If the Conflicts of Interest Management Sub-Committee determines that (i) AM has a material conflict of interest that would prevent it from deciding how to vote the proxies concerned without further client consent; or (ii) certain individuals should be recused from participating in the proxy vote at issue, the Conflicts of Interest Management Sub-Committee will so inform the GPVSC Chair.

If notified that AM has a material conflict of interest as described above, the GPVSC chair will obtain instructions as to how the proxies should be voted either from (i) if time permits, the affected clients, or (ii) in accordance with the standard Guidelines. If notified that certain individuals should be recused from the proxy vote at issue, the GPVSC Chair shall do so in accordance with the procedures set forth below.

---

3 As mentioned above, the GPVSC votes proxies where: (i) neither a specific client instruction nor a Guideline directs how the proxy should be voted, (ii) the Guidelines specify that an issue is to be determined on a case-by-case basis or (iii) voting in accordance with the Guidelines may not be in the best economic interests of clients.

Proxy Vendor Oversight, who serves as the non-voting secretary of the GPVSC, may receive routine calls from 4 proxy solicitors and other parties interested in a particular proxy vote. Any contact that attempts to exert improper pressure or influence shall be reported to the Conflicts of Interest Management Sub-Committee.

Note: Any AM employee who becomes aware of a potential, material conflict of interest in respect of any proxy vote to be made on behalf of clients shall notify Compliance. Compliance shall call a meeting of the Conflict Review Committee to evaluate such conflict and determine a recommended course of action.



*Procedures to be followed by the GPVSC.* At the beginning of any discussion regarding how to vote any proxy, the GPVSC Chair (or his or her delegate) will inquire as to whether any GPVSC member (whether voting or ex officio) or any person participating in the proxy voting process has a personal conflict of interest or has actual knowledge of an actual or apparent conflict that has not been reported to the Conflicts of Interest Management Sub-Committee.

The GPVSC Chair also will inquire of these same parties whether they have actual knowledge regarding whether any Director, officer, or employee outside of the AM organization (but within Deutsche Bank and its affiliates) or any entity that identifies itself as an AM advisory client, has: (i) requested that AM, Proxy Vendor Oversight (or any member thereof) or a GPVSC member vote a particular proxy in a certain manner; (ii) attempted to influence AM, Proxy Vendor Oversight (or any member thereof), a GPVSC member or any other person in connection with proxy voting activities; or (iii) otherwise communicated with a GPVSC member, or any other person participating or providing information to the GPVSC regarding the particular proxy vote at issue, and which incident has not yet been reported to the Conflicts of Interest Management Sub-Committee.

If any such incidents are reported to the GPVSC Chair, the Chair will promptly notify the Conflicts of Interest Management Sub-Committee and, if possible, will delay the vote until the Conflicts of Interest Management Sub-Committee can complete the conflicts report. If a delay is not possible, the Conflicts of Interest Management Sub-Committee will instruct the GPVSC (i) whether anyone should be recused from the proxy voting process or (ii) whether AM should vote the proxy in accordance with the standard guidelines, seek instructions as to how to vote the proxy at issue from ISS or, if time permits, the effected clients. These inquiries and discussions will be properly reflected in the GPVSC's minutes.

*Duty to Report.* Any AM employee, including any GPVSC member (whether voting or ex officio), that is aware of any actual or apparent conflict of interest relevant to, or any attempt by any person outside of the AM organization (but within Deutsche Bank and its affiliates) or any entity that identifies itself as an AM advisory client to influence, how AM votes its proxies has a duty to disclose the existence of the situation to the GPVSC Chair (or his or her designee) and the details of the matter to the Conflicts of Interest Management Sub-Committee. In the case of any person participating in the deliberations on a specific vote, such disclosure should be made before engaging in any activities or participating in any discussion pertaining to that vote.

*Recusal of Members.* The GPVSC will recuse from participating in a specific proxy vote any GPVSC members (whether voting or ex officio) and/or any other person who (i) are personally involved in a material conflict of interest; or (ii) who, as determined by the Conflicts of Interest Management Sub-Committee, have actual knowledge of a circumstance or fact that could affect their independent judgment, in respect of such vote. The GPVSC will also exclude from consideration the views of any person (whether requested or volunteered) if the GPVSC or any member thereof knows, or if the Conflicts of Interest Management Sub-Committee has determined, that such other person has a material conflict of interest with respect to the particular proxy or has attempted to influence the vote in any manner prohibited by these policies.

If, after excluding all relevant GPVSC voting members pursuant to the paragraph above, there are three or more GPVSC voting members remaining, those remaining GPVSC members will determine how to vote the proxy in accordance with these Policy and Guidelines. If there are fewer than three GPVSC voting members remaining, the GPVSC Chair will vote the proxy in accordance with the standard Guidelines or will obtain instructions as to how to have the proxy voted from, if time permits, the effected clients and otherwise from ISS.

#### 4.4.2. Investment Companies and Affiliated Public Companies

*Investment Companies.* As reflected in the Guidelines, all proxies solicited by open-end and closed-end investment companies are voted in accordance with the pre-determined guidelines of ISS, unless the investment company client directs AM to vote differently on a specific proxy or specific categories of proxies. However, regarding investment companies for which AM or an affiliate serves as investment adviser or principal underwriter, such proxies are voted in the same proportion as the vote of all other shareholders (i.e., “mirror” or “echo” voting). Master Fund proxies solicited from feeder Funds are voted in accordance with applicable provisions of Section 12 of the Investment Company Act of 1940 (“Investment Company Act”).

Subject to participation agreements with certain Exchange Traded Funds (“ETFs”) issuers that have received exemptive orders from the US Securities and Exchange Commission (“SEC”) allowing investing Deutsche funds to exceed the limits set forth in Section 12(d)(1)(A) and (B) of the Investment Company Act, AM will echo vote proxies for ETFs in which Deutsche Bank holds more than 25% of outstanding voting shares globally when required to do so by participation agreements and SEC orders.

*Affiliated Public Companies.* For proxies solicited by non-investment company issuers of or within the Deutsche Bank organization, (e.g., Deutsche Bank itself), these proxies will be voted in the same proportion as the vote of other shareholders (i.e., “mirror” or “echo” voting).

Note: With respect to the Deutsche Central Cash Management Government Fund (registered under the Investment Company Act), the Fund is not required to engage in echo voting and the investment adviser will use these Guidelines and may determine, with respect to the Deutsche Central Cash Management Government Fund, to vote contrary to the positions in the Guidelines, consistent with the Fund’s best interest.

#### 4.4.3. Other Procedures that Limit Conflicts of Interest

AM and other entities in the Deutsche Bank organization have adopted a number of policies, procedures and internal controls that are designed to avoid various conflicts of interest, including those that may arise in connection with proxy voting, including but not limited to:

Code of Business Conduct and Ethics – DB Group;

Conflicts of Interest Policy – DB Group;

Information Sharing Procedures – AWM, GTB & CB&S;

Code of Ethics – AWM; and

Code of Professional Conduct – US.

The GPVSC expects that these policies, procedures and internal controls will greatly reduce the chance that the GPVSC (or, its members) would be involved in, aware of, or influenced by an actual or apparent conflict of interest.

All impacted business units are required to adopt, implement, and maintain procedures to ensure compliance with these Policies and Guidelines. At a minimum, such procedures must: (i) assign roles and responsibilities for carrying out the procedures, including responsibility for periodically updating the procedures; (ii) identify clear escalation paths for identified breaches of the procedures; and (iii) for non-dedicated procedures (i.e., desk manuals), contain a legend or table mapping the procedures to this Section (e.g., cross-referencing Section or page numbers).

## 5. Recordkeeping

At a minimum, the following records must be properly maintained and readily accessible in order to evidence compliance with this Policy.

AM will maintain a record of each proxy vote cast by AM that includes among other things, company name, meeting date, proposals presented, vote cast and shares voted.

Proxy Vendor Oversight maintains records for each of the proxy ballots it votes. Specifically, the records include, but are not limited to:

The proxy statement (and any additional solicitation materials) and relevant portions of annual statements.

Any additional information considered in the voting process that may be obtained from an issuing company, its agents, or proxy research firms.

• Analyst worksheets created for stock option plan and share increase analyses; and

• Proxy Edge print-screen of actual vote election.

AM will (i) retain this Policy and the Guidelines; (ii) will maintain records of client requests for proxy voting information; and (iii) will retain any documents Proxy Vendor Oversight or the GPVSC prepared that were material to making a voting decision or that memorialized the basis for a proxy voting decision.

The GPVSC also will create and maintain appropriate records documenting its compliance with this Policy, including records of its deliberations and decisions regarding conflicts of interest and their resolution.

With respect to AM's investment company clients, ISS will create and maintain records of each company's proxy voting record for the 12-month periods ending June 30. AM will compile the following information for each matter relating to a portfolio security considered at any shareholder meeting held during the period covered by the report and with respect to which the company was entitled to vote:

• The name of the issuer of the portfolio security;

• The exchange ticker symbol of the portfolio security (if symbol is available through reasonably practicable means);

• The Council on Uniform Securities Identification Procedures ("CUSIP") number for the portfolio security (if the number is available through reasonably practicable means);

• The shareholder meeting date;

• A brief identification of the matter voted on;

• Whether the matter was proposed by the issuer or by a security holder;

• Whether the company cast its vote on the matter;

• How the company cast its vote (e.g., for or against proposal, or abstain; for or withhold regarding election of Directors); and

• Whether the company cast its vote for or against Management.

Note: This list is intended to provide guidance only in terms of the records that must be maintained in accordance with this policy. In addition, please note that records must be maintained in accordance with the Archiving and Record Retention Policy – Deutsche Bank Group and applicable policies and procedures thereunder.

With respect to electronically stored records, “properly maintained” is defined as complete, authentic (unalterable), usable and backed-up. At a minimum, records should be retained for a period of not less than six years (or longer, if necessary to comply with applicable regulatory requirements), the first three years in an appropriate AM office.

## **6. The GPVSC’S Oversight Role**

In addition to adopting the Guidelines and making proxy voting decisions on matters referred to it as set forth above, the GPVSC monitors the proxy voting process by reviewing summary proxy information presented by ISS. The GPVSC uses this review process to determine, among other things, whether any changes should be made to the Guidelines. This review will take place at least quarterly and is documented in the GPVSC’s minutes.

## **Attachment A – Global Proxy Voting Guidelines**

### **Deutsche Asset Management**

### **Global Proxy Voting Guidelines**

**As Amended February 2018**

[GRAPHIC OMITTED]

### **Table of Contents**

- I. Board of Directors and Executives**
  - A. Election of Directors
  - B. Classified Boards of Directors

- C. Board and Committee Independence
- D. Liability and Indemnification of Directors
- E. Qualification of Directors
- F. Removal of Directors and Filling of Vacancies
- G. Proposals to Fix the Size of the Board
- H. Proposals to Restrict Chief Executive Officer's Service on Multiple Boards
- I. Proposals to Establish Audit Committees

**II. Capital Structure**

- A. Authorization of Additional Shares
- B. Authorization of "Blank Check" Preferred Stock
- C. Stock Splits/Reverse Stock Splits
- D. Dual Class/Supervoting Stock
- E. Large Block Issuance
- F. Recapitalization into a Single Class of Stock
- G. Share Repurchases
- H. Reductions in Par Value

**III. Corporate Governance Issues**

- A. Confidential Voting
- B. Cumulative Voting
- C. Supermajority Voting Requirements
- D. Shareholder Right to Vote

**IV. Compensation**

- A. Executive and Director Stock Option Plans
- B. Employee Stock Option/Purchase Plans
- C. Golden Parachutes
- D. Proposals to Limit Benefits or Executive Compensation
- E. Shareholder Proposals Concerning "Pay for Superior Performance"
- F. Executive Compensation Advisory
- G. Advisory Votes on Executive Compensation
- H. Frequency of Advisory vote on Executive Compensation

**V. Anti-Takeover Related Issues**

- A. Shareholder Rights Plans ("Poison Pills")
- B. Reincorporation
- C. Fair-Price Proposals
- D. Exemption From State Takeover Laws
- E. Non-Financial Effects of Takeover Bids

**VI. Mergers & Acquisitions**

**VII. Environmental, Social and Governance Issues**

- A. Principles for Responsible Investment

- B. ESG Issues

**VIII. Miscellaneous Items**

- A. Ratification of Auditors
- B. Limitation of Non-Audit Services Provided by Independent Auditor
- C. Audit Firm Rotation
- D. Transaction of Other Business
- E. Motions to Adjourn the Meeting
- F. Bundled Proposals

G. Change of Company Name

H. Proposals Related to the Annual Meeting

I. Reimbursement of Expenses Incurred from Candidate Nomination

J. Investment Company Proxies

**IX. Proxy Voting Guidelines With Application For Holdings Incorporated in Europe**

A. Remuneration (Variable Pay)

B. Long-Term Incentive Plans

C. Proposals to Restrict Supervisory Board Members Service on Multiple Boards

D. Establishment of a Remuneration Committee

E. Management Board Election and Motion

These Guidelines may reflect a voting position that differs from the actual practices of the public company(ies) within the Deutsche Bank organization or of the investment companies for which AM or an affiliate serves as investment adviser or sponsor.

Note: Because of the unique structure and regulatory scheme applicable to closed-end investment companies, the voting guidelines (particularly those related to governance issues) generally will be inapplicable to holdings of closed-end investment companies. As a result, determinations on the appropriate voting recommendation for closed-end investment company shares will be made on a case-by-case basis.

**I. Board of Directors and Executives**

**A. Election of Directors**

*Routine:* AM Policy is to vote “for” the uncontested election of Directors. Votes for a Director in an uncontested election will be withheld in cases where a Director has shown an inability to perform his/her duties in the best interests of the shareholders, taking into account also the following additional factors:

Accountability to shareholders and transparency of governance practices

Responsiveness to investor input and shareholder vote

Composition of the board with directors adding value through skills, expertise, and time commitment

Independence from management

Regarding independence: Vote against or withhold from non-independent directors when:

the board consists of 50% or less independent directors;

the non-independent director is part of the audit, compensation, or nominating committee;

the company has not appointed an audit, compensation, or nominating committee.

AM will classify directors as non-independent when:

For executive directors:

Current employee of the company or one of its affiliates.

For non-executive directors:

Significant Ownership (beneficial owner of more than 50% of the company's voting power).

Former CEO of the company or of an acquired company within the past five years.

Former officer of the company, an affiliate, or an acquired firm within the past five years.

Immediate family member of a current or former officer of the company or its affiliates within the last five years.

Currently provides (or an immediate family member provides) professional services to the company, to an affiliate of the company or an individual officer of the company or one of its affiliates in excess of \$10,000 per year.

*Proxy contest:* In a proxy contest involving election of Directors, a case-by-case voting decision will be made based upon analysis of the issues involved and the merits of the incumbent and dissident slates of Directors. Where applicable, AM will consider the recommendations of ISS along with various factors, including the following:

Long-term financial performance of the company relative to its industry;

Management's track record;



Background to the contested election;

Nominee qualifications and any compensatory arrangements;

Strategic plan of dissident slate and quality of the critique against management;

Likelihood that the proposed goals and objectives can be achieved (both slates); and

Stock ownership positions.

In the case of candidates nominated pursuant to proxy access, AM policy is to vote case-by-case considering any applicable factors listed above, including additional factors and any recommendations of a third party proxy research vendor, currently ISS, which may be relevant, including those that are specific to the company, to the nominee(s) and/or to the nature of the election (such as whether or not there are more candidates than Board seats).

*Rationale:* The large majority of corporate Directors fulfill their fiduciary obligation and in most cases support for Management's nominees is warranted. As the issues relevant to a contested election differ in each instance, those cases must be addressed as they arise.

## **B. Classified Boards of Directors**

AM policy is to vote against proposals to classify the Board and for proposals to repeal classified Boards and elect Directors annually.

*Rationale:* Directors should be held accountable on an annual basis. By entrenching the incumbent Board, a classified Board may be used as an anti-takeover device to the detriment of the shareholders in a hostile take-over situation.

## **C. Board and Committee Independence**

AM policy is to vote:

1. "For" proposals that require that a certain percentage (majority up to 66 2/3%) of members of a Board of Directors be comprised of independent or unaffiliated Directors.

2. “For” proposals that require all members of a company's compensation, audit, nominating, or other similar committees be comprised of independent or unaffiliated Directors.

3. “Against” shareholder proposals to require the addition of special interest, or constituency, representatives to Boards of Directors.

4. “For” separation of the Chairman and CEO positions.

5. Generally, “For” proposals that require a company to appoint a Chairman who is an independent Director, taking into account the following factors:

- whether the proposal is binding and whether it requires an immediate change

• whether the current board has an existing executive or non-independent chair or there was a recent combination of the CEO and chair roles

• whether the governance structure ensures a sufficient board and committee independence, a balance of board and CEO tenure

• whether the company has poor governance practices (such as compensation, poor risk oversight, or any actions, which harmed or have the potential to harm the interests of the shareholders)

• whether the company is demonstrating poor performance (as per the assessment and recommendation of ISS)

Rationale: Board independence is a cornerstone of effective governance and accountability. A Board that is sufficiently independent from Management assures that shareholders' interests are adequately represented.

No Director qualifies as “independent” unless the Board of Directors affirmatively determines that the Director has no material relationship with the listed company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the company).

Whether a Director is in fact not “independent” will depend on the laws and regulations of the primary market for the security and the exchanges, if any, on which the security trades.

#### **D. Liability and Indemnification of Directors**

AM policy is to vote on a case-by-case basis on Management proposals to limit Directors' liability and to broaden the indemnification of Directors, unless broader indemnification or limitations on Directors' liability would affect shareholders' interests in pending litigation, in which case, AM would vote "against."

Rationale: While shareholders want Directors and officers to be responsible for their actions, it may not be in the best interests of the shareholders for them to be too risk averse. If the risk of personal liability is too great, companies may not be able to find capable Directors willing to serve. We support expanding coverage only for actions taken in good faith and not for serious violations of fiduciary obligation or negligence.

#### **E. Qualification of Directors**

AM policy is to follow Management's recommended vote on either Management or shareholder proposals that set retirement ages for Directors or require specific levels of stock ownership by Directors.

Rationale: As a general rule, the Board of Directors, and not the shareholders, is most qualified to establish qualification policies.

#### **F. Removal of Directors and Filling of Vacancies**

AM policy is to vote "against" proposals that include provisions that Directors may be removed only for cause or proposals that include provisions that only continuing Directors may fill Board vacancies.

Rationale: Differing state statutes permit removal of Directors with or without cause. Removal of Directors for cause usually requires proof of self-dealing, fraud or misappropriation of corporate assets, limiting shareholders' ability to remove Directors except under extreme circumstances. Removal without cause requires no such showing.

Allowing only incumbent Directors to fill vacancies can serve as an anti-takeover device, precluding shareholders from filling the Board until the next regular election.

#### **G. Proposals to Fix the Size of the Board**

AM policy is to vote:

1. “For” proposals to fix the size of the Board unless: (a) no specific reason for the proposed change is given; or (b) the proposal is part of a package of takeover defenses.

2. “Against” proposals allowing Management to fix the size of the Board without shareholder approval.

Rationale: Absent danger of anti-takeover use, companies should be granted a reasonable amount of flexibility in fixing the size of its Board.

## **H. Proposals to Restrict Chief Executive Officer’s Service on Multiple Boards**

AM policy is to vote “for” proposals to restrict a Chief Executive Officer from serving on more than two outside Boards of Directors.

Rationale: Chief Executive Officer must have sufficient time to ensure that shareholders’ interests are represented adequately.

Note: A Director’s service on multiple closed-end fund Boards within a fund complex are treated as service on a single Board for the purpose of the proxy voting guidelines.

## **I. Proposals to Establish Audit Committees**

AM policy is to vote “for” proposals that require the establishment of Audit Committees.

Rationale: The Audit Committee should deal with accounting and risk management related questions, verifies the independence of the auditor with due regard to possible conflicts of interest. It also should determine the procedure of the audit process.

## **II. Capital Structure**

### **A. Authorization of Additional Shares**

AM policy is to vote “for” proposals to increase the authorization of existing classes of stock that do not exceed a 3:1 ratio of shares authorized to shares outstanding for a large cap company, and do not exceed a 4:1 ratio of shares authorized to shares outstanding for a small-midcap company (companies having a market capitalization under one billion US dollars).

Rationale: While companies need an adequate number of shares in order to carry on business, increases requested for general financial flexibility must be limited to protect shareholders from their potential use as an anti-takeover device. Requested increases for specifically designated, reasonable business purposes (stock split, merger, etc.) will be considered in light of those purposes and the number of shares required.

## **B. Authorization of “Blank Check” Preferred Stock**

AM policy is to vote:

“Against” proposals to create blank check preferred stock or to increase the number of authorized shares of blank

1. check preferred stock unless the company expressly states that the stock will not be used for anti-takeover purposes and will not be issued without shareholder approval.

2. “For” proposals mandating shareholder approval of blank check stock placement.

Rationale: Shareholders should be permitted to monitor the issuance of classes of preferred stock in which the Board of Directors is given unfettered discretion to set voting, dividend, conversion and other rights for the shares issued.

## **C. Stock Splits / Reverse Stock Splits**

AM policy is to vote “for” stock splits if a legitimate business purpose is set forth and the split is in the shareholders' best interests. A vote is cast “for” a reverse stock split only if the number of shares authorized is reduced in the same proportion as the reverse split or if the effective increase in authorized shares (relative to outstanding shares) complies with the proxy guidelines for common stock increases.

Rationale: Generally, stock splits do not detrimentally affect shareholders. Reverse stock splits, however, may have the same result as an increase in authorized shares and should be analyzed accordingly.

## **D. Dual Class/Supervoting Stock**

AM policy is to vote “against” proposals to create or authorize additional shares of super-voting stock or stock with unequal voting rights.

Rationale: The “one share, one vote” principal ensures that no shareholder maintains a voting interest exceeding their equity interest in the company.

## **E. Large Block Issuance**

AM policy is to address large block issuances of stock on a case-by-case basis based on the nature of the issuance, considering various factors including recommendation of ISS subject to review by the GPVSC as set forth in the guidelines:

For general Issuances, in general AM policy is to:

Vote for issuance authorities with pre-emptive rights to a maximum of 100 percent over currently issued capital and as long as the share issuance authorities’ periods are clearly disclosed (or implied by the application of a legal maximum duration) and in line with market-specific practices and/or recommended guidelines (e.g. issuance periods limited to 18 months for the Netherlands); and

Vote for issuance authorities without pre-emptive rights to a maximum of 20 percent (or a lower limit if local market best practice recommendations provide) of currently issued capital as long as the share issuance authorities’ periods are clearly disclosed (or implied by the application of a legal maximum duration) and in line with market-specific practices and/or recommended guidelines (e.g. issuance periods limited to 18 months for the Netherlands).

For French companies, AM policy is to:

Vote for general issuance requests with pre-emptive rights, or without pre-emptive rights but with a binding “priority right,” for a maximum of 50 percent over currently issued capital; and

Generally vote for general authorities to issue shares without pre-emptive rights up to a maximum of 10 percent of share capital. When companies are listed on a regulated market, the maximum discount on share issuance price proposed in the resolution must, in addition, comply with the legal discount (i.e., a maximum of 5 percent discount to the share listing price) for a vote for to be warranted.

For specific issuances, in general AM policy is to:

Vote on a case-by-case basis on all requests, with or without pre-emptive rights, incorporating where applicable the recommendation of ISS.

Additionally, AM supports proposals requiring shareholder approval of large block issuances.

Rationale: Stock issuances must be reviewed in light of the business circumstances leading to the request and the potential impact on shareholder value.

#### **F. Recapitalization into a Single Class of Stock**

AM policy is to vote “for” recapitalization plans to provide for a single class of common stock, provided the terms are fair, with no class of stock being unduly disadvantaged.

Rationale: Consolidation of multiple classes of stock is a business decision that may be left to the Board and/or Management if there is no adverse effect on shareholders.

#### **G. Share Repurchases**

AM policy is to vote “for” share repurchase plans provided all shareholders are able to participate on equal terms.

Rationale: Buybacks are generally considered beneficial to shareholders because they tend to increase returns to the remaining shareholders.

#### **H. Reductions in Par Value**

AM policy is to vote “for” proposals to reduce par value, provided a legitimate business purpose is stated (e.g., the reduction of corporate tax responsibility).

Rationale: Usually, adjustments to par value are a routine financial decision with no substantial impact on shareholders.

### **III. Corporate Governance Issues**

#### **A. Confidential Voting**

AM policy is to vote “for” proposals to provide for confidential voting and independent tabulation of voting results and to vote “against” proposals to repeal such provisions.

Rationale: Confidential voting protects the privacy rights of all shareholders. This is particularly important for employee-shareholders or shareholders with business or other affiliations with the company, who may be vulnerable to coercion or retaliation when opposing Management. Confidential voting does not interfere with the ability of corporations to communicate with all shareholders, nor does it prohibit shareholders from making their views known directly to Management.

#### **B. Cumulative Voting**

AM policy is to vote “against” shareholder proposals requesting cumulative voting and “for” Management proposals to eliminate it. The protections afforded shareholders by cumulative voting are not necessary when a company has a history of good performance and does not have a concentrated ownership interest. Accordingly, a vote is cast “against” cumulative voting and “for” proposals to eliminate it if:

- a) The company has a five year return on investment greater than the relevant industry index,
- b) All Directors and executive officers as a group beneficially own less than 10% of the outstanding stock, and
- c) No shareholder (or voting block) beneficially owns 15% or more of the company.

Thus, failure of any one of the three criteria results in a vote for cumulative voting in accordance with the general policy.

Rationale: Cumulative voting is a tool that should be used to ensure that holders of a significant number of shares may have Board representation; however, the presence of other safeguards may make their use unnecessary.

#### **C. Supermajority Voting Requirements**



AM policy is to vote “against” Management proposals to require a supermajority vote to amend the charter or by-laws and to vote “for” shareholder proposals to modify or rescind existing supermajority requirements.

\*Exception made when company holds a controlling position and seeks to lower threshold to maintain control and/or make changes to corporate by-laws.

Rationale: Supermajority voting provisions violate the democratic principle that a simple majority should carry the vote. Setting supermajority requirements may make it difficult or impossible for shareholders to remove egregious by-law or charter provisions. Occasionally, a company with a significant insider held position might attempt to lower a supermajority threshold to make it easier for Management to approve provisions that may be detrimental to shareholders. In that case, it may not be in the shareholders interests to lower the supermajority provision.

#### **D.Shareholder Right to Vote**

AM policy is to vote “against” proposals that restrict the right of shareholders to call special meetings, amend the bylaws, or act by written consent. AM Policy is to vote “for” proposals that remove such restrictions.

Rationale: Any reasonable means whereby shareholders can make their views known to Management or affect the governance process should be supported.

#### **IV.Compensation**

Annual Incentive Plans or Bonus Plans are often submitted to shareholders for approval. These plans typically award cash to executives based on company performance. Deutsche Bank believes that the responsibility for executive compensation decisions rest with the Board of Directors and/or the compensation committee, and its policy is not to second-guess the Board’s award of cash compensation amounts to executives unless a particular award or series of awards is deemed excessive. If stock options are awarded as part of these bonus or incentive plans, the provisions must meet Deutsche Bank’s criteria regarding stock option plans, or similar stock-based incentive compensation schemes, as set forth below.

##### **A.Executive and Director Stock Option Plans**

AM policy is to vote “for” stock option plans that meet the following criteria:

-

The resulting dilution of existing shares is less than (a) 15% of outstanding shares for large capital corporations; or (b) 20% of outstanding shares for small-mid capital companies (companies having a market capitalization under one billion US dollars).

The transfer of equity resulting from granting options at less than fair market value (“FMV”) is no greater than 3% of the over-all market capitalization of large capital corporations or 5% of market cap for small-mid capital companies.

The plan does not contain express repricing provisions and, in the absence of an express statement that options will not be repriced, the company does not have a history of repricing options.

The plan does not grant options on super-voting stock.

AM will support performance-based option proposals as long as (a) they do not mandate that all options granted by the company must be performance based; and (b) only certain high-level executives are subject to receive the performance based options.

AM will support proposals to eliminate the payment of outside Director pensions.

Rationale: Determining the cost to the company and to shareholders of stock-based incentive plans raises significant issues not encountered with cash-based compensation plans. These include the potential dilution of existing shareholders' voting power, the transfer of equity out of the company resulting from the grant and execution of options at less than FMV and the authority to reprice or replace underwater options. Our stock option plan analysis model seeks to allow reasonable levels of flexibility for a company yet still protect shareholders from the negative impact of excessive stock compensation. Acknowledging that small mid-capital corporations often rely more heavily on stock option plans as their main source of executive compensation and may not be able to compete with their large capital competitors with cash compensation, we provide slightly more flexibility for those companies.

## **B. Employee Stock Option/Purchase Plans**

AM policy is to vote for employee stock purchase plans (“ESPPs”) when the plan complies with Internal Revenue Code Section 423, allowing non-Management employees to purchase stock at 85% of FMV.

AM policy is to vote “for” employee stock option plans (“ESOPs”) provided they meet the standards for stock option plans in general. However, when computing dilution and transfer of equity, ESOPs are considered independently from executive and Director option plans.

Rationale: ESOPs and ESPPs encourage rank-and-file employees to acquire an ownership stake in the companies they work for and have been shown to promote employee loyalty and improve productivity.

### **C. Golden Parachutes**

AM policy is to vote “for” proposals to require shareholder approval of golden parachutes and for proposals that would limit golden parachutes to no more than three times base compensation. AM Policy is to vote on a “case-by-case” basis regarding more restrictive shareholder proposals to limit golden parachutes.

Rationale: In setting a reasonable limitation, AM considers that an effective parachute should be less attractive than continued employment and that the IRS has opined that amounts greater than three times annual salary, are excessive.

### **D. Proposals to Limit Benefits or Executive Compensation**

AM policy is to vote “against”

Proposals to limit benefits, pensions or compensation and

Proposals that request or require disclosure of executive compensation greater than the disclosure required by Securities and Exchange Commission (“SEC”) regulations.

Rationale: Levels of compensation and benefits are generally considered to be day-to-day operations of the company, and are best left unrestricted by arbitrary limitations proposed by shareholders.

### **E. Shareholder Proposals Concerning “Pay for Superior Performance”**

AM policy is to address pay for superior performance proposals on a case-by-case basis subject to review by the GPVSC as set forth in AM’s Proxy Voting Policy and Guidelines, based on recommendation by ISS and consideration of the following factors:

• What aspects of the company’s annual and long-term equity incentive programs are performance driven?

•

If the annual and long-term equity incentive programs are performance driven, are the performance criteria and hurdle rates disclosed to shareholders or are they benchmarked against a disclosed peer group?

Can shareholders assess the correlation between pay and performance based on the current disclosure?

What type of industry and stage of business cycle does the company belong to?

These proposals generally include the following principles:

Set compensation targets for the plan's annual and long-term incentive pay components at or below the peer group median;

Deliver a majority of the plan's target long-term compensation through performance-vested, not simply time-vested, equity awards;

Provide the strategic rationale and relative weightings of the financial and non-financial performance metrics or criteria used in the annual and performance-vested long-term incentive components of the plan;

Establish performance targets for each plan financial metric relative to the performance of the company's peer companies; and

Limit payment under the annual and performance-vested long-term incentive components of the plan to when the company's performance on its selected financial performance metrics exceeds peer group median performance.

Rationale: While AM agrees that compensation issues are better left to the discretion of Management, there remains the need to monitor for excessive and problematic compensation practices on a case-by-case basis. If, after a review of the ISS metrics, AM is comfortable with ISS's applying this calculation, AM will vote according to ISS' recommendation.

## **F. Executive Compensation Advisory**

AM policy is to support management or shareholder proposals to propose an advisory resolution seeking to ratify the compensation of the company's named executive officers ("NEOs") on an annual basis ("say on pay").

Rationale: AM believes that controls exist within senior Management and corporate compensation committees, ensuring fair compensation to executives. However, an annual advisory vote represents a good opportunity for shareholders to have a transparent and clear exchange of views with the company on the executive compensation

structures.

### **G. Advisory Votes on Executive Compensation**

AM policy is to vote on a case-by-case basis on ballot items related to executive pay and practices, as well as certain aspects of outside director compensation, including recommendations by ISS where applicable, subject to review by the GPVSC as set forth in AM's Proxy Voting Policy and Guidelines.

AM policy is to vote against Advisory Votes on Executive Compensation (Management Say-on-Pay — MSOP) if:

- There is a significant misalignment between CEO pay and company performance (pay for performance);
- The company maintains significant problematic pay practices; or
- The Board exhibits a significant level of poor communication and responsiveness to shareholders.

### **Primary Evaluation Factors for Executive Pay**

#### **Pay-for-Performance Evaluation**

AM will consider the pay-for-performance analysis conducted annually by an independent third party, currently ISS, to identify strong or satisfactory alignment between pay and performance over a sustained period. With respect to companies in the Russell 3000 or Russell 3000E Indices, AM considers the following based on ISS' analysis:

#### **Peer Group Alignment:**

• The degree of alignment between the company's annualized TSR rank and the CEO's annualized total pay rank within a peer group, each measured over a three-year period.

• The multiple of the CEO's total pay relative to the peer group median.

Absolute Alignment – the absolute alignment between the trend in CEO pay and company TSR over the prior five fiscal years – i.e., the difference between the trend in annual pay changes and the trend in annualized TSR during the period.

If the above analysis demonstrates significant unsatisfactory long-term pay-for-performance alignment or, in the case of companies outside the Russell indices, misaligned pay and performance are otherwise suggested, AM may consider any of the following qualitative factors as relevant to evaluating how various pay elements may work to encourage or to undermine long-term value creation and alignment with shareholder interests:

• The ratio of performance- to time-based equity awards;

• The overall ratio of performance-based compensation;

• The completeness of disclosure and rigor of performance goals;

• The company's peer group benchmarking practices;

• Actual results of financial/operational metrics, such as growth in revenue, profit, cash flow, etc., both absolute and relative to peers;

• Special circumstances related to, for example, a new CEO in the prior FY or anomalous equity grant practices (e.g., bi-annual awards);

• Realizable pay compared to grant pay; and

• Any other factors deemed relevant.

#### Problematic Pay Practices

AM's policy is to defer to ISS' recommendation regarding executive compensation practices that contravene the global pay principles considered by ISS in evaluating executive pay and practices, including:

• Problematic practices related to non-performance-based compensation elements;

• Incentives that may motivate excessive risk-taking; and

Options Backdating.

Problematic Pay Practices related to Non-Performance-Based Compensation Elements

AM's policy is, in general, to evaluate pay elements that are not directly based on performance on a case-by-case considering the context of a company's overall pay program and demonstrated pay-for-performance philosophy. AM will defer to ISS' analysis of specific pay practices that have been identified as potentially problematic and may lead to negative recommendations if they are deemed to be inappropriate or unjustified relative to executive pay best practices. The list below highlights the problematic practices that carry significant weight in AM's overall consideration and may result in adverse vote recommendations:

• Repricing or replacing of underwater stock options/SARS without prior shareholder approval (including cash buyouts and voluntary surrender of underwater options);

• Excessive perquisites or tax gross-ups, including any gross-up related to a secular trust or restricted stock vesting;

• New or extended agreements that provide for:

- CIC payments exceeding 3 times base salary and average/target/most recent bonus;

• CIC severance payments without involuntary job loss or substantial diminution of duties ("single" or "modified single" triggers);

• CIC payments with excise tax gross-ups (including "modified" gross-ups); and

• Insufficient executive compensation disclosure by externally- managed issuers (EMIs) such that a reasonable assessment of pay programs and practices applicable to the EMI's executives is not possible.

Incentives that may Motivate Excessive Risk-Taking

• Multi-year guaranteed bonuses;

• A single or common performance metric used for short- and long-term plans;

• Lucrative severance packages;

• High pay opportunities relative to industry peers;

• Disproportionate supplemental pensions; or

• Mega annual equity grants that provide unlimited upside with no downside risk.

Factors that potentially mitigate the impact of risky incentives include rigorous claw-back provisions and robust stock ownership/holding guidelines.

#### Options Backdating

AM's policy is to examine the following factors case-by-case to allow for distinctions to be made between "sloppy" plan administration versus deliberate action or fraud:

• Reason and motive for the options backdating issue, such as inadvertent vs. deliberate grant date changes;

• Duration of options backdating;

• Size of restatement due to options backdating;

• Corrective actions taken by the Board or compensation committee, such as canceling or re-pricing backdated options, the recouping of option gains on backdated grants; and

• Adoption of a grant policy that prohibits backdating, and creates a fixed grant schedule or window period for equity grants in the future.

AM may rely on ISS's analysis of the foregoing and may defer to ISS's recommendation subject to review by the GPVSC.



Rationale: While AM agrees that compensation issues are better left to the discretion of Management, there remains a need to take action on this nonbinding proposal if excessive or problematic compensation practices exist.

## **H. Frequency of Advisory Vote on Executive Compensation**

AM policy is to vote “for” annual advisory votes on compensation, which provide the most consistent and clear communication channel for shareholder concerns about companies’ executive pay programs.

Rationale: AM believes that annual advisory vote gives shareholders the opportunity to express any compensation concerns to the Executive Compensation proposal which is an advisory voting.

## **V. Anti-Takeover Related Issues**

### **A. Shareholder Rights Plans (“Poison Pills”)**

AM policy is to vote “for” proposals to require shareholder ratification of poison pills or that request Boards to redeem poison pills, and to vote “against” the adoption of poison pills if they are submitted for shareholder ratification.

Rationale: Poison pills are the most prevalent form of corporate takeover defenses and can be (and usually are) adopted without shareholder review or consent. The potential cost of poison pills to shareholders during an attempted takeover outweighs the benefits.

### **B. Reincorporation**

AM policy is to examine reincorporation proposals on a case-by-case basis. The voting decision is based on:

Differences in state law between the existing state of incorporation and the proposed state of incorporation; and

Differences between the existing and the proposed charter/bylaws/articles of incorporation and their effect on shareholder rights.

If changes resulting from the proposed reincorporation violate the corporate governance principles set forth in these guidelines, the reincorporation will be deemed contrary to shareholder’s interests and a vote cast “against.”

Rationale: Reincorporations can be properly analyzed only by looking at the advantages and disadvantages to their shareholders. Care must be taken that anti-takeover protection is not the sole or primary result of a proposed change.

### **C. Fair-Price Proposals**

AM policy is to vote “for” Management fair-price proposals, provided that:

• The proposal applies only to two-tier offers;

• The proposal sets an objective fair-price test based on the highest price that the acquirer has paid for a company's shares;

• The supermajority requirement for bids that fail the fair-price test is no higher than two-thirds of the outstanding shares; and

• The proposal contains no other anti-takeover provisions or provisions that restrict shareholders rights.

A vote is cast for shareholder proposals that would modify or repeal existing fair-price requirements that do not meet these standards.

Rationale: While fair price provisions may be used as anti-takeover devices, if adequate provisions are included, they provide some protection to shareholders who have some say in their application and the ability to reject those protections if desired.

### **D. Exemption from State Takeover Laws**

AM policy is to vote “for” shareholder proposals to opt out of state takeover laws and to vote “against” Management proposals requesting to opt out of state takeover laws.

Rationale: Control share statutes, enacted at the state level, may harm long-term share value by entrenching Management. They also unfairly deny certain shares their inherent voting rights.

## **E. Non-Financial Effects of Takeover Bids**

Policy is to vote “against” shareholder proposals to require consideration of non-financial effects of merger or acquisition proposals.

Rationale: Non-financial effects may often be subjective and are secondary to AM’s stated purpose of acting in its client’s best economic interest.

## **VI. Mergers & Acquisitions**

Evaluation of mergers, acquisitions and other special corporate transactions (i.e., takeovers, spin-offs, sales of assets, reorganizations, restructurings, and recapitalizations) are performed on a case-by-case basis, including consideration of ISS’s analysis and recommendations where applicable, subject to review by the GPVSC. AM policy is to review and evaluate the merits and drawbacks of the proposed transaction, balancing various and sometimes countervailing factors including:

**Valuation** - Is the value to be received by the target shareholders (or paid by the acquirer) reasonable? While the fairness opinion may provide an initial starting point for assessing valuation reasonableness, emphasis is placed on the offer premium, market reaction and strategic rationale.

**Market reaction** - How has the market responded to the proposed deal? A negative market reaction should cause closer scrutiny of a deal.

**Strategic rationale** - Does the deal make sense strategically? From where is the value derived? Cost and revenue synergies should not be overly aggressive or optimistic, but reasonably achievable. Management should also have a favorable track record of successful integration of historical acquisitions.

**Negotiations and process** - Were the terms of the transaction negotiated at arm's-length? Was the process fair and equitable? A fair process helps to ensure the best price for shareholders. Significant negotiation “wins” can also signify the deal makers' competency. The comprehensiveness of the sales process (e.g., full auction, partial auction, no auction) can also affect shareholder value.

**Conflicts of interest** - Are insiders benefiting from the transaction disproportionately and inappropriately as compared to non-insider shareholders? As the result of potential conflicts, the directors and officers of the company may be more likely to vote to approve a merger than if they did not hold these interests. Consider whether these interests may have influenced these directors and officers to support or recommend the merger. The CIC figure presented in the “ISS Transaction Summary” section of this report is an aggregate figure that can in certain cases be a misleading indicator of the true value transfer from shareholders to insiders. Where such figure appears to be excessive, analyze the underlying assumptions to determine whether a potential conflict exists.

Governance - Will the combined company have a better or worse governance profile than the current governance profiles of the respective parties to the transaction? If the governance profile is to change for the worse, the burden is on the company to prove that other issues (such as valuation) outweigh any deterioration in governance.

Additional resources including portfolio management and research analysts may be considered as set forth in AM's policies and procedures.

## **VII. Environmental, Social and Governance Issues**

Environmental, social and governance issues (ESG) are becoming increasingly important to corporate success. We incorporate ESG considerations into both our investment decisions and our proxy voting decisions – particularly if the financial performance of the company could be impacted. Companies or states that seriously contravene internationally accepted ethical principles will be subject to heightened scrutiny.

### **A. Principles for Responsible Investment**

AM policy is to actively engage with companies on ESG issues and participate in ESG initiatives. In this context, AM (a) votes “for” increased disclosure on ESG issues; (b) is willing to participate in the development of policy, regulation, and standard setting (such as promoting and protecting shareholder rights); (c) could support shareholder initiatives and also file shareholder resolutions with long term ESG considerations and improved ESG disclosure, when applicable; (d) could support standardized ESG reporting and issues to be integrated within annual financial reports; and (e) on a case-by-case basis, on other votes related to ESG issues.

Rationale: ESG issues can affect the performance of investment portfolios (to varying degrees across companies, sectors, regions, asset classes and through time).

### **B. ESG Issues**

AM policy will also consider the Coalition for Environmentally Responsible Economies (“CERES”) recommendation on Environmental matters contained in the CERES Principles and the recommendations on social and sustainability issues not specifically addressed elsewhere in these Guidelines. AM may consider ISS to identify shareholder proposals addressing CERES Principles and may have proxies voted in accordance with ISS' predetermined voting guidelines on CERES Principles. AM policy is to generally vote for social and environmental shareholder proposals that promote good corporate citizens while enhancing long-term shareholder and stakeholder value. AM policy is to vote for disclosure reports that seek additional information particularly when it appears companies have not adequately addressed shareholders' social, workforce, and environmental concerns. In determining vote recommendations on shareholder social, workforce, and environmental proposals, AM will consider the

recommendation of ISS along with various other factors including:

• Whether the proposal itself is well framed and reasonable;

• Whether adoption of the proposal would have either a positive or negative impact on the company's short-term or long-term share value;

• Whether the company's analysis and voting recommendation to shareholders is persuasive;

• The degree to which the company's stated position on the issues could affect its reputation or sales, or leave it vulnerable to boycott or selective purchasing;

• Whether the subject of the proposal is best left to the discretion of the Board;

• Whether the issues presented in the proposal are best dealt with through legislation, government regulation, or company-specific action;

• The company's approach compared with its peers or any industry standard practices for addressing the issue(s) raised by the proposal;

• Whether the company has already responded in an appropriate or sufficient manner to the issue(s) raised in the proposal;

If the proposal requests increased disclosure or greater transparency, whether or not sufficient information is publicly available to shareholders and whether it would be unduly burdensome for the company to compile and avail the requested information to shareholders in a more comprehensive or amalgamated fashion; or

• Whether implementation of the proposal would achieve the objectives sought in the proposal.

In general, AM policy supports proposals that request the company to furnish information helpful to shareholders in evaluating the company's operations, based on ISS' analysis and recommendation. In order to be able to intelligently monitor their investments shareholders often need information best provided by the company in which they have invested. Requests to report such information will merit support. Requests to establish special committees of the Board to address broad corporate policy and provide forums for ongoing dialogue on issues including, but not limited to shareholder relations, the environment, human rights, occupational health and safety, and executive compensation, will generally be supported, particularly when they appear to offer a potentially effective method for enhancing shareholder value. AM policy is to closely evaluate proposals that ask the company to cease certain actions that the proponent believes are harmful to society or some segment of society with special attention to the company's legal and ethical obligations, its ability to remain profitable, and potential negative publicity if the company fails to honor the

request. AM policy supports shareholder proposals that improve the company's public image, and reduce exposure to liabilities.

Rationale: AM supports CERES and as such generally considers the CERES recommendation, but will vote on a case-by-case basis.

## **VIII. Miscellaneous Items**

### **A. Ratification of Auditors**

AM policy is to vote "for" (a) the Management recommended selection of auditors and (b) proposals to require shareholder approval of auditors.

Rationale: Absent evidence that auditors have not performed their duties adequately, support for Management's nomination is warranted.

### **B. Limitation of Non-Audit Services provided by Independent Auditor**

AM policy is to support proposals limiting non-audit fees to 50% of the aggregate annual fees earned by the firm retained as a company's independent auditor.

Rationale: In the wake of financial reporting problems and alleged audit failures at a number of companies, AM supports the general principle that companies should retain separate firms for audit and consulting services to avoid potential conflicts of interest. However, given the protections afforded by the Sarbanes-Oxley Act of 2002 (which requires Audit Committee pre-approval for non-audit services and prohibits auditors from providing specific types of services), and the fact that some non-audit services are legitimate audit-related services, complete separation of audit and consulting fees may not be warranted. A reasonable limitation is appropriate to help ensure auditor independence and it is reasonable to expect that audit fees exceed non-audit fees.

### **C. Audit Firm Rotation**

AM policy is to vote against proposals seeking audit firm rotation, unless there are relevant audit-related issues.

**Rationale:** Because the Sarbanes-Oxley Act mandates that the lead audit partner be switched every five years, AM believes that rotation of the actual audit firm would be costly and disruptive, unless AM believes there are significant audit-related issues.

#### **D. Transaction of Other Business**

AM policy is to vote “against” transaction of other business proposals.

**Rationale:** This is a routine item to allow shareholders to raise other issues and discuss them at the meeting. As the nature of these issues may not be disclosed prior to the meeting, we recommend a vote against these proposals. This protects shareholders voting by proxy (and not physically present at a meeting) from having action taken at the meeting that they did not receive proper notification of or sufficient opportunity to consider.

#### **E. Motions to Adjourn the Meeting**

AM Policy is to vote “against” proposals to adjourn the meeting.

**Rationale:** Management may seek authority to adjourn the meeting if a favorable outcome is not secured. Shareholders should already have had enough information to make a decision. Once votes have been cast, there is no justification for Management to continue spending time and money to press shareholders for support.

#### **F. Bundled Proposals**

AM policy is to vote against bundled proposals if any bundled issue would require a vote against it if proposed individually.

**Rationale:** Shareholders should not be forced to “take the good with the bad” in cases where the proposals could reasonably have been submitted separately.

#### **G. Change of Company Name**

AM policy is to support Management on proposals to change the company name.

Rationale: This is generally considered a business decision for a company.

## **H. Proposals Related to the Annual Meeting**

AM Policy is to vote “for” Management for proposals related to the conduct of the annual meeting (meeting time, place, etc.)

Rationale: These are considered routine administrative proposals.

## **I. Reimbursement of Expenses Incurred from Candidate Nomination**

AM policy is to follow Management’s recommended vote on shareholder proposals related to the amending of company bylaws to provide for the reimbursement of reasonable expenses incurred in connection with nominating one or more candidates in a contested election of Directors to the corporation’s Board of Directors.

Rationale: Corporations should not be liable for costs associated with shareholder proposals for Directors.

## **J. Investment Company Proxies**

Proxies solicited by investment companies are voted in accordance with the recommendations of an independent third party, currently ISS. However, regarding investment companies for which AM or an affiliate serves as investment adviser or principal underwriter, such proxies are voted in the same proportion as the vote of all other shareholders. Proxies solicited by master funds from feeder funds will be voted in accordance with applicable provisions of Section 12 of the Investment Company Act of 1940 (“Investment Company Act”).

Investment companies, particularly closed-end investment companies, are different from traditional operating companies. These differences may call for differences in voting positions on the same matter. For example, AM could vote “for” staggered Boards of closed-end investment companies, although AM generally votes “against” staggered Boards for operating companies. Further, the manner in which AM votes investment company proxies may differ from proposals for which an AM-advised investment company solicits proxies from its shareholders. As reflected in the Guidelines, proxies solicited by closed-end (and open-end) investment companies are voted in accordance with the pre-determined guidelines of an independent third-party.



Subject to participation agreements with certain Exchange Traded Funds (“ETF”) issuers that have received exemptive orders from the US Securities and Exchange Commission allowing investing Deutsche funds to exceed the limits set forth in Section 12(d)(1)(A) and (B) of the Investment Company Act, AM will echo vote proxies for ETFs in which Deutsche Bank holds more than 25% of outstanding voting shares globally when required to do so by participation agreements and SEC orders.

Note: With respect to the Deutsche Central Cash Management Government Fund (registered under the Investment Company Act), the Fund is not required to engage in echo voting and the investment adviser will use these Guidelines, and may determine, with respect to the Deutsche Central Cash Management Government Fund, to vote contrary to the positions in the Guidelines, consistent with the Fund’s best interest.

The above guidelines pertain to issuers organized in the United States and Canada. Proxies solicited by other issuers are voted in accordance with international guidelines or the recommendation of ISS and in accordance with applicable law and regulation.

## **IX. Proxy Voting Guidelines with application for holdings incorporated in Europe:**

### **Remuneration (Variable Pay)**

#### **A. Executive remuneration for Management Board**

AM policy is to vote “for” Management Board remuneration that is transparent and linked to results.

Rationale: Executive compensation should motivate Management and align the interests of Management with the shareholders. The focus should be on criteria that prevent excessive remuneration; but enable the company to hire and retain first-class professionals.

Shareholder interests are normally best served when Management is remunerated to optimise long-term returns. Criteria should include suitable measurements like return on capital employed or economic value added.

Interests should generally also be correctly aligned when Management own shares in the company – even more so if these shares represent a substantial portion of their own wealth.

Its disclosure shall differentiate between fixed pay, variable (performance related) pay, and long-term incentives, including stock option plans with valuation ranges as well as pension and any other significant arrangements.

### **B. Executive remuneration for Supervisory Board**

AM policy is to vote “for” remuneration for Supervisory Board that is at least 50% in fixed form.

Rationale: It would normally be preferable if performance linked compensation were not based on dividend payments, but linked to suitable result based parameters. Consulting and procurement services should also be published in the company report.

### **C. Long-Term Incentive Plans**

AM policy is to vote “for” long-term incentive plans for members of a Management Board that reward for above average company performance.

Rationale: Incentive plans will normally be supported if they:

1. Directly align the interests of members of Management Boards with those of shareholders;
2. Establish challenging performance criteria to reward only above average performance;
3. Measure performance by total shareholder return in relation to the market or a range of comparable companies;
4. Are long-term in nature and encourage long-term ownership of the shares once exercised through minimum holding periods; and
5. Do not allow a repricing of the exercise price in stock option plans.

#### **D. Proposals to Restrict Supervisory Board Members Service on Multiple Boards**

AM policy is to vote “for” proposals to restrict a Supervisory Board Member from serving on more than five Supervisory Boards.

**Rationale:** We consider a strong, independent, and knowledgeable Supervisory Board as important counter-balance to executive Management to ensure that the interests of shareholders are fully reflected by the company.

Full information should be disclosed in the annual reports and accounts to allow all shareholders to judge the success of the Supervisory Board controlling their company.

Supervisory Board Members must have sufficient time to ensure that shareholders’ interests are represented adequately.

Note: A Director’s service on multiple Boards within a fund complex is exempt from the above rule for the purpose of the proxy voting guidelines.

#### **E. Establishment of a Remuneration Committee**

AM policy is to vote “for” proposals that require the establishment of a Remuneration Committee.

**Rationale:** Corporations should disclose in each annual report or proxy statement their policies on remuneration. Essential details regarding executive remuneration including share options, long-term incentive plans and bonuses, should be disclosed in the annual report, so that investors can judge whether corporate pay policies and practices meet the standard.

The Remuneration Committee shall not comprise any Management Board members and should be sensitive to the wider scene on executive pay. It should ensure that performance-based elements of executive pay are designed to align the interests of shareholders.

## **F. Management Board Election and Motion**

AM policy is to vote “against”:

1. The election of Management Board members with positions on either Remuneration or Audit Committees;
2. The election of Supervisory Board members with too many Supervisory Board mandates; and
3. “Automatic” election of former Management Board members into the Supervisory Board.

**Rationale:** Management as an entity, and each of its members, are responsible for all actions of the company, and are – subject to applicable laws and regulations – accountable to the shareholders as a whole for their actions.

Sufficient information should be disclosed in the annual company report and account to allow shareholders to judge the success of the company.

## **ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES**

### **Portfolio Manager Team Disclosure:**

As of the date of this report the Fund is managed by a Team of investment professionals who collaborate to develop and implement the Fund’s investment strategy. Each Portfolio Manager on the Team has authority over all aspects of the Fund’s investment portfolio, including but not limited to, purchases and sales of individual securities, portfolio construction techniques, portfolio risk assessment, and the management of daily cash flows in accordance with portfolio holdings.

The following individuals handle the day-to-day management of the Fund.

Ashton P. Goodfield, CFA, Managing Director of DWS and Portfolio Manager of the Fund.

- Joined DWS in 1986 and the Fund in 2014.

- Co-Head of Municipal Bonds.
- BA, Duke University.

Michael J. Generazo, Director of DWS and Portfolio Manager of the Fund.

- Joined DWS in 1999 and the Fund in 2010.
- BS, Bryant College; MBA, Suffolk University.

Peter Aloisi, CFA, Vice President of DWS and Portfolio Manager of the Fund.

- Joined DWS in 2010 with 5 years industry experience; previously, served as an Associate at Banc of America Securities. Joined the Fund in 2018.
- BA and MBA, Boston College.

#### Compensation of Portfolio Managers

The Advisor and its affiliates are part of DWS. The brand DWS represents DWS Group GmbH & KGaA (“DWS Group”) and any of the subsidiaries such as DWS Investment Management Americas, Inc. and RREEF America L.L.C. which offer advisory services. DWS seeks to offer its investment professionals competitive short-term and long-term compensation based on continuous, above average, fund performance relative to the market. This includes measurement of short and long-term performance against industry and portfolio benchmarks. As employees of DWS, portfolio managers are paid on a total compensation basis, which includes Fixed Pay (base salary) and Variable Compensation, as set forth below. The compensation information below is provided as of the Fund’s most recent annual report dated November 30, 2018.

Fixed Pay (**FP**) is the key and primary element of compensation for the majority of DWS employees and reflects the value of the individual’s role and function within the organization. It rewards factors that an employee brings to the organization such as skills and experience, while reflecting regional and divisional (i.e. DWS) specifics. FP levels play a significant role in ensuring competitiveness of the Advisor and its affiliates in the labor market, thus benchmarking provides a valuable input when determining FP levels.

Variable Compensation (**VC**) is a discretionary compensation element that enables the Advisor and its affiliates to provide additional reward to employees for their performance and behaviors, while reflecting DWS affordability and the financial situation of Deutsche Bank AG (the “Bank”) and DWS. VC aims to:

- o Recognize that every employee contributes to the DWS Group’s success through the DWS Group and/or Bank component of VC (**Group Component**),
- o Reflect individual performance, investment performance, behaviors and culture through discretionary individual VC (**Individual Component**), and
  - o Reward outstanding contributions at the junior levels through the discretionary **Recognition Award**.

Employee seniority as well as divisional and regional specifics determine which VC elements are applicable for a given employee and the conditions under which they apply. Both Group and Individual Components may be awarded in shares or other share-based instruments and other deferral arrangements.

In general, each of the Advisor and its advisory affiliates seek to offer its investment professionals competitive short-term and long-term compensation based on continuous, above average, fund performance relative to the market. This includes measurement of short and long-term performance against industry and portfolio benchmarks. To evaluate its investment professionals in light of and consistent with the compensation principles set forth above, the Advisor and its affiliates review investment performance for all accounts managed in relation to the appropriate Morningstar peer group universe with respect to a fund, iMoneyNet peer group with respect to a money market fund or relevant benchmark index(es) set forth in the governing documents with respect to each other account type. The ultimate goal of this process is to evaluate the degree to which investment professionals deliver investment performance that meets or exceeds their clients' risk and return objectives. When determining total compensation, the Advisor and its affiliates consider a number of quantitative, qualitative and other factors:

Quantitative measures (e.g. one-, three- and five-year pre-tax returns versus the appropriate Morningstar peer group universe for a fund, or versus the appropriate iMoneyNet peer group for a money market fund or relevant benchmark index(es) set forth in the governing documents with respect to each other account type, taking risk targets into account) are utilized to measure performance.

Qualitative measures (e.g. adherence to, as well as contributions to, the enhancement of the investment process) are included in the performance review.

Other factors (e.g. non-investment related performance, teamwork, adherence to compliance rules, risk management and "living the values" of the Advisor and its affiliates) are included as part of a discretionary component of the review process, giving management the ability to consider additional markers of performance on a subjective basis.

Fund Ownership of Portfolio Managers

The following table shows the dollar range of Fund shares owned beneficially and of record by each member of the Fund's portfolio management team as well as in all US registered DWS Funds advised by DWS Investment Management Americas, Inc.

(Advisor) as a group, including investments by their immediate family members sharing the same household and amounts invested through retirement and deferred compensation plans. This information is provided as of the Fund's most recent annual report dated November 30, 2018.

Name of <u>Portfolio Manager</u>	Dollar Range of	Dollar Range of All DWS Fund Shares Owned
	Fund Shares Owned	
Ashton P. Goodfield	\$10,001-\$50,000	\$500,001-\$1,000,000
Michael J. Generazo -	-	\$10,001-\$50,000
Peter Aloisi	-	\$10,001-\$50,000
Conflicts of Interest		

In addition to managing the assets of the Fund, the Fund's portfolio managers may have responsibility for managing other client accounts of the Advisor or its affiliates. The tables below show, for each portfolio manager, the number and asset size of (1) SEC registered investment companies (or series thereof) other than the Fund, (2) pooled

investment vehicles that are not registered investment companies and (3) other accounts (e.g., accounts managed for individuals or organizations) managed by each portfolio manager. Total assets attributed to each portfolio manager in the tables below include total assets of each account managed by them, although the manager may only manage a portion of such account's assets. For Funds subadvised by subadvisors unaffiliated with the Advisor, total assets of Funds managed may only include assets allocated to the portfolio manager and not the total assets of each Fund managed. The tables also show the number of performance-based fee accounts, as well as the total assets of the accounts for which the advisory fee is based on the performance of the account. This information is provided as of the Fund's most recent annual report dated November 30, 2018.

**Other SEC Registered Investment Companies Managed:**

<b>Name of Portfolio Manager</b>	<b>Number of Registered Investment Companies</b>	<b>Total Assets of Registered Investment Companies</b>	<b>Number of Investment Company Accounts with Performance Based Fee</b>	<b>Total Assets of Performance- Based Fee Accounts</b>
Ashton P. Goodfield	8	\$8,347,953,115	-	-
Michael J. Generazo	5	\$6,703,598,336	-	-
Peter Aloisi	3	\$1,644,354,779	-	-

**Other Pooled Investment Vehicles Managed:**

<b>Name of Portfolio Manager</b>	<b>Number of Pooled Investment Vehicles</b>	<b>Total Assets of Pooled Investment Vehicles</b>	<b>Number of Pooled Investment Vehicle Accounts with Performance-Based Fee</b>	<b>Total Assets of Performance- Based Fee Accounts</b>
Ashton P. Goodfield	-	-	-	-
Michael J. Generazo	-	-	-	-
Peter Aloisi	-	-	-	-

**Other Accounts Managed:**

<b>Name of Portfolio Manager</b>	<b>Number of Other Accounts</b>	<b>Total Assets of Other Accounts</b>	<b>Number of Other Accounts with Performance- Based Fee</b>	<b>Total Assets of Performance- Based Fee Accounts</b>
Ashton P. Goodfield	-	-	-	-
Michael J. Generazo	2	\$35,392,315	-	-

Peter Aloisi - - - -

In addition to the accounts above, an investment professional may manage accounts in a personal capacity that may include holdings that are similar to, or the same as, those of the Funds. The Advisor or Subadvisor, as applicable, has in place a Code of Ethics that is designed to address conflicts of interest and that, among other things, imposes restrictions on the ability of portfolio managers and other “access persons” to invest in securities that may be recommended or traded in the Funds and other client accounts.

Real, potential or apparent conflicts of interest may arise when a portfolio manager has day-to-day portfolio management responsibilities with respect to more than one fund or account, including the following:

Certain investments may be appropriate for the Fund and also for other clients advised by the Advisor, including other client accounts managed by the Fund’s portfolio management team. Investment decisions for the Fund and other clients are made with a view to achieving their respective investment objectives and after consideration of such factors as their current holdings, availability of cash for investment and the size of their investments generally. A particular security may be bought or sold for only one client or in different amounts and at different times for more than one but less than all clients. Likewise, because clients of the Advisor may have differing investment strategies, a particular security may be bought for one or more clients when one or more other clients are selling the security. The investment results achieved for the Fund may differ from the results achieved for other clients of the Advisor. In addition, purchases or sales of the same security may be made for two or more clients on the same day. In such event, such transactions will be allocated among the clients in a manner believed by the Advisor to be most equitable to each client, generally utilizing a pro rata allocation methodology. In some cases, the allocation procedure could potentially have an adverse effect or positive effect on the price or amount of the securities purchased or sold by the Fund. Purchase and sale orders for the Fund may be combined with those of other clients of the Advisor in the interest of achieving the most favorable net results to the Fund and the other clients.

To the extent that a portfolio manager has responsibilities for managing multiple client accounts, a portfolio manager will need to divide time and attention among relevant accounts. The Advisor attempts to minimize these conflicts by aligning its portfolio management teams by investment strategy and by employing similar investment models across multiple client accounts.

In some cases, an apparent conflict may arise where the Advisor has an incentive, such as a performance-based fee, in managing one account and not with respect to other accounts it manages. The Advisor will not determine allocations based on whether it receives a performance-based fee from the client. Additionally, the Advisor has in place supervisory oversight processes to periodically monitor performance deviations for accounts with like strategies.

- The Advisor and its affiliates and the investment team of each Fund may manage other mutual funds and separate accounts on a long only or a long-short basis. The simultaneous management of long and short portfolios creates potential conflicts of interest including the risk that short sale activity could adversely affect the market value of the long positions (and vice versa), the risk arising from sequential orders in long and short positions, and the risks associated with receiving opposing orders at the same time. The Advisor has adopted procedures that it believes are reasonably designed to mitigate these and other potential conflicts of interest. Included in these procedures are specific guidelines developed to provide fair and equitable treatment for all clients whose accounts are managed by each Fund’s portfolio management team. The Advisor and the portfolio management team have established monitoring procedures, a protocol for supervisory reviews, as well as compliance oversight to ensure that potential conflicts of interest relating to



this type of activity are properly addressed.

Because the Advisor is majority owned by the Bank, a multi-national financial services company, the Advisor is affiliated with a variety of entities that provide, and/or engage in commercial banking, insurance, brokerage, investment banking, financial advisory, broker-dealer activities (including sales and trading), hedge funds, real estate and private equity investing, in addition to the provision of investment management services to institutional and individual investors. Since the Bank, its affiliates, directors, officers and employees (the “Firm”) are engaged in businesses and have interests in addition to managing asset management accounts, such wide ranging activities involve real, potential or apparent conflicts of interest. These interests and activities include potential advisory, transactional and financial activities and other interests in securities and companies that may be directly or indirectly purchased or sold by the Firm for its clients’ advisory accounts. The Advisor may take investment positions in securities in which other clients or related persons within the Firm have different investment positions. There may be instances in which the Advisor is purchasing or selling for its client accounts, or pursuing an outcome in the context of a workout or restructuring with respect to, securities in which the Firm is undertaking the same or differing strategy in other businesses or other client accounts. These are considerations of which advisory clients should be aware and which may cause conflicts that could be to the disadvantage of the Advisor’s advisory clients, including the Fund. The Advisor has instituted business and compliance policies, procedures and disclosures that are designed to identify, monitor and mitigate conflicts of interest and, as appropriate, to report them to a Fund’s Board.

**ITEM PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT  
9. COMPANY AND AFFILIATED PURCHASERS**

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid as Part of per Share	(c)	(d)
			Total Number of Shares Purchased Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
December 1 through December 31	-	n/a	n/a	n/a
January 1 through January 31	-	n/a	n/a	n/a
February 1 through February 28	-	n/a	n/a	n/a
March 1 through March 31	-	n/a	n/a	n/a
April 1 through April 30	-	n/a	n/a	n/a
May 1 through May 31	-	n/a	n/a	n/a
June 1 through June 30	-	n/a	n/a	n/a

July 1 through July 31	-	n/a	n/a	n/a
August 1 through August 31	-	n/a	n/a	n/a
September 1 through September 30	-	n/a	n/a	n/a
October 1 through October 31	-	n/a	n/a	n/a
November 1 through November 30	-	n/a	n/a	n/a
Total	-	n/a	n/a	n/a

The Fund may from time to time repurchase shares in the open market.

**ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

There were no material changes to the procedures by which shareholders may recommend nominees to the Fund's Board. The primary function of the Nominating and Governance Committee is to identify and recommend individuals for membership on the Board and oversee the administration of the Board Governance Guidelines. Shareholders may recommend candidates for Board positions by forwarding their correspondence by U.S. mail or courier service to Keith R. Fox, DWS Funds Board Chair, c/o Thomas R. Hiller, Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199-3600.

**ITEM 11. CONTROLS AND PROCEDURES**

The Chief Executive and Financial Officers concluded that the Registrant's Disclosure Controls and (a) Procedures are effective based on the evaluation of the Disclosure Controls and Procedures as of a date within 90 days of the filing date of this report.

(b) There have been no changes in the registrant's internal control over financial reporting that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal controls over financial reporting.

**ITEM 12. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS**

Not applicable

**ITEM 13. EXHIBITS**

- (a)(1) Code of Ethics pursuant to Item 2 of Form N-CSR is filed and attached hereto as

EX-99.CODE  
ETH.

(a)(2) Certification  
pursuant  
to Rule  
30a-2(a)  
under the  
Investment  
Company  
Act of  
1940 (17  
CFR  
270.30a-2(a))  
is filed  
and  
attached  
hereto as  
Exhibit  
99.CERT.

(b) Certification  
pursuant to  
Rule 30a-2(b)  
under the  
Investment  
Company Act  
of 1940 (17  
CFR  
270.30a-2(b))  
is furnished  
and attached  
hereto as  
Exhibit  
99.906CERT.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant: DWS Municipal Income Trust

/s/Hepsen Uzcan

By: Hepsen Uzcan

President

Date: 1/29/2019

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/Hepsen Uzcan

By: Hepsen Uzcan

President

Date: 1/29/2019

/s/Diane Kenneally

By: Diane Kenneally

Chief Financial Officer and Treasurer

Date: 1/29/2019