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AllianceBernstein Finalizes New Municipal ETF Conversion

October 6, 2025

NASHVILLE, Tenn., Oct. 6, 2025 /PRNewswire/ -- AllianceBernstein Holding L.P. (NYSE: AB) and AllianceBernstein L.P. ("AB"), a leading global investment management firm, announced today the launch of **AB California Intermediate Municipal ETF** ("CAM") as an actively managed exchange-traded fund (ETF) on the [New York Stock Exchange](#). Global trading firm [Jane Street](#) is the Lead Market Maker for the Fund.

"Today, we announce the launch of our California Intermediate Municipal ETF – a direct response to client requests for state-specific options, leveraging our strong expertise in municipal bonds," said AB's Global Head of ETFs & Portfolio Solutions Noel Archard. "In creating our initial trio of municipal ETFs, we prioritized versatility, ensuring they could function both as long-term investment vehicles and as liquidity sleeves within municipal portfolios. We are proud to offer a tailored investment opportunity that aligns with our clients' needs and enhances their portfolio strategies."

CAM is an actively managed ETF whose investment objective is to provide safety of principal and maximize total return after taking account of federal and state taxes for California residents.

"AllianceBernstein has been at the forefront of advancing municipal bond capabilities for over 30 years, managing over \$82 billion in municipal assets," said AB's Head of Fixed Income Scott DiMaggio. "Our municipal platform leverages our talented teams, proprietary technology, and tailored solutions to deliver differentiated insights for our clients. By combining active management and advanced technology, we are setting a new standard in municipal bond investing."

For more information and to learn more about AB's ETF platform, visit www.alliancebernstein.com/go/etfs.

About AllianceBernstein

AllianceBernstein is a leading global investment management firm that offers diversified investment services to institutional investors, individuals, and private wealth clients in major world markets. As of August 2025, AllianceBernstein had \$844 billion in assets under management. Additional information about AB may be found on our website, www.alliancebernstein.com.

Disclosures

Investing in securities involves risk and there is no guarantee of principal.

Investors should consider the investment objectives, risks, charges, and expenses of the Fund/Portfolio carefully before investing. For copies of our prospectus or summary prospectus, which contain this and other information, visit us online at www.alliancebernstein.com. Please read the prospectus and/or summary prospectus carefully before investing.

Market Risk: The value of the Fund's assets will fluctuate as the market or markets in which the Fund invests fluctuate. The value of the Fund's investments may decline, sometimes rapidly and unpredictably, simply because of economic changes or other events, including public health crises (including the occurrence of a contagious disease or illness), terrorism, war, interest rate levels, tariffs and regional and global conflicts, that affect large portions of the market. It includes the risk that a particular style of investing may be underperforming the market generally. **Interest Rate Risk:** Changes in interest rates will affect the value of investments in fixed-income securities. When interest rates rise, the value of existing investments in fixed-income securities tends to fall and this decrease in value may not be offset by higher income from new investments. Interest rate risk is generally greater for fixed-income securities with longer maturities or durations. Changing interest rates may have unpredictable effects on the markets, may result in heightened market volatility and may detract from Fund performance. In addition, changes in monetary policy may exacerbate the risks associated with changing interest rates. **Credit Risk:** An issuer or guarantor of a fixed-income security may be unable or unwilling to make timely payments of interest or principal, or to otherwise honor its obligations. The issuer or guarantor may default, causing a loss of the full principal amount of a security and accrued interest. The degree of risk for a particular security may be reflected in its credit rating. There is the possibility that the credit rating of a fixed-income security may be downgraded after purchase, which may adversely affect the value of the security. **Duration Risk:** Duration is a measure that relates the expected price volatility of a fixed-income security to changes in interest rates. The duration of a fixed-income security may be shorter than or equal to full maturity of a fixed-income security. Fixed-income securities with longer durations have more risk and will decrease in price as interest rates rise. For example, a fixed-income security with a duration of three years will likely decrease in value by approximately 3% if interest rates increase by 1%. **Municipal Market Risk:** This is the risk that special factors may adversely affect the value of municipal securities and have a significant effect on the yield or value of the Fund's investments in municipal securities. These factors include economic conditions, political or legislative changes, uncertainties related to the tax status of municipal securities, and the rights of investors in these securities. **Inflation Risk:** This is the risk that the value of assets or income from investments will be less in the future as inflation decreases the value of money. As inflation increases, the value of the Fund's assets can decline as can the value of the Fund's distributions. This risk is significantly greater for fixed-income securities with longer maturities. **Non-diversification Risk:** Concentration of investments in a small number of securities tends to increase risk. The Fund is not "diversified". This means that the Fund can invest more of its assets in a relatively small number of issuers with greater concentration of risk. Matters affecting these issuers can have a more significant effect on the Fund's net asset value ("NAV"). **Illiquid Investments Risk:** Illiquid investments risk exists when certain investments are or become difficult to purchase or sell. Difficulty in selling such investments may result in sales at disadvantageous prices affecting the value of your investment in the Fund. Causes of illiquid investments risk may include low trading volumes and large positions. Foreign fixed-income securities may have more illiquid investments risk because secondary trading markets for these securities may be smaller and less well-developed and the securities may trade less frequently than domestic securities. Illiquid investments risk may be higher in a rising interest rate environment, when the value and liquidity of fixed-income securities generally go down. **Redemption Risk:** The Fund may experience heavy redemptions that could cause the Fund to liquidate its assets at inopportune times or unfavorable prices or increase or accelerate taxable gains or transaction costs and may negatively affect the Fund's NAV, or performance, which could cause the value of your investment to decline. Redemption risk is heightened during periods of overall market turmoil. **Derivatives Risk:** Derivatives may be difficult to price or unwind and may be leveraged so that small changes may produce disproportionate losses for the Fund. A short position in a derivative instrument involves the risk of a theoretically unlimited increase in the value of the underlying asset, reference rate or index, which could cause the Fund to suffer a potentially unlimited loss. **Tax Risk:** From time to time, the U.S. Government and the U.S. Congress consider changes in federal tax law that could limit or eliminate the federal tax exemption for municipal bond income, which would in effect reduce the income received by shareholders from the Fund by increasing taxes on that income. In such event, the Fund's NAV could also decline as yields on municipal bonds, which are typically lower than those on taxable bonds, would be expected to increase to approximately the yield of comparable taxable bonds. Actions or anticipated actions affecting the tax-exempt status of municipal bonds could also result in significant shareholder redemptions of Fund shares as investors anticipate adverse effects on the Fund or seek higher yields to offset the potential loss of the tax deduction. As a result, the Fund would be required to maintain higher levels of cash to meet the redemptions, which would negatively affect the Fund's yield. **Lower-rated Securities Risk:** Lower-rated securities, or junk bonds/high-yield securities, are subject to greater risk of loss of principal and interest and greater market risk than higher-rated securities. The capacity of issuers of lower-rated securities to pay interest and repay principal is more likely to weaken than is that of issuers of higher-rated securities in times of deteriorating economic conditions or rising interest rates. **Prepayment and Extension Risk:** Prepayment risk is the risk that a loan, bond or other security might be called or otherwise converted, prepaid or redeemed before maturity. If this happens, particularly during a time of declining interest rates or credit spreads, the Fund will not benefit from the rise in market price that normally accompanies a decline in interest rates, and may not be risk that as interest rates rise or spreads widen, payments of securities may occur more slowly than anticipated by the market. If this happens, the values of these securities may go down because their interest rates are lower than current market rates and they remain outstanding longer than anticipated. **Cash Transactions Risk:** The Fund intends to effectuate all or a portion of the issuance and redemption of Creation Units for cash, rather than in-kind securities. As a result, an investment in the Fund is expected to be less tax-efficient than an investment in an ETF that effectuates its transactions in Creation Units primarily on an in-kind basis. A fund that effects redemptions for cash may be required to sell portfolio securities in order to obtain the cash needed to distribute redemption proceeds. Any recognized gain on these sales by the Fund will generally cause the Fund to recognize a gain it might not otherwise have recognized, or to recognize such gain sooner than would otherwise be required as compared to an ETF that distributes portfolio securities in-kind in redemption of Creation Units. **ETF Share Price and Net Asset Value Risk:** The Fund's shares are listed for trading on the New York Stock Exchange (the "Exchange"). Shares are generally bought and sold in the secondary market at market prices. The NAV per share of the Fund will fluctuate with changes in the market value of the Fund's holdings. The Fund's NAV is calculated once per day, at the end of the day. The market price of a share on the Exchange could be higher than the NAV (premium), or lower than the NAV

(discount) and may fluctuate during the trading day. When all or a portion of the Fund's underlying securities trade in a market that is closed when the market for the Fund's shares is open, there may be differences between the current value of a security and the last quoted price for that security in the closed local market, which could lead to a deviation between the market value of the Fund's shares and the Fund's NAV. **Authorized Participant Risk:** Only a limited number of financial institutions that enter into an authorized participant relationship with the Fund ("Authorized Participants") may engage in creation or redemption transactions. If the Fund's Authorized Participants decide not to create or redeem shares, Fund shares may trade at a larger premium or discount to the Fund's NAV per share, or the Fund could face trading halts or de-listing. **Active Trading Market Risk:** There is no guarantee that an active trading market for Fund shares will exist at all times. In times of market stress, markets can suffer erratic or unpredictable trading activity, extraordinary volatility or wide bid/ask spreads, which could cause some market makers and Authorized Participants to reduce their market activity or "step away" from making a market in ETF shares. Market makers and Authorized Participants are not obligated to place or execute purchase and redemption orders. This could cause the Fund's market price to deviate, materially, from the NAV, and reduce the effectiveness of the ETF arbitrage process. Any absence of an active trading market for Fund shares could lead to a heightened risk that there will be a difference between the market price of a Fund share and the underlying value of the Fund share. **Management Risk:** The Fund is subject to management risk because it is an actively-managed ETF. The Adviser will apply its investment techniques and risk analyses in making investment decisions, but there is no guarantee that its techniques will produce the intended results. Some of these techniques may incorporate, or rely upon, quantitative models, but there is no guarantee that these models will generate accurate forecasts, reduce risk or otherwise perform as expected.

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Carly Symington, Media (US), 615-417-5701, Carly.Symington@alliancebernstein.com, Ioanis Jorgali, Investors, 629-213-6139, Ioanis.Jorgali@alliancebernstein.com