

# 2019 22d-1 disclosure updates



## Funds offering class C shares

Class C shares convert automatically to class A shares after ten years, thereby reducing future 12b-1 fees, provided that Putnam Investor Services or the financial intermediary through which a shareholder purchased class C shares has records verifying that the class C shares have been held for at least ten years, and that class A shares are available for purchase by residents in the shareholder's jurisdiction. In certain cases, records verifying that the class C shares have been held for at least ten years may not be available (for example, participant level share lot aging may not be tracked by group retirement plan recordkeeping platforms through which class C shares of the fund are held in an omnibus account). If such records are unavailable, Putnam Investor Services or the relevant financial intermediary may not effect the conversion or may effect the conversion on a different schedule determined by Putnam Investor Services or the financial intermediary, which may be shorter or longer than ten years. Investors should consult their financial representative for more information about their eligibility for class C share conversion.

## Putnam Short-Term Municipal Income Fund

### Fees and expenses

The following table describes the fees and expenses you may pay if you buy and hold shares of the fund. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$100,000 in Putnam funds. More information about these and other discounts is available from your financial advisor and in *How do I buy fund shares?* beginning on page 13 of the fund's prospectus, in the Appendix to the fund's prospectus, and in *How to buy shares* beginning on page II-1 of the fund's statement of additional information (SAI).

### Shareholder fees (fees paid directly from your investment)

Share class	Maximum sales charge (load) imposed on purchases (as a percentage of offering price)	Maximum deferred sales charge (load) (as a percentage of original purchase price or redemption proceeds, whichever is lower)
Class A	2.25%	1.00%*
Class B	NONE	1.00%**
Class C	NONE	1.00%***
Class M	0.75%	NONE
Class R6	NONE	NONE
Class Y	NONE	NONE

\* Applies only to certain redemptions of shares bought with no initial sales charge.

\*\* This charge is phased out over two years.

\*\*\* This charge is eliminated after one year.

### How much you intend to invest

While investments of less than \$250,000 can be made in any share class, class A offers sales charge discounts starting at \$100,000, and the fund does not charge an initial sales charge for purchases of class A or class M shares of \$250,000 or more.

Orders for class C shares of one or more Putnam funds will be refused when the total value of the purchase, plus existing account balances that are eligible to be linked under a right of accumulation for purchases of class A shares (as described below) [please see the prospectus for the referenced description], is \$250,000 or more. Investors considering cumulative purchases of \$250,000 or more should consider whether class A shares would be more advantageous and consult their financial representative.

Orders for class M shares of one or more Putnam funds will be refused when the total value of the purchase, plus existing account balances that are eligible to be linked under a right of accumulation for purchases of class A shares (as described below) [please see the prospectus for the referenced description], is \$250,000 or more. Investors considering cumulative purchases of \$250,000 or more should consider whether class A shares would be more advantageous and consult their financial representative.

Amount of purchase at offering price (\$)	Initial sales charges for class A and M shares			
	Class A sales charge as a percentage of*:		Class M sales charge as a percentage of*:	
	Net amount invested	Offering price**	Net amount invested	Offering price**
Under 100,000	2.30%	2.25%	0.76%	0.75%
100,000-249,999	1.27%	1.25%	0.76%	0.75%
250,000 and above	NONE	NONE	N/A***	N/A***

\* Because of rounding in the calculation of offering price and the number of shares purchased, actual sales charges you pay may be more or less than these percentages.

\*\* Offering price includes sales charge.

\*\*\* The fund will not accept purchase orders for class M shares (other than by employer-sponsored retirement plans) where the total of the current purchase, plus existing account balances that are eligible to be linked under a right of accumulation (as described below) [please see the prospectus for the referenced description], is \$250,000 or more.

## Putnam Mortgage Opportunities Fund

### Fees and expenses

The following table describes the fees and expenses you may pay if you buy and hold shares of the fund. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$100,000 in Putnam funds. More information about these and other discounts is available from your financial advisor and in *How do I buy fund shares?* beginning on page 15 of the fund's prospectus, in the Appendix to the fund's prospectus, and in *How to buy shares* beginning on page II-1 of the fund's statement of additional information (SAI).

### Shareholder fees (fees paid directly from your investment)

Share class	Maximum sales charge (load) imposed on purchases (as a percentage of offering price)	Maximum deferred sales charge (load) (as a percentage of original purchase price or redemption proceeds, whichever is lower)
Class A	4.00%	1.00%*
Class C	NONE	1.00%**
Class Y	NONE	NONE

\* Applies only to certain redemptions of shares bought with no initial sales charge.

\*\* This charge is eliminated after one year.

## How much you intend to invest

While investments of less than \$100,000 can be made in any share class, class A offers sales charge discounts starting at \$100,000.

### Class A shares

- Initial sales charge of up to 4.00%.
- Lower sales charges available for investments of \$100,000 or more.
- No deferred sales charge (except that a deferred sales charge of 1.00% may be imposed on certain redemptions of shares bought without an initial sales charge).
- Lower annual expenses, and higher dividends, than class C shares because of lower 12b-1 fees.

### Class C shares

- No initial sales charge; your entire investment goes to work immediately.
- Deferred sales charge of 1.00% if shares are sold within one year of purchase.
- Higher annual expenses, and lower dividends, than class A shares because of higher 12b-1 fees.
- Convert automatically to class A shares after ten years, thereby reducing future 12b-1 fees, provided that the fund or the financial intermediary through which a shareholder purchased class C shares has records verifying that the class C shares have been held for at least ten years, and that class A shares are available for purchase by residents in the shareholder's jurisdiction. Records verifying that the class C shares have been held for at least ten years may not be available as a result of operational or other limitations (for example, participant level share lot aging may not be tracked by group retirement plan recordkeeping platforms of certain broker-dealer intermediaries who hold class C shares of the fund in an omnibus account). If such records are unavailable, the fund or the relevant financial intermediary may not effect the conversion or may effect the conversion on a different schedule determined by the fund or financial intermediary, as applicable. Investors should consult their financial representative for more information about their eligibility for class C share conversion.
- Orders for class C shares of one or more Putnam funds, other than class C shares sold to employer-sponsored retirement plans, will be refused when the total value of the purchase, plus existing account balances that are eligible to be linked under a right of accumulation for purchases of class A shares (as described below [please see the prospectus for the referenced description]), is \$500,000 or more. Investors considering cumulative purchases of \$500,000 or more should consider whether class A shares would be more advantageous and consult their financial representative.

### Initial sales charges for class A shares

Amount of purchase at offering price (\$)	Class A sales charge as a percentage of*:	
	Net amount invested	Offering price**
Under 50,000	4.17%	4.00%
50,000 but under 100,000	4.17	4.00
100,000 but under 250,000	3.36	3.25
250,000 but under 500,000	2.56	2.50
500,000 and above	NONE	NONE

\* Because of rounding in the calculation of offering price and the number of shares purchased, actual sales charges you pay may be more or less than these percentages.

\*\* Offering price includes sales charge.

## Putnam Fixed Income Absolute Return Fund

### Fees and expenses

The following table describes the fees and expenses you may pay if you buy and hold shares of the fund. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$100,000 in Putnam funds. More information about these and other discounts is available from your financial advisor and in *How do I buy fund shares?* beginning on page 18 of the fund's prospectus, in the Appendix to the fund's prospectus, and in *How to buy shares* beginning on page II-1 of the fund's statement of additional information (SAI).

### Shareholder fees (fees paid directly from your investment)

Share class	Maximum sales charge (load) imposed on purchases (as a percentage of offering price)	Maximum deferred sales charge (load) (as a percentage of original purchase price or redemption proceeds, whichever is lower)
Class A	2.25%	1.00%*
Class B	NONE	1.00%**
Class C	NONE	1.00%***
Class M	0.75%	NONE
Class P	NONE	NONE
Class R	NONE	NONE
Class R6	NONE	NONE
Class Y	NONE	NONE

\* Applies only to certain redemptions of shares bought with no initial sales charge.

\*\* This charge is phased out over two years.

\*\*\* This charge is eliminated after one year.

### How much you intend to invest

While investments of less than \$500,000 can be made in any share class, class A offers sales charge discounts starting at \$100,000, and the fund does not charge an initial sales charge for purchases of class A or class M shares of \$500,000 or more.

## Putnam Floating Rate Income Fund

### Fees and expenses

The following table describes the fees and expenses you may pay if you buy and hold shares of the fund. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$100,000 in Putnam funds. More information about these and other discounts is available from your financial advisor and in *How do I buy fund shares?* beginning on page 14 of the fund's prospectus, in the Appendix to the fund's prospectus, and in *How to buy shares* beginning on page II-1 of the fund's statement of additional information (SAI).

### Shareholder fees (fees paid directly from your investment)

Share class	Maximum sales charge (load) imposed on purchases (as a percentage of offering price)	Maximum deferred sales charge (load) (as a percentage of original purchase price or redemption proceeds, whichever is lower)
Class A	2.25%	1.00%*
Class B	NONE	1.00%**
Class C	NONE	1.00%***
Class M	0.75%	NONE
Class R	NONE	NONE
Class R6	NONE	NONE
Class Y	NONE	NONE

\* Applies only to certain redemptions of shares bought with no initial sales charge.

\*\* This charge is phased out over two years.

\*\*\* This charge is eliminated after one year.

## How much you intend to invest

While investments of less than \$100,000 can be made in any share class, class A offers sales charge discounts starting at \$100,000, and the fund does not charge an initial sales charge for purchases of class A or class M shares of \$500,000 or more.

## Putnam Fixed Income Absolute Return Fund and Putnam Floating Rate Income Fund

Amount of purchase at offering price (\$)	Class A sales charge as a percentage of*:		Class M sales charge as a percentage of*:	
	Net amount invested	Offering price**	Net amount invested	Offering price**
Under 100,000	2.30%	2.25%	0.76%	0.75%
100,000–249,999	1.78%	1.75%	0.76%	0.75%
250,000–499,999	1.27%	1.25%	0.76%	0.75%
500,000 and above	NONE	NONE	N/A***	N/A***

\* Because of rounding in the calculation of offering price and the number of shares purchased, actual sales charges you pay may be more or less than these percentages.

\*\* Offering price includes sales charge.

\*\*\* The fund will not accept purchase orders for class M shares (other than by employer-sponsored retirement plans) where the total of the current purchase, plus existing account balances that are eligible to be linked under a right of accumulation (as described below) [please see the prospectus for the referenced description], is \$500,000 or more.

## Appendix

### RAYMOND JAMES & ASSOCIATES, INC., RAYMOND JAMES FINANCIAL SERVICES, INC., AND EACH ENTITY'S AFFILIATES ("RAYMOND JAMES")

Effective March 1, 2019, shareholders purchasing fund shares through a Raymond James platform or account, or through an introducing broker-dealer or independent registered investment adviser for which Raymond James provides trade execution, clearance, and/or custody services, will be eligible only for the following load waivers (front-end sales charge waivers and contingent deferred, or back-end, sales charge waivers) and discounts, which may differ from those disclosed elsewhere in this fund's prospectus or SAI.

In all instances, it is the purchaser's responsibility to notify the fund or the purchaser's financial intermediary at the time of purchase of any relationship or other facts qualifying the purchaser for sales charge waivers or discounts. For waivers and discounts not available through a particular intermediary, shareholders will have to purchase fund shares directly from the fund or through another intermediary to receive these waivers or discounts.

### Front-end sales load waivers on class A shares available at Raymond James

- Shares purchased in an investment advisory program.
- Shares purchased within the same fund family through a systematic reinvestment of capital gains and dividend distributions.
- Employees and registered representatives of Raymond James or its affiliates and their family members as designated by Raymond James.
- Shares purchased from the proceeds of redemptions within the same fund family, provided (1) the repurchase occurs within 90 days following the redemption, (2) the redemption and purchase occur in the same account, and (3) redeemed shares were subject to a front-end or deferred sales load (known as Rights of Reinstatement).
- A shareholder in the fund's class C shares will have their shares converted at net asset value to class A shares of the fund if the shares are no longer subject to a CDSC and the conversion is in line with the policies and procedures of Raymond James.

### CDSC Waivers on Classes A, B, and C shares available at Raymond James

- Death or disability of the shareholder.
- Shares sold as part of a systematic withdrawal plan as described in the fund's prospectus.
- Return of excess contributions from an IRA account.
- Shares sold as part of a required minimum distribution for IRA and retirement accounts due to the shareholder reaching age 70½ as described in the fund's prospectus.
- Shares sold to pay Raymond James fees but only if the transaction is initiated by Raymond James.
- Shares acquired through a right of reinstatement.

### Front-end load discounts available at Raymond James: breakpoints, rights of accumulation, and/or letters of intent

- Breakpoints as described in this prospectus.
- Rights of accumulation which entitle shareholders to breakpoint discounts will be automatically calculated based on the aggregated holding of fund family assets held by accounts within the purchaser's household at Raymond James. Eligible fund family assets not held at Raymond James may be included in the calculation of rights of accumulation calculation only if the shareholder notifies his or her financial advisor about such assets.
- Letters of intent which allow for breakpoint discounts based on anticipated purchases within a fund family, over a 13-month time period. Eligible fund family assets not held at Raymond James may be included in the calculation of letters of intent only if the shareholder notifies his or her financial advisor about such assets.

### Class A sales charge waivers available only through specified intermediaries

As described in the prospectus, class A shares may be purchased at net asset value without payment of a sales charge through a broker-dealer, financial institution, or financial intermediary that has entered into an agreement with Putnam Retail Management to offer shares through a retail self-directed brokerage account with or without the imposition of a transaction fee.

The following intermediaries have entered into such an agreement:

National Financial Services LLC  
 Charles Schwab & Co., Inc.  
 Merrill Lynch, Pierce, Fenner & Smith Incorporated  
 J.P. Morgan Securities LLC  
 TD Ameritrade, Inc. and TD Ameritrade Clearing, Inc.  
 Morgan Stanley Smith Barney LLC

### Initial sales charges for class A, class M, and class N shares

For Putnam Short Duration Bond Fund and Putnam Short-Term Municipal Income Fund only:

Amount of transaction at offering price (\$)	Class A	
	Sales charge as a percentage of offering price	Amount of sales charge reallocated to dealers as a percentage of offering price
Under 100,000	2.25%	2.00%
100,000–249,999	1.25%	1.00%
250,000 and above	NONE	1.00%

### Conversion of class B shares into class A shares

Class B shares will automatically convert to class A shares during the month eight years after the purchase date (for Putnam Small Cap Value Fund, during the month six years after the purchase date, and for Putnam Sustainable Future Fund, during the month five years after the purchase date). Class B shares acquired by exchanging class B shares of another

Putnam fund will convert to class A shares based on the time of the initial purchase, and the holding period of the fund of initial purchase will apply. Any CDSC for such shares will be calculated using the schedule of the fund into or from which shares have been exchanged that would result in the highest CDSC applicable to such shares. Class B shares acquired through reinvestment of distributions will convert to class A shares based on the date of the initial purchase to which such shares relate. For this purpose, class B shares acquired through reinvestment of distributions will be attributed to particular purchases of class B shares in accordance with such procedures as the Trustees may determine from time to time. The conversion of class B shares to class A shares is subject to the condition that such conversions will not constitute taxable events for federal tax purposes. Shareholders should consult with their tax advisers regarding the state and local tax consequences of the conversion of class B shares to class A shares, or any other exchange or conversion of shares. Average annual total return performance information for class B shares shown in the fund's prospectus assumes conversion to class A shares after the applicable period described in the fund's prospectus.

#### **Conversion of class C shares into class A shares**

Effective April 1, 2018, class C shares will automatically convert to class A shares during the month ten years after the purchase date, provided that the fund or the financial intermediary through which a shareholder purchased class C shares has records verifying that the class C shares have been held for at least ten years, and that class A shares are available for purchase by residents in the shareholder's jurisdiction. Group retirement plan recordkeeping platforms of certain broker-dealer intermediaries who hold class C shares with the fund in an omnibus account do not track participant level share lot aging. These class C shares would not satisfy the conditions for the conversion. Class C shares acquired by exchanging class C shares of another Putnam fund will convert to class A shares based on the time of the initial purchase. Any CDSC for such shares will be calculated using the schedule of the fund into or from which shares have been exchanged that would result in the highest CDSC applicable to such shares. Class C shares acquired through reinvestment of distributions will convert to class A shares based on the date of the initial purchase to which such shares relate. For this purpose, class C shares acquired through reinvestment of distributions will be attributed to particular purchases of class C shares in accordance with such procedures as the Trustees may determine from time to time. The conversion of class C shares to class A shares is subject to the condition that such conversions will not constitute taxable events for federal tax purposes. Shareholders should consult with their tax advisers regarding the state and local tax consequences of the conversion of class C shares to class A shares, or any other exchange or conversion of shares.