

FRANKLIN LTD DURATION INCOME TRUST  
 Form 3  
 December 02, 2014

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL  
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**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

|   |         |                                      |  |  |
|---|---------|--------------------------------------|--|--|
| 1. Name and Address of Reporting Person * |         | 2. Date of Event Requiring Statement | 3. Issuer Name <b>and</b> Ticker or Trading Symbol |  |
| UBS Group AG                              |         | (Month/Day/Year)                     | FRANKLIN LTD DURATION INCOME TRUST [FTF]           |  |
| (Last)                                    | (First) | (Middle)                             | 11/28/2014   |  |
| BAHNHOFSTRASSE 45, PO BOX CH-8098         |         |                                      | 4. Relationship of Reporting Person(s) to Issuer   | 5. If Amendment, Date Original Filed(Month/Day/Year)                   |
| (Street)                                  |         |                                      | (Check all applicable)                             |  |
| ZURICH, V8                                |         |                                      | <input type="checkbox"/> Director                  | <input checked="" type="checkbox"/> 10% Owner                          |
| (City)                                    | (State) | (Zip)                                | <input type="checkbox"/> Officer                   | <input type="checkbox"/> Other   |
|   |         |                                      | (give title below)                                 | (specify below)  |
|   |         |                                      |  | 6. Individual or Joint/Group Filing(Check Applicable Line)             |
|   |         |                                      |  | <input checked="" type="checkbox"/> Form filed by One Reporting Person |
|   |         |                                      |  | <input type="checkbox"/> Form filed by More than One Reporting Person  |

**Table I - Non-Derivative Securities Beneficially Owned**

| 1. Title of Security (Instr. 4)        | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|---|--|---|
| Auction Preferred Stock <sup>(2)</sup> | 593 <sup>(3)</sup>                                    | I  | By subsidiary - see footnote <sup>(1)</sup>           |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form of Derivative Security: Direct (D) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|---|--|--|---|
|--|--|---|--|--|---|

|                     |                    |                                  |                                  |
|---------------------|--------------------|----------------------------------|----------------------------------|
| Date<br>Exercisable | Expiration<br>Date | Amount or<br>Number of<br>Shares | or Indirect<br>(I)<br>(Instr. 5) |
|---------------------|--------------------|----------------------------------|----------------------------------|

## Reporting Owners

| Reporting Owner Name / Address                                    | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| UBS Group AG<br>BAHNHOFSTRASSE 45<br>PO BOX CH-8098<br>ZURICH, V8 | Â             | Â X       | Â       | Â     |

## Signatures

/s/ Anthony DeFilippis 12/02/2014

\*\*Signature of Reporting Person Date

/s/ William Chandler 12/02/2014

\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
  - (1) This Statement is filed jointly by UBS Group AG for the benefit and on behalf of UBS Securities LLC and UBS Financial Services Inc., two-wholly owned subsidiaries of UBS AG to which UBS AG has delegated portions of its performance obligations with respect to the Auction Rate Securities Rights issued by UBS AG to certain clients and pursuant to which the securities reported herein have been purchased from such clients.
  - (2) Cusip No 35472T200, 35472T309, 35472T408
  - (3) Pursuant to the Global Relief Letter referred to below, this filing reports holdings of the Series of Auction Preferred Stock identified in Item 1 of this Table I on an aggregated basis.

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### Remarks:

TheÂ SharesÂ reportedÂ hereinÂ representÂ UBSÂ GroupÂ AG'sÂ combinedÂ holdingsÂ inÂ multipleÂ seriesÂ ofÂ aucti

TheÂ eventÂ triggeringÂ notificationÂ isÂ theÂ acquisitionÂ ofÂ UBSÂ AGÂ byÂ UBSÂ GroupÂ AGÂ throughÂ theÂ co

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.