

DEUTSCHE STRATEGIC MUNICIPAL INCOME TRUST  
Form DEF 14A  
August 15, 2017

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

**SCHEDULE 14A**  
**(Rule 14a-101)**  
**INFORMATION REQUIRED IN PROXY STATEMENT**  
**SCHEDULE 14A INFORMATION**  
**Proxy Statement Pursuant to Section 14(a) of the Securities**  
**Exchange Act of 1934 (Amendment No.     )**

Filed by Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**DEUTSCHE MULTI-MARKET INCOME TRUST**

**DEUTSCHE MUNICIPAL INCOME TRUST**

**DEUTSCHE STRATEGIC INCOME TRUST**

**DEUTSCHE STRATEGIC MUNICIPAL INCOME TRUST**

**(Name of Registrant as Specified in Its Charter)**

**Payment of Filing Fee (Check the appropriate box):**

**No fee required.**

**Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.**

- 1) Title of each class of securities to which transaction applies:**
- 2) Aggregate number of securities to which transaction applies:**
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):**
- 4) Proposed maximum aggregate value of transaction:**
- 5) Total fee paid:**

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- 1) Amount Previously Paid:**
- 2) Form, Schedule or Registration Statement No.:**
- 3) Filing Party:**

4) Date Filed:

**DEUTSCHE MULTI-MARKET INCOME TRUST ( KMM )**

**DEUTSCHE MUNICIPAL INCOME TRUST ( KTF )**

**DEUTSCHE STRATEGIC INCOME TRUST ( KST )**

**DEUTSCHE STRATEGIC MUNICIPAL INCOME TRUST ( KSM )**

345 PARK AVENUE

NEW YORK, NEW YORK 10154

**NOTICE OF JOINT ANNUAL MEETING OF SHAREHOLDERS**

**TO BE HELD SEPTEMBER 20, 2017**

This is the formal notice for the joint annual meeting of shareholders of KMM, KTF, KST and KSM (individually, a Fund and collectively, the Funds ). It tells you the proposal that you will be asked to vote on and the time and place of the joint annual meeting, in the event you choose to attend in person.

To the shareholders of the Funds:

A joint annual meeting of shareholders of each Fund will be held September 20, 2017 at 2:00 p.m. (Eastern time), at the offices of Deutsche Investment Management Americas Inc., 60 Wall Street, New York, New York 10005 (the Meeting ), to consider the following proposal (the Proposal ):

**PROPOSAL:** To elect Board Members to the Board of Trustees of each Fund (each a Board ) as outlined below:

(A) For KMM and KST only, to elect four (4) Class III Board Members to the Board of Trustees of the Fund.

(B) For KTF and KSM only, to elect five (5) Board Members to the Board of Trustees of each Fund:  
(i) three (3) Class III Board Members to be elected by the holders of Common Shares and Preferred Shares, voting together as a single class; and

(ii) two (2) Board Members to be elected by the holders of Preferred Shares only, voting as a separate class.

The persons named as proxies will vote in their discretion on any other business that properly may come before the Meeting and at any adjournment(s) or postponement(s) thereof.

Holders of record of shares of each Fund at the close of business on July 20, 2017 are entitled to vote at the Meeting and at any adjournment(s) or postponement(s) thereof.

**THE BOARD OF YOUR FUND RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF EACH BOARD MEMBER NOMINEE.**

For KMM and KST, to the extent permitted by the Fund's Amended and Restated Agreement and Declaration of Trust, any meeting of shareholders may, by action of the chairman of the meeting, be adjourned without further notice with respect to one or more matters to be considered at such meeting to a designated time and place, whether or not a quorum is present with respect to such matter; upon motion of the chairman of the meeting, the question of adjournment may be submitted to a vote of the shareholders, and in that case, any adjournment with respect to one or more matters must be approved by the vote of holders of a majority of the shares present and entitled to vote with respect to the matter or matters adjourned, and without further notice to the extent permitted by the Fund's Amended and Restated Agreement and Declaration of Trust.

For KTF and KSM, any meeting may be adjourned from time to time by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.

This notice and the related proxy materials are being mailed to shareholders of each Fund on or about August 18, 2017. This proxy is being solicited on behalf of your Fund's Board.

By Order of the Board

John Millette

Secretary

August 15, 2017

**We urge you to mark, sign, date and mail the enclosed proxy card in the postage-paid envelope provided or to record your voting instructions by telephone or via the Internet so that you will be represented at the Meeting. If you complete and sign the proxy card (or tell us how you want to vote by voting by telephone or via the Internet), we will vote it exactly as you tell us. If you simply sign the proxy card, we will vote it in accordance with your Board's recommendation on the Proposal. Your prompt return of the enclosed proxy card (or your voting by telephone or via the Internet) may prevent the necessity and expense of further solicitations. If you have any questions, please call Georgeson LLC, your Fund's proxy solicitor, at the special toll-free number we have set up for you (866-821-2570), or contact your financial advisor.**

### INSTRUCTIONS FOR SIGNING PROXY CARDS

The following general rules for signing proxy cards may be of assistance to you and avoid the time and expense involved in validating your vote if you fail to sign your proxy card properly.

1. Individual Accounts: Sign your name exactly as it appears in the registration on the proxy card.
2. Joint Accounts: Both parties should sign, and the name(s) of the party or parties signing should conform exactly to the name(s) shown in the registration on the proxy card.
3. All Other Accounts: The capacity of the individual signing the proxy card should be indicated unless it is reflected in the form of registration. For example:

#### Registration

##### Corporate Accounts

(1) ABC Corp

(2) ABC Corp.

(3) ABC Corp. c/o John Doe, Treasurer

(4) ABC Corp. Profit Sharing Plan

##### Partnership Accounts

(1) The XYZ Partnership

(2) Smith and Jones, Limited Partnership

##### Trust Accounts

(1) ABC Trust Account

(2) Jane B. Doe, Trustee u/t/d 12/28/78

##### Custodial or Estate Accounts

(1) John B. Smith, Cust. F/b/o John B. Smith Jr.

##### GMA/UTMA

(2) Estate of John B. Smith

#### Valid Signature

ABC Corp

John Doe, Treasurer

John Doe, Treasurer

John Doe

John Doe, Trustee

Jane B. Smith, Partner

Jane B. Smith, General Partner

Jane B. Doe, Trustee

Jane B. Doe

John B. Smith

John B. Smith, Jr., Executor

**DEUTSCHE MULTI-MARKET INCOME TRUST ( KMM )**

**DEUTSCHE MUNICIPAL INCOME TRUST ( KTF )**

**DEUTSCHE STRATEGIC INCOME TRUST ( KST )**

**DEUTSCHE STRATEGIC MUNICIPAL INCOME TRUST ( KSM )**

**JOINT PROXY STATEMENT**

**FOR THE JOINT ANNUAL MEETING OF SHAREHOLDERS**

August 15, 2017

**GENERAL**

This joint proxy statement (the **Proxy Statement**) is being furnished in connection with the solicitation of proxies by the Board of each of KMM KTF, KST and KSM (each a **Fund** and collectively, the **Funds**), for use at the annual meeting of shareholders of each Fund to be held jointly at the offices of Deutsche Investment Management Americas Inc. ( **DIMA** or the **Advisor** ), 60 Wall Street, New York, New York 10005 on September 20, 2017 at 2:00 p.m. (Eastern time), and at any adjournment(s) or postponement(s) thereof (the **Meeting**). The principal executive address of each Fund is 345 Park Avenue, New York, New York 10154.

This Proxy Statement, along with the enclosed Notice of Joint Annual Meeting of Shareholders and the accompanying proxy card (the **Proxy Card**), are first being mailed to shareholders on or about August 18, 2017. The Proxy Statement explains what you should know before voting on the proposal described herein. Please read it carefully and keep it for future reference.

The term **Board**, as used herein, refers to the board of trustees of each Fund. The term **Board Member**, as used herein, refers to a person who serves as a trustee of a Fund (each a **Trustee**).

The Meeting is being held to consider and to vote on the following proposal (the **Proposal**) for each Fund, as indicated below and as described more fully herein, and such other matters as properly may come before the Meeting:

**PROPOSAL:** To elect Board Members to the Board of Trustees of each Fund as outlined below:

(A) For KMM and KST only, to elect four (4) Class III Board Members to the Board of Trustees of the Fund.

(B) For KTF and KSM only, to elect five (5) Board Members to the Board of Trustees of each Fund:

(i) three (3) Class III Board Members to be elected by the holders of Common Shares and Preferred Shares, voting together as a single class; and



(ii) two (2) Board Members to be elected by the holders of Preferred Shares only, voting as a separate class.

**THE BOARD OF EACH FUND RECOMMENDS THAT SHAREHOLDERS VOTE**

**FOR THE ELECTION OF EACH**

**BOARD MEMBER NOMINEE.**

The vote required to approve the Proposal is described under Proposal Election of Board Members Required Vote and Additional Information Quorum and Required Vote.

The persons named as proxies will vote in their discretion on any other business that properly may come before the Meeting and at any adjournment(s) or postponement(s) thereof.

*The most recent Annual Report of each Fund, containing audited financial statements (each, an Annual Report ), previously has been furnished to each Fund's shareholders. An additional copy of an Annual Report and the most recent Semi-Annual Report (each a Semi-Annual Report ) succeeding an Annual Report, if any, will be furnished without charge upon request by writing to your Fund at 345 Park Avenue, New York, New York 10154, or by calling 800-349-4281. Annual Reports and Semi-Annual Reports also are available on the Deutsche Asset Management website at [www.deutschefunds.com](http://www.deutschefunds.com) and on the website of the Securities and Exchange Commission (the SEC ) at [www.sec.gov](http://www.sec.gov).*

## PROPOSAL

### ELECTION OF BOARD MEMBERS

Shareholders of each Fund are being asked to elect Board Members to the Board of their Fund as described below.

**For KMM and KST only.** Pursuant to the Fund's Amended and Restated Agreement and Declaration of Trust and Amended and Restated By-Laws, the Board of the Fund has been divided into three (3) classes with Board Members of each class being elected to serve until the third annual meeting following their election. At the Meeting, four (4) Class III Board Members are to be elected by shareholders of the Fund, each to hold office until the annual meeting of shareholders in 2020, or until the termination of the Fund as described below has been completed, and until such Board Member's successor is duly elected and qualifies or until such Board Member sooner dies, resigns, retires or is removed. As previously announced, the Board has approved the termination of KMM and KST, pursuant to which each Fund will make a liquidating distribution to shareholders no later than December 31, 2018. Board Members elected to the Board of KMM and KST at the Meeting will serve until the termination of the Fund. In the event the termination of KMM and KST does not occur, Board Members elected to the Board of KMM and KST at the Meeting would serve until the annual meeting of shareholders in 2020. The Class III Board Member nominees standing for election at the Meeting are: Mr. John W. Ballantine, Ms. Dawn Marie Driscoll, Dr. Kenneth C. Froewiss and Ms. Rebecca W. Rimel.

**For KTF and KSM only.** At the Meeting, the holders of the preferred shares of beneficial interest ( Preferred Shareholders ), voting as a separate class, are entitled to elect two (2) Board Members, and the holders of the common shares of beneficial interest ( Common Shareholders ) and the Preferred Shareholders, voting together as a single class, are entitled to elect three (3) Board Members (as described below).

Pursuant to each Fund's Amended and Restated Agreement and Declaration of Trust and Amended and Restated By-Laws, the Board of each Fund, with the exception of the two Board Members elected by the vote of the Preferred Shareholders as a separate class, has been divided into three (3) classes with Board Members of each class being elected to serve until the third annual meeting following their election. In addition, two Board Members are elected by the Preferred Shareholders, voting as a separate class, to serve until the next annual meeting. At the Meeting, three (3) Class III Board Members are to be elected by each Fund's Common Shareholders and Preferred Shareholders, voting together as a single class, each to hold office until

the annual meeting of shareholders in 2020 and until such Board Member's successor is duly elected and qualifies or until such Board Member sooner dies, resigns, retires or is removed; and two (2) Board Members are to be elected by each Fund's Preferred Shareholders only, voting as a separate class, (the Preferred Board Members), each to hold office until the annual meeting of shareholders in 2018 and until such Preferred Board Member's successor has been duly elected and qualifies or until such Preferred Board Member sooner dies, resigns, retires or is removed. The Class III Board Member nominees standing for election at the Meeting are: Mr. John W. Ballantine, Dr. Kenneth C. Froewiss and Ms. Rebecca W. Rimel. The Preferred Board Member nominees standing for election at the Meeting are: Mr. Keith R. Fox and Dr. Paul K. Freeman.

**For all Funds.** The individuals nominated for election as Board Members of each Fund at the Meeting (collectively, the Board Member Nominees) were nominated by each Fund's Board upon the recommendation of the Board's Nominating and Governance Committee. The Board Member Nominees currently serve as Board Members of each Fund, and currently serve as Board Members of other Deutsche funds advised by DIMA.

It is the intention of the persons named in the enclosed Proxy Card to vote the shares represented thereby for the election of the Board Member Nominees unless the Proxy Card is marked otherwise. Each of the Board Member Nominees has consented to being named in the Proxy Statement and has agreed to serve as a Board Member of a Fund if elected. However, should any Board Member Nominee become unable or unwilling to serve prior to the Meeting, the persons named as proxies may vote your shares for substitute nominees, if any, recommended by the Board of your Fund.

#### **Information Concerning the Board Member Nominees and Board Members**

Information is provided below as of July 1, 2017 for the Board Member Nominees and the continuing Board Members for each Fund's Board. All of the Board Member Nominees and continuing Board Members are non-interested Board Members, as that term is used in the Investment Company Act of 1940, as amended (the 1940 Act) (Independent Board Members). See pages 9-10 for further discussion of the qualifications of the Board Member Nominees and the continuing Board Members.

**Board Member Nominees/Board Members:**

Name and Year of Birth	Position(s) with the	Term of	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Board Member	Other Directorships Held by Board Member During the Past Five Years
	Deutsche Funds	Office and Length of Time Served <sup>(1)</sup>			
John W. Ballantine  (1946)	Board Member	Term: Class III Board Member until 2017 annual shareholder meeting for each Fund  Length of Service:  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 Chairman of the Board, Healthways Inc. (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.; Oak Brook Bank; and Prisma Energy International. Not-for-Profit Director/ Trustee: Palm Beach Civic-Assn.; Public Radio International; Window to the World Communications (public media); and Harris Theater for Music and Dance (Chicago)	95	Portland General Electric (utility company) (2003- present)

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Dawn-Marie Driscoll (1946)	Board Member	Term: Class III Board Member until 2017 annual shareholder meeting for KMM and KST	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); 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)	95	None
		Class I Board Member until 2018 annual shareholder meeting for KTF and KSM			
		Length of Service:  Since 1987			

	Position(s)	Term of	Principal Occupation(s)	Number of Portfolios in Fund Complex Overseen by Board Member	Other
	with the				Directorships Held by Board Member During the Past Five Years
Name and Year of Birth	Deutsche Funds	Office and Length of Time Served <sup>(1)</sup>	During Past 5 Years		