

RPC INC  
Form 10-Q  
November 01, 2012

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2012

Commission File No. 1-8726

RPC, INC.

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or organization)

58-1550825  
(I.R.S. Employer Identification Number)

2801 Buford Highway, Suite 520, Atlanta, Georgia 30329  
(Address of principal executive offices) (zip code)

Registrant's telephone number, including area code -- (404) 321-2140

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated  
filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller  
reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of October 26, 2012, RPC, Inc. had 219,722,141 shares of common stock outstanding.



RPC, INC. AND SUBSIDIARIES  
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RPC, INC. AND SUBSIDIARIES  
PART I. FINANCIAL INFORMATION  
ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS  
AS OF SEPTEMBER 30, 2012 AND DECEMBER 31, 2011  
(In thousands)  
(Unaudited)

	September 30, 2012	December 31, 2011 (Note 1)
<b>ASSETS</b>		
Cash and cash equivalents	\$ 11,142	\$ 7,393
Accounts receivable, net	378,156	461,272
Inventories	142,558	100,438
Deferred income taxes	6,357	7,183
Income taxes receivable	3,103	10,805
Prepaid expenses	5,125	8,478
Other current assets	11,063	30,986
Total current assets	557,504	626,555
Property, plant and equipment, net	760,114	675,360
Goodwill	24,093	24,093
Other assets	16,435	12,203
Total assets	\$ 1,358,146	\$ 1,338,211
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Accounts payable	\$ 114,094	\$ 122,987
Accrued payroll and related expenses	33,444	33,680
Accrued insurance expenses	6,353	5,744
Accrued state, local and other taxes	11,315	5,066
Income taxes payable	1,553	10,705
Other accrued expenses	202	1,284
Total current liabilities	166,961	179,466
Long-term accrued insurance expenses	10,791	9,000
Notes payable to banks	83,700	203,300
Long-term pension liabilities	22,573	24,445
Other long-term liabilities	3,545	3,480
Deferred income taxes	162,623	155,928
Total liabilities	450,193	575,619
Common stock	21,972	22,119
Retained earnings	898,232	753,119
Accumulated other comprehensive loss	(12,251 )	(12,646 )
Total stockholders' equity	907,953	762,592
Total liabilities and stockholders' equity	\$ 1,358,146	\$ 1,338,211

The accompanying notes are an integral part of these consolidated financial statements.

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## RPC, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011

(In thousands except per share data)

(Unaudited)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2012	2011	2012	2011
Revenues	\$472,418	\$502,235	\$1,475,081	\$1,327,025
Cost of revenues	271,401	279,936	826,479	724,179
Selling, general and administrative expenses	43,016	37,190	131,058	109,203
Depreciation and amortization	54,082	46,476	159,602	130,906
Loss on disposition of assets, net	1,551	4,179	4,859	2,690
Operating profit	102,368	134,454	353,083	360,047
Interest expense	\$ 15,326,130			

**Insured Electric Utilities 3.2%**

Puerto Rico Electric Power Authority, (AGM), 0.691%, 7/1/29 <sup>(6)</sup>	\$ 2,000	\$ 1,519,380
Puerto Rico Electric Power Authority, (NPFPG), 5.25%, 7/1/29	500	503,755
Puerto Rico Electric Power Authority, (NPFPG), 5.25%, 7/1/30	5,000	5,039,300
		<b>\$ 7,062,435</b>

**Insured General Obligations 1.8%**

Irvington Township, NJ, (AGM), 5.00%, 7/15/30	\$ 1,875	\$ 2,196,956
McHenry County, IL, Community Unit School District No. 12, (AGM), 4.25%, 1/1/29	1,230	1,293,837
Puerto Rico Public Buildings Authority, (NPFPG), 6.00%, 7/1/28	500	510,085
		<b>\$ 4,000,878</b>

**Insured Industrial Development Revenue 1.9%**

Massachusetts Port Authority, (Delta Airlines, Inc.), (AMBAC), (AMT), 5.00%, 1/1/27	\$ 4,200	\$ 4,201,428
		<b>\$ 4,201,428</b>

**Insured Other Revenue 0.7%**

New Jersey Economic Development Authority, (The Goethals Bridge Replacement), (AGM), (AMT), 5.00%, 1/1/31	\$ 1,340	\$ 1,523,607
		<b>\$ 1,523,607</b>

**Insured Special Tax Revenue 1.4%**

Puerto Rico Convention Center District Authority, (AMBAC), 5.00%, 7/1/31	\$ 1,475	\$ 1,395,100
Puerto Rico Infrastructure Financing Authority, (AMBAC), 0.00%, 7/1/35	1,115	288,874

**Security**

**Principal  
Amount  
(000 s omitted) Value**

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### Insured Special Tax Revenue (continued)

Puerto Rico Infrastructure Financing Authority, (AMBAC), 5.50%, 7/1/28	\$	1,480	\$ 1,490,271
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**\$ 3,174,245**

### Insured Transportation 2.3%

Alameda Corridor Transportation Authority, CA, (AMBAC), 0.00%, 10/1/31	\$	5,805	\$ 2,235,970
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Foothill/Eastern Transportation Corridor Agency, CA, (AGM), 5.625%, (0.00% until 1/15/24), 1/15/32		795	618,073
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Puerto Rico Highway and Transportation Authority, (AGM), 5.50%, 7/1/31		1,000	1,097,420
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Puerto Rico Highway and Transportation Authority, (AMBAC), 0.00%, 7/1/20		1,625	1,183,763
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**\$ 5,135,226**

### Insured Water and Sewer 2.1%

Jefferson County, AL, Sewer Revenue, (AGM), 0.00%, 10/1/27	\$	875	\$ 501,121
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Jefferson County, AL, Sewer Revenue, (AGM), 0.00%, 10/1/29		1,225	607,074
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Jefferson County, AL, Sewer Revenue, (AGM), 0.00%, 10/1/30		1,045	478,861
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Jefferson County, AL, Sewer Revenue, (AGM), 0.00%, 10/1/33		5,870	2,145,837
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Puerto Rico Aqueduct and Sewer Authority, (AGC), 5.00%, 7/1/28		1,000	1,009,490
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**\$ 4,742,383**

### Lease Revenue / Certificates of Participation 0.5%

Michigan Strategic Fund, (Facility for Rare Isotope Beams), 4.00%, 3/1/31	\$	1,000	\$ 1,074,050
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**\$ 1,074,050**

### Other Revenue 7.9%

New York Liberty Development Corp., (3 World Trade Center),			
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5.15%, 11/15/34 <sup>(5)</sup>	\$	3,250	\$ 3,653,845
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Oregon Department of Administrative Services, Lottery Revenue, 4.00%, 4/1/29 <sup>(1)</sup>		10,000	11,101,900
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Salt Verde Financial Corp., AZ, Senior Gas Revenue, 5.00%, 12/1/32		2,460	2,950,007
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**\$ 17,705,752**

## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Portfolio of Investments continued

Security	Principal Amount (000 s omitted)	Value
<b>Senior Living / Life Care 4.9%</b>		
Harris County Cultural Education Facilities Finance Corp., TX, (Brazos Presbyterian Homes, Inc.), 5.75%, 1/1/28	\$ 140	\$ 160,681
Lancaster Industrial Development Authority, PA, (Garden Spot Village), 5.375%, 5/1/28	600	670,650
Lorain County Port Authority, OH, (Kendal at Oberlin), 5.00%, 11/15/30	1,250	1,415,550
Massachusetts Development Finance Agency, (North Hill Communities), 4.00%, 11/15/17 <sup>(5)</sup>	394	394,236
Massachusetts Development Finance Agency, (North Hill Communities), 4.50%, 11/15/18 <sup>(5)</sup>	710	712,066
Multnomah County, OR, Hospital Facilities Authority, (Mirabella at South Waterfront), 5.125%, 10/1/34	1,500	1,612,635
New Jersey Economic Development Authority, (United Methodist Homes of New Jersey), 4.00%, 7/1/27	765	792,670
New Jersey Economic Development Authority, (United Methodist Homes of New Jersey), 4.00%, 7/1/28	910	937,218
Palm Beach County, FL, Health Facilities Authority, (Sinai Residences of Boca Raton), 7.25%, 6/1/34	1,010	1,167,641
Savannah, GA, Economic Development Authority, (Marshes of Skidaway Island), 6.00%, 1/1/24	500	569,150
Tarrant County Cultural Education Facilities Finance Corp., TX, (Trinity Terrace), 5.00%, 10/1/29	1,000	1,130,870
Warren County, OH, (Otterbein Homes Obligated Group), 5.00%, 7/1/28	1,200	1,384,608
		<b>\$ 10,947,975</b>
<b>Special Tax Revenue 12.9%</b>		
Metropolitan Transportation Authority, NY, Dedicated Tax Revenue, 0.00%, 11/15/30	\$ 5,000	\$ 3,112,150
New York Dormitory Authority, Sales Tax Revenue, 4.00%, 3/15/30 <sup>(1)</sup>	10,000	11,233,400
New York Urban Development Corp., Personal Income Tax Revenue, 5.00%, 3/15/30 <sup>(1)</sup>	12,000	14,450,160
		<b>\$ 28,795,710</b>
<b>Student Loan 2.5%</b>		
Massachusetts Educational Financing Authority, (AMT), 5.00%, 1/1/27 <sup>(4)</sup>	\$ 3,000	\$ 3,447,540
New Jersey Higher Education Student Assistance Authority, (AMT), 4.00%, 12/1/28	2,000	2,092,260
		<b>\$ 5,539,800</b>
<b>Transportation 18.1%</b>		
Chicago, IL, (Midway International Airport), (AMT), 5.00%, 1/1/32	\$ 5,000	\$ 5,718,450
Foothill/Eastern Transportation Corridor Agency, CA, 5.90%, (0.00% until 1/15/24), 1/15/27	2,000	1,535,280
	<b>Principal Amount (000 s omitted)</b>	<b>Value</b>
<b>Security</b>		
<b>Transportation (continued)</b>		
Grand Parkway Transportation Corp., TX, 4.95%, (0.00% until 10/1/23), 10/1/29	\$ 800	\$ 647,352



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Grand Parkway Transportation Corp., TX, 5.05%, (0.00% until 10/1/23), 10/1/30	1,500	1,209,510
Grand Parkway Transportation Corp., TX, 5.20%, (0.00% until 10/1/23), 10/1/31	2,000	1,612,480
Houston, TX, (United Airlines, Inc.), (AMT), 5.00%, 7/1/29	1,470	1,607,313
Kentucky Public Transportation Infrastructure Authority, (Downtown Crossing Project), 0.00%, 7/1/28	1,240	617,743
New Jersey Transportation Trust Fund Authority, 0.00%, 12/15/29	10,000	5,322,400
Port Authority of New York and New Jersey, (AMT), 4.00%, 7/15/36 <sup>(1)(2)</sup>	10,000	10,514,884
Route 460 Funding Corp., VA, 0.00%, 7/1/29	2,880	1,556,150
Route 460 Funding Corp., VA, 0.00%, 7/1/30	2,670	1,382,366
Route 460 Funding Corp., VA, 0.00%, 7/1/31	3,000	1,471,680
South Jersey Transportation Authority, NJ, 5.00%, 11/1/30	1,000	1,142,520
Triborough Bridge and Tunnel Authority, NY, 0.00%, 11/15/29	3,665	2,340,506
Triborough Bridge and Tunnel Authority, NY, 0.00%, 11/15/31	6,600	3,837,042
		<b>\$ 40,515,676</b>

<b>Water and Sewer 7.7%</b>		
Chicago, IL, Water Revenue, 5.00%, 11/1/29	\$ 2,000	\$ 2,378,800
Detroit, MI, Water Supply System, 5.25%, 7/1/27	1,000	1,119,640
Michigan Finance Authority, (Detroit Water and Sewerage Department), 5.00%, 7/1/30	5,000	5,661,600
Northeast Ohio Regional Sewer District, 4.00%, 11/15/33 <sup>(1)(2)</sup>	7,500	8,109,675
		<b>\$ 17,269,715</b>

<b>Total Tax-Exempt Investments 159.2%</b> (identified cost \$333,800,912)	<b>\$ 356,223,325</b>
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<b>Other Assets, Less Liabilities (59.2)%</b>	<b>\$ (132,493,532)</b>
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<b>Net Assets 100.0%</b>	<b>\$ 223,729,793</b>
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The percentage shown for each investment category in the Portfolio of Investments is based on net assets.

AGC	Assured Guaranty Corp.
AGM	Assured Guaranty Municipal Corp.
AMBAC	AMBAC Financial Group, Inc.
AMT	Interest earned from these securities may be considered a tax preference item for purposes of the Federal Alternative Minimum Tax.
NPFG	National Public Finance Guaranty Corp.
PSF	Permanent School Fund
SFMR	Single Family Mortgage Revenue

## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Portfolio of Investments continued

At January 31, 2015, the concentration of the Trust's investments in the various states, determined as a percentage of total investments, is as follows:

New York	17.3%
Texas	10.6%
Others, representing less than 10% individually	72.1%

The Trust invests primarily in debt securities issued by municipalities. The ability of the issuers of the debt securities to meet their obligations may be affected by economic developments in a specific industry or municipality. In order to reduce the risk associated with such economic developments, at January 31, 2015, 8.4% of total investments are backed by bond insurance of various financial institutions and financial guaranty assurance agencies. The aggregate percentage insured by an individual financial institution or financial guaranty assurance agency ranged from 0.3% to 3.4% of total investments.

- (1) Security represents the municipal bond held by a trust that issues residual interest bonds (see Note 1I).
- (2) Security (or a portion thereof) has been pledged as collateral for residual interest bond transactions. The aggregate value of such collateral is \$36,601,550.
- (3) When-issued security.
- (4) Security (or a portion thereof) has been segregated to cover payable for when-issued securities.
- (5) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities may be sold in certain transactions (normally to qualified institutional buyers) and remain exempt from registration. At January 31, 2015, the aggregate value of these securities is \$7,352,147 or 3.3% of the Trust's net assets.
- (6) Variable rate security. The stated interest rate represents the rate in effect at January 31, 2015.

## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Statement of Assets and Liabilities

	<b>January 31, 2015</b>
<b>Assets</b>	
Investments, at value (identified cost, \$333,800,912)	\$ 356,223,325
Interest receivable	2,582,101
Receivable for investments sold	2,970,560
<b>Total assets</b>	<b>\$ 361,775,986</b>
<b>Liabilities</b>	
Payable for floating rate notes issued	\$ 131,255,000
Payable for when-issued securities	6,223,807
Due to custodian	120,483
Payable to affiliate:	
Investment adviser and administration fee	174,356
Interest expense and fees payable	182,093
Accrued expenses	90,454
<b>Total liabilities</b>	<b>\$ 138,046,193</b>
<b>Net Assets</b>	<b>\$ 223,729,793</b>
<b>Sources of Net Assets</b>	
Common shares, \$0.01 par value, unlimited number of shares authorized	\$ 108,325
Additional paid-in capital	206,737,247
Accumulated net realized loss	(7,521,554)
Accumulated undistributed net investment income	1,983,362
Net unrealized appreciation	22,422,413
<b>Net Assets</b>	<b>\$ 223,729,793</b>
<b>Common Shares Outstanding</b>	<b>10,832,544</b>
<b>Net Asset Value</b>	
<b>Net assets ÷ common shares issued and outstanding</b>	<b>\$ 20.65</b>

## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Statement of Operations

	<b>Year Ended</b>
	<b>January 31, 2015</b>
<b>Investment Income</b>	
Interest	\$ 13,054,322
<b>Total investment income</b>	<b>\$ 13,054,322</b>
<b>Expenses</b>	
Investment adviser and administration fee	\$ 1,987,057
Trustees' fees and expenses	16,046
Custodian fee	96,918
Transfer and dividend disbursing agent fees	18,773
Legal and accounting services	57,859
Printing and postage	22,968
Interest expense and fees	770,644
Miscellaneous	45,576
<b>Total expenses</b>	<b>\$ 3,015,841</b>
Deduct	
Reduction of custodian fee	\$ 247
<b>Total expense reductions</b>	<b>\$ 247</b>
<b>Net expenses</b>	<b>\$ 3,015,594</b>
<b>Net investment income</b>	<b>\$ 10,038,728</b>
<b>Realized and Unrealized Gain (Loss)</b>	
Net realized gain (loss)	
Investment transactions	\$ 3,976,143
<b>Net realized gain</b>	<b>\$ 3,976,143</b>
Change in unrealized appreciation (depreciation)	
Investments	\$ 34,843,047
<b>Net change in unrealized appreciation (depreciation)</b>	<b>\$ 34,843,047</b>
<b>Net realized and unrealized gain</b>	<b>\$ 38,819,190</b>
<b>Net increase in net assets from operations</b>	<b>\$ 48,857,918</b>

## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Statements of Changes in Net Assets

	Year Ended	Period Ended
	January 31, 2015	January 31, 2014 <sup>(1)</sup>
<b>Increase (Decrease) in Net Assets</b>		
From operations		
Net investment income	\$ 10,038,728	\$ 7,815,637
Net realized gain (loss) on investment transactions	3,976,143	(11,816,431)
Net change in unrealized appreciation (depreciation) from investments	34,843,047	(12,420,634)
<b>Net increase (decrease) in net assets from operations</b>	<b>\$ 48,857,918</b>	<b>\$ (16,421,428)</b>
Distributions to shareholders		
From net investment income	\$ (9,301,051)	\$ (6,251,218)
<b>Total distributions to shareholders</b>	<b>\$ (9,301,051)</b>	<b>\$ (6,251,218)</b>
Capital share transactions		
Proceeds from sale of shares	\$	\$ 210,577,500 <sup>(2)</sup>
Reinvestment of distributions to shareholders		30,537
Cost of shares repurchased (see Note 5)	(3,421,465)	
Offering costs		(441,000)
<b>Net increase (decrease) in net assets from capital share transactions</b>	<b>\$ (3,421,465)</b>	<b>\$ 210,167,037</b>
<b>Net increase in net assets</b>	<b>\$ 36,135,402</b>	<b>\$ 187,494,391</b>
<b>Net Assets</b>		
At beginning of period	\$ 187,594,391	\$ 100,000
<b>At end of period</b>	<b>\$ 223,729,793</b>	<b>\$ 187,594,391</b>
<b>Accumulated undistributed net investment income included in net assets</b>		
<b>At end of period</b>	<b>\$ 1,983,362</b>	<b>\$ 1,452,702</b>

<sup>(1)</sup> For the period from the start of business, March 28, 2013, to January 31, 2014.

<sup>(2)</sup> Proceeds from sale of shares are net of sales load paid of \$9,922,500 and include shares sold from the exercise of the underwriters' over-allotment option of \$15,500,000 (see Note 5).

## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Statement of Cash Flows

	<b>Year Ended</b>
	<b>January 31, 2015</b>
<b>Cash Flows From Operating Activities</b>	
Net increase in net assets from operations	\$ 48,857,918
Adjustments to reconcile net increase in net assets from operations to net cash provided by operating activities:	
Investments purchased	(140,688,457)
Investments sold	144,916,166
Net amortization/accretion of premium (discount)	(981,508)
Decrease in interest receivable	57,623
Increase in payable to affiliate for investment adviser and administration fee	15,367
Increase in interest expense and fees payable	26,446
Decrease in accrued expenses	(17,291)
Net change in unrealized (appreciation) depreciation from investments	(34,843,047)
Net realized gain from investments	(3,976,143)
<b>Net cash provided by operating activities</b>	<b>\$ 13,367,074</b>
<b>Cash Flows From Financing Activities</b>	
Repurchase of common shares	\$ (3,421,465)
Distributions paid, net of reinvestments	(9,301,051)
Proceeds from secured borrowings	25,000,000
Repayment of secured borrowings	(24,000,000)
Decrease in due to custodian	(1,644,558)
<b>Net cash used in financing activities</b>	<b>\$ (13,367,074)</b>
<b>Cash at beginning of year</b>	<b>\$</b>
<b>Cash at end of year</b>	<b>\$</b>
<b>Supplemental disclosure of cash flow information:</b>	
Cash paid for interest and fees	\$ 744,198

## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Financial Highlights

	<b>Year Ended</b> <b>January 31, 2015</b>	<b>Period Ended</b> <b>January 31, 2014<sup>(1)</sup></b>
Net asset value Beginning of period	\$ 17.000	\$ 19.100 <sup>(2)</sup>
<b>Income (Loss) From Operations</b>		
Net investment income <sup>(3)</sup>	\$ 0.917	\$ 0.716
Net realized and unrealized gain (loss)	3.546	(2.188)
<b>Total income (loss) from operations</b>	<b>\$ 4.463</b>	<b>\$ (1.472)</b>
<b>Less Distributions</b>		
From net investment income	\$ (0.850)	\$ (0.567)
<b>Total distributions</b>	<b>\$ (0.850)</b>	<b>\$ (0.567)</b>
<b>Offering costs charged to paid-in capital<sup>(3)</sup></b>	<b>\$</b>	<b>\$ (0.040)</b>
<b>Discount related to exercise of underwriters over-allotment option<sup>(1)</sup></b>	<b>\$</b>	<b>\$ (0.021)</b>
<b>Anti-dilutive effect of share repurchase program (see Note 5)<sup>(3)</sup></b>	<b>\$ 0.037</b>	<b>\$</b>
<b>Net asset value End of period</b>	<b>\$ 20.650</b>	<b>\$ 17.000</b>
<b>Market Value End of period</b>	<b>\$ 18.320</b>	<b>\$ 15.900</b>
<b>Total Investment Return on Net Asset Value<sup>(4)</sup></b>	<b>27.68%</b>	<b>(7.52)%<sup>(5)(6)</sup></b>
<b>Total Investment Return on Market Value<sup>(4)</sup></b>	<b>21.11%</b>	<b>(13.50)%<sup>(5)(6)</sup></b>
<b>Ratios/Supplemental Data</b>		
Net assets, end of period (000 s omitted)	\$ 223,730	\$ 187,594
Ratios (as a percentage of average daily net assets):		
Expenses excluding interest and fees <sup>(7)</sup>	1.09%	1.19% <sup>(8)</sup>
Interest and fee expense <sup>(9)</sup>	0.37%	0.43% <sup>(8)</sup>
Total expenses <sup>(7)</sup>	1.46%	1.62% <sup>(8)</sup>
Net investment income	4.84%	5.02% <sup>(8)</sup>
Portfolio Turnover	43%	58% <sup>(5)(10)</sup>

(1) For the period from the start of business, March 28, 2013, to January 31, 2014.

(2) Net asset value at beginning of period reflects the deduction of the sales charge of \$0.90 per share paid by the shareholders from the \$20.00 offering price.

(3) Computed using average shares outstanding.

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- (4) Returns are historical and are calculated by determining the percentage change in net asset value or market value with all distributions reinvested. Distributions are assumed to be reinvested at prices obtained under the Trust's dividend reinvestment plan.
- (5) Not annualized.
- (6) Total investment return on net asset value is calculated assuming a purchase at the offering price of \$20.00 less the sales load of \$0.90 per share paid by the shareholder on the first day and a sale at the net asset value on the last day of the period reported with all distributions reinvested. Total investment return on market value is calculated assuming a purchase at the offering price of \$20.00 less the sales load of \$0.90 per share paid by the shareholder on the first day and a sale at the current market price on the last day of the period reported with all distributions reinvested.
- (7) Excludes the effect of custody fee credits, if any, of less than 0.005%.
- (8) Annualized.
- (9) Interest and fee expense relates to the liability for floating rate notes issued in conjunction with residual interest bond transactions (see Note 1I).
- (10) The amount previously reported of 106% has been revised due to the correction of an error in the calculation.



## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Notes to Financial Statements

## 1 Significant Accounting Policies

Eaton Vance Municipal Income 2028 Term Trust (formerly, Eaton Vance Municipal Income Term Trust) (the Trust) is a Massachusetts business trust registered under the Investment Company Act of 1940, as amended (the 1940 Act), as a diversified, closed-end management investment company. The Trust was organized on December 5, 2012 and remained inactive until March 28, 2013, except for matters related to its organization, including the sale of 5,000 initial shares for \$100,000 and the expensing of \$15,000 of organization costs, all of which were reimbursed by Eaton Vance Management (EVM). The Trust's investment objective is to provide current income exempt from regular federal income tax. The Trust has a term of fifteen years and currently intends to cease its investment operations on or about June 30, 2028 and thereafter liquidate and distribute its net assets to holders of the Trust's common shares.

The following is a summary of significant accounting policies of the Trust. The policies are in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Trust is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946.

**A Investment Valuation** The following methodologies are used to determine the market value or fair value of investments.

**Debt Obligations.** Debt obligations (including short-term obligations with a remaining maturity of more than sixty days) are generally valued on the basis of valuations provided by third party pricing services, as derived from such services' pricing models. Inputs to the models may include, but are not limited to, reported trades, executable bid and asked prices, broker/dealer quotations, prices or yields of securities with similar characteristics, interest rates, anticipated prepayments, benchmark curves or information pertaining to the issuer, as well as industry and economic events. The pricing services may use a matrix approach, which considers information regarding securities with similar characteristics to determine the valuation for a security. Short-term obligations purchased with a remaining maturity of sixty days or less are generally valued at amortized cost, which approximates market value.

**Fair Valuation.** Investments for which valuations or market quotations are not readily available or are deemed unreliable are valued at fair value using methods determined in good faith by or at the direction of the Trustees of the Trust in a manner that fairly reflects the security's value, or the amount that the Trust might reasonably expect to receive for the security upon its current sale in the ordinary course. Each such determination is based on a consideration of relevant factors, which are likely to vary from one pricing context to another. These factors may include, but are not limited to, the type of 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 entities, quotations or relevant information obtained from broker/dealers or other market participants, information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities), an analysis of the entity's financial condition, and an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold.

**B Investment Transactions and Related Income** Investment transactions for financial statement purposes are accounted for on a trade date basis. Realized gains and losses on investments sold are determined on the basis of identified cost. Interest income is recorded on the basis of interest accrued, adjusted for amortization of premium or accretion of discount.

**C Federal Taxes** The Trust's policy is to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute to shareholders each year substantially all of its taxable, if any, and tax-exempt net investment income, and all or substantially all of its net realized capital gains. Accordingly, no provision for federal income or excise tax is necessary. The Trust intends to satisfy conditions which will enable it to designate distributions from the interest income generated by its investments in municipal obligations, which are exempt from regular federal income tax when received by the Trust, as exempt-interest dividends. The portion of such interest, if any, earned on private activity bonds issued after August 7, 1986, may be considered a tax preference item to shareholders.

As of January 31, 2015, the Trust had no uncertain tax positions that would require financial statement recognition, de-recognition, or disclosure. The Trust files a U.S. federal income tax return annually after its fiscal year-end, which is subject to examination by the Internal Revenue Service for a period of three years from the date of filing.

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**D Expense Reduction** State Street Bank and Trust Company (SSBT) serves as custodian of the Trust. Pursuant to the custodian agreement, SSBT receives a fee reduced by credits, which are determined based on the average daily cash balance the Trust maintains with SSBT. All credit balances, if any, used to reduce the Trust's custodian fees are reported as a reduction of expenses in the Statement of Operations.

**E Organization and Offering Costs** Costs incurred by the Trust in connection with its organization are expensed. EVM agreed to pay all offering costs (other than sales loads) that exceed \$0.04 per common share. Costs incurred by the Trust in connection with the offering of its common shares are recorded as a reduction of additional paid-in capital.

**F Legal Fees** Legal fees and other related expenses incurred as part of negotiations of the terms and requirement of capital infusions, or that are expected to result in the restructuring of, or a plan of reorganization for, an investment are recorded as realized losses. Ongoing expenditures to protect or enhance an investment are treated as operating expenses.

**G Use of Estimates** The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates.

Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Notes to Financial Statements continued

**H Indemnifications** Under the Trust's organizational documents, its officers and Trustees may be indemnified against certain liabilities and expenses arising out of the performance of their duties to the Trust. Under Massachusetts law, if certain conditions prevail, shareholders of a Massachusetts business trust (such as the Trust) could be deemed to have personal liability for the obligations of the Trust. However, the Trust's Declaration of Trust contains an express disclaimer of liability on the part of Trust shareholders and the By-laws provide that the Trust shall assume the defense on behalf of any Trust shareholders. Moreover, the By-laws also provide for indemnification out of Trust property of any shareholder held personally liable solely by reason of being or having been a shareholder for all loss or expense arising from such liability. Additionally, in the normal course of business, the Trust enters into agreements with service providers that may contain indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred.

**I Floating Rate Notes Issued in Conjunction with Securities Held** The Trust may invest in residual interest bonds, also referred to as inverse floating rate securities, whereby the Trust may sell a variable or fixed rate bond to a broker for cash. At the same time, the Trust buys a residual interest in the assets and cash flows of a Special-Purpose Vehicle (the SPV), (which is generally organized as a trust), set up by the broker. The broker deposits a bond into the SPV with the same CUSIP number as the bond sold to the broker by the Trust, and which may have been, but is not required to be, the bond purchased from the Trust (the Bond). The SPV also issues floating rate notes (Floating Rate Notes) which are sold to third-parties. The residual interest bond held by the Trust gives the Trust the right (1) to cause the holders of the Floating Rate Notes to generally tender their notes at par, and (2) to have the broker transfer the Bond held by the SPV to the Trust, thereby terminating the SPV. Should the Trust exercise such right, it would generally pay the broker the par amount due on the Floating Rate Notes and exchange the residual interest bond for the underlying Bond. Pursuant to generally accepted accounting principles for transfers and servicing of financial assets and extinguishment of liabilities, the Trust accounts for the transaction described above as a secured borrowing by including the Bond in its Portfolio of Investments and the Floating Rate Notes as a liability under the caption "Payable for floating rate notes issued" in its Statement of Assets and Liabilities. The Floating Rate Notes have interest rates that generally reset weekly and their holders have the option to tender their notes to the broker for redemption at par at each reset date. Accordingly, the fair value of the payable for floating rate notes issued approximates its carrying value. If measured at fair value, the payable for floating rate notes would have been considered as Level 2 in the fair value hierarchy (see Note 7) at January 31, 2015. Interest expense related to the Trust's liability with respect to Floating Rate Notes is recorded as incurred. The SPV may be terminated by the Trust, as noted above, or by the broker upon the occurrence of certain termination events as defined in the trust agreement, such as a downgrade in the credit quality of the underlying Bond, bankruptcy or payment failure by the issuer of the underlying Bond, the inability to remarket Floating Rate Notes that have been tendered due to insufficient buyers in the market, or the failure by the SPV to obtain renewal of the liquidity agreement under which liquidity support is provided for the Floating Rate Notes up to one year. At January 31, 2015, the amount of the Trust's Floating Rate Notes outstanding and the related collateral were \$131,255,000 and \$199,518,556, respectively. The range of interest rates on the Floating Rate Notes outstanding at January 31, 2015 was 0.02% to 0.24%. For the year ended January 31, 2015, the Trust's average Floating Rate Notes outstanding and the average interest rate including fees were \$125,468,699 and 0.61%, respectively.

The Trust may enter into shortfall and forbearance agreements with the broker by which the Trust agrees to reimburse the broker, in certain circumstances, for the difference between the liquidation value of the Bond held by the SPV and the liquidation value of the Floating Rate Notes, as well as any shortfalls in interest cash flows. The Trust had no shortfalls as of January 31, 2015.

The Trust may also purchase residual interest bonds from brokers in a secondary market transaction without first owning the underlying bond. Such transactions are not required to be treated as secured borrowings. Shortfall agreements, if any, related to residual interest bonds purchased in a secondary market transaction are disclosed in the Portfolio of Investments.

The Trust's investment policies and restrictions expressly permit investments in residual interest bonds. Such bonds typically offer the potential for yields exceeding the yields available on fixed rate bonds with comparable credit quality and maturity. These securities tend to underperform the market for fixed rate bonds in a rising long-term interest rate environment, but tend to outperform the market for fixed rate bonds when long-term interest rates decline. The value and income of residual interest bonds are generally more volatile than that of a fixed rate bond. The Trust's investment policies do not allow the Trust to borrow money except as permitted by the 1940 Act. Management believes that the Trust's restrictions on borrowing money and issuing senior securities (other than as specifically permitted) do not apply to Floating Rate Notes issued by the SPV and included as a liability in the Trust's Statement of Assets and Liabilities. As secured indebtedness issued by an SPV, Floating Rate Notes are distinct from the borrowings and senior securities to which the Trust's restrictions apply. Residual interest bonds held by the Trust are securities exempt from registration under Rule 144A of the Securities Act of 1933.

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On December 10, 2013, five U.S. federal agencies published final rules implementing section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Volcker Rule ). The Volcker Rule prohibits banking entities from engaging in proprietary trading of certain instruments and limits such entities investments in, and relationships with, covered funds (such as SPVs), as defined in the rules. The compliance date for the Volcker Rule for certain covered funds is July 21, 2015 while for other covered funds the compliance date is July 21, 2016. The Volcker Rule may preclude banking entities and their affiliates from (i) sponsoring residual interest bond programs (as such programs are presently structured) and (ii) continuing relationships with or services for existing residual interest bond programs. As a result, residual interest bond trusts may need to be restructured or unwound. There can be no assurances that residual interest bond trusts can be restructured, that new sponsors of residual interest bond programs will develop, or that alternative forms of leverage will be available to the Trust. The effects of the Volcker Rule may make it more difficult for the Trust to maintain current or desired levels of leverage and may cause the Trust to incur additional expenses to maintain its leverage.

**J When-Issued Securities and Delayed Delivery Transactions** The Trust may purchase or sell securities on a delayed delivery or when-issued basis. Payment and delivery may take place after the customary settlement period for that security. At the time the transaction is negotiated, the price of the

## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Notes to Financial Statements continued

security that will be delivered is fixed. The Trust maintains security positions for these commitments such that sufficient liquid assets will be available to make payments upon settlement. Securities purchased on a delayed delivery or when-issued basis are marked-to-market daily and begin earning interest on settlement date. Losses may arise due to changes in the market value of the underlying securities or if the counterparty does not perform under the contract.

**K Statement of Cash Flows** The cash amount shown in the Statement of Cash Flows of the Trust is the amount included in the Trust's Statement of Assets and Liabilities and represents the unrestricted cash on hand at its custodian and does not include any short-term investments.

**2 Distributions to Shareholders and Income Tax Information**

The Trust intends to make monthly distributions of net investment income to common shareholders. In addition, at least annually, the Trust intends to distribute all or substantially all of its net realized capital gains. Distributions are recorded on the ex-dividend date. Distributions to shareholders are determined in accordance with income tax regulations, which may differ from U.S. GAAP. As required by U.S. GAAP, only distributions in excess of tax basis earnings and profits are reported in the financial statements as a return of capital. Permanent differences between book and tax accounting relating to distributions are reclassified to paid-in capital. For tax purposes, distributions from short-term capital gains are considered to be from ordinary income.

The tax character of distributions declared for the year ended January 31, 2015 and the period ended January 31, 2014 was as follows:

	<b>Year Ended</b> <b>January 31, 2015</b>	<b>Period Ended</b> <b>January 31, 2014<sup>(1)</sup></b>
<b>Distributions declared from:</b>		
Tax-exempt income	\$ 9,213,896	\$ 6,249,022
Ordinary income	\$ 87,155	\$ 2,196

<sup>(1)</sup> For the period from the start of business, March 28, 2013, to January 31, 2014.

During the year ended January 31, 2015, accumulated net realized loss was decreased by \$207,017 and accumulated undistributed net investment income was decreased by \$207,017 due to differences between book and tax accounting, primarily for accretion of market discount and premium amortization. These reclassifications had no effect on the net assets or net asset value per share of the Trust.

As of January 31, 2015, the components of distributable earnings (accumulated losses) and unrealized appreciation (depreciation) on a tax basis were as follows:

Undistributed tax-exempt income	\$ 1,983,362
Deferred capital losses	\$ (7,623,864)
Net unrealized appreciation	\$ 22,524,723
The differences between components of distributable earnings (accumulated losses) on a tax basis and the amounts reflected in the Statement of Assets and Liabilities are primarily due to accretion of market discount, premium amortization and residual interest bonds.	

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At January 31, 2015, the Trust, for federal income tax purposes, had deferred capital losses of \$7,623,864 which will reduce its taxable income arising from future net realized gains on investment transactions, if any, to the extent permitted by the Internal Revenue Code, and thus will reduce the amount of distributions to shareholders, which would otherwise be necessary to relieve the Trust of any liability for federal income or excise tax. The deferred capital losses are treated as arising on the first day of the Trust's next taxable year and retain the same short-term or long-term character as when originally deferred. Of the deferred capital losses at January 31, 2015, \$7,623,864 are short-term.

The cost and unrealized appreciation (depreciation) of investments of the Trust at January 31, 2015, as determined on a federal income tax basis, were as follows:

<b>Aggregate cost</b>	<b>\$ 202,443,602</b>
Gross unrealized appreciation	\$ 22,526,859
Gross unrealized depreciation	(2,136)
<b>Net unrealized appreciation</b>	<b>\$ 22,524,723</b>

Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

Notes to Financial Statements continued

## 3 Investment Adviser and Administration Fee and Other Transactions with Affiliates

The investment adviser and administration fee is earned by EVM as compensation for investment advisory and administrative services rendered to the Trust. The fee is computed at an annual rate of 0.60% of the Trust's average daily total managed assets and is payable monthly. Average daily total managed assets include the principal amount of any indebtedness for money borrowed, including debt securities issued by the Trust. Average daily total managed assets are calculated by adding to net assets the amount payable by the Trust to floating rate note holders. For the year ended January 31, 2015, the investment adviser and administration fee was \$1,987,057.

Trustees and officers of the Trust who are members of EVM's organization receive remuneration for their services to the Trust out of the investment adviser and administration fee. Trustees of the Trust who are not affiliated with the investment adviser may elect to defer receipt of all or a percentage of their annual fees in accordance with the terms of the Trustees Deferred Compensation Plan. For the year ended January 31, 2015, no significant amounts have been deferred. Certain officers and Trustees of the Trust are officers of EVM.

## 4 Purchases and Sales of Investments

Purchases and sales of investments, other than short-term obligations, aggregated \$144,951,096 and \$147,758,615, respectively, for the year ended January 31, 2015.

## 5 Common Shares of Beneficial Interest

On November 11, 2013, the Board of Trustees of the Trust authorized the repurchase by the Trust of up to 10% of its then currently outstanding common shares in open-market transactions at a discount to net asset value (NAV). The repurchase program does not obligate the Trust to purchase a specific amount of shares. During the year ended January 31, 2015, the Trust repurchased 199,300 of its common shares under the share repurchase program at a cost, including brokerage commissions, of \$3,421,465 and an average price per share of \$17.17. The weighted average discount per share to NAV on these repurchases amounted to 10.54% for the year ended January 31, 2015.

In connection with the initial public offering of the Trust's common shares in 2013, the underwriters were granted an option to purchase additional common shares at a price of \$19.10 (after deduction of the sales load). Additional shares were issued by the Trust on May 14, 2013 pursuant to the exercise of the over-allotment option. The Trust's net asset value per share on such date was \$19.39, resulting in a discount of \$224,750.

The Trust may issue common shares pursuant to its dividend reinvestment plan. Transactions in common shares were as follows:

	Year Ended January 31, 2015	Period Ended January 31, 2014 <sup>(1)</sup>
Sales (initial public offering)		10,250,000
Exercise of over-allotment option by underwriters		775,000
Issued to shareholders electing to receive payments of distributions in Trust shares		1,844
Repurchases	(199,300)	
<b>Net increase (decrease)</b>	<b>(199,300)</b>	<b>11,026,844</b>

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<sup>(1)</sup> For the period from the start of business, March 28, 2013, to January 31, 2014.

### 6 Overdraft Advances

Pursuant to the custodian agreement, SSBT may, in its discretion, advance funds to the Trust to make properly authorized payments. When such payments result in an overdraft, the Trust is obligated to repay SSBT at the current rate of interest charged by SSBT for secured loans (currently, the Federal Funds rate plus 2%). This obligation is payable on demand to SSBT. SSBT has a lien on the Trust's assets to the extent of any overdraft. At January 31, 2015, the Trust had a payment due to SSBT pursuant to the foregoing arrangement of \$120,483. Based on the short-term nature of these payments and the variable interest rate, the carrying value of the overdraft advances approximated its fair value at January 31, 2015. If measured at fair value, overdraft advances would have been considered as Level 2 in the fair value hierarchy (see Note 7) at January 31, 2015. The Trust's average overdraft advances during the year ended January 31, 2015 were not significant.



## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

Notes to Financial Statements continued

## 7 Fair Value Measurements

Under generally accepted accounting principles for fair value measurements, a three-tier hierarchy to prioritize the assumptions, referred to as inputs, is used in valuation techniques to measure fair value. The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including a fund's own assumptions in determining the fair value of investments)

In cases where the inputs used to measure fair value fall in different levels of the fair value hierarchy, the level disclosed is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

At January 31, 2015, the hierarchy of inputs used in valuing the Trust's investments, which are carried at value, were as follows:

Asset Description	Level 1	Level 2	Level 3	Total
Tax-Exempt Investments	\$	\$ 356,223,325	\$	\$ 356,223,325
<b>Total Investments</b>	<b>\$</b>	<b>\$ 356,223,325</b>	<b>\$</b>	<b>\$ 356,223,325</b>

The Trust held no investments or other financial instruments as of January 31, 2014 whose fair value was determined using Level 3 inputs. At January 31, 2015, there were no investments transferred between Level 1 and Level 2 during the year then ended.

## 8 Name Change

Effective January 5, 2015, the name of Eaton Vance Municipal Income 2028 Term Trust was changed from Eaton Vance Municipal Income Term Trust.

Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

Report of Independent Registered Public Accounting Firm

To the Trustees and Shareholders of Eaton Vance Municipal Income 2028 Term Trust (formerly Eaton Vance Municipal Income Term Trust):

We have audited the accompanying statement of assets and liabilities of Eaton Vance Municipal Income 2028 Term Trust (formerly Eaton Vance Municipal Income Term Trust) (the Trust ), including the portfolio of investments, as of January 31, 2015, and the related statements of operations and cash flows for the year then ended, and the statements of changes in net assets and the financial highlights for each of the periods presented. These financial statements and financial highlights are the responsibility of the Trust 's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Trust is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust 's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of January 31, 2015, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Eaton Vance Municipal Income 2028 Term Trust as of January 31, 2015, the results of its operations and cash flows for the year then ended, and the changes in its net assets and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP

Boston, Massachusetts

March 24, 2015

Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

### Federal Tax Information (Unaudited)

The Form 1099-DIV you receive in February 2016 will show the tax status of all distributions paid to your account in calendar year 2015. Shareholders are advised to consult their own tax adviser with respect to the tax consequences of their investment in the Trust. As required by the Internal Revenue Code and/or regulations, shareholders must be notified regarding exempt-interest dividends.

**Exempt-Interest Dividends.** For the fiscal year ended January 31, 2015, the Trust designates 99.06% of distributions from net investment income as an exempt-interest dividend.

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Eaton Vance

Municipal Income 2028 Term Trust

January 31, 2015

Annual Meeting of Shareholders (Unaudited)

The Trust held its Annual Meeting of Shareholders on November 20, 2014. The following action was taken by the shareholders:

**Item 1:** The election of George J. Gorman, William H. Park, Ronald A. Pearlman and Harriett Tee Taggart as Class II Trustees of the Trust for a three-year term expiring in 2017.

**Nominee for Trustee**

**Number of Shares**

**Elected by All Shareholders**

	<b>For</b>	<b>Withheld</b>
George J. Gorman	9,654,027	509,683
William H. Park	9,651,990	511,720
Ronald A. Pearlman	9,647,525	516,185
Harriett Tee Taggart	9,657,095	506,615

Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

### Dividend Reinvestment Plan

The Trust offers a dividend reinvestment plan (Plan) pursuant to which shareholders automatically have distributions reinvested in common shares (Shares) of the Trust unless they elect otherwise through their investment dealer. On the distribution payment date, if the NAV per Share is equal to or less than the market price per Share plus estimated brokerage commissions, then new Shares will be issued. The number of Shares shall be determined by the greater of the NAV per Share or 95% of the market price. Otherwise, Shares generally will be purchased on the open market by American Stock Transfer & Trust Company, LLC, the Plan agent (Agent). Distributions subject to income tax (if any) are taxable whether or not Shares are reinvested.

If your Shares are in the name of a brokerage firm, bank, or other nominee, you can ask the firm or nominee to participate in the Plan on your behalf. If the nominee does not offer the Plan, you will need to request that the Trust's transfer agent re-register your Shares in your name or you will not be able to participate.

The Agent's service fee for handling distributions will be paid by the Trust. Plan participants will be charged their pro rata share of brokerage commissions on all open-market purchases.

Plan participants may withdraw from the Plan at any time by writing to the Agent at the address noted on the following page. If you withdraw, you will receive Shares in your name for all Shares credited to your account under the Plan. If a participant elects by written notice to the Agent to sell part or all of his or her Shares and remit the proceeds, the Agent is authorized to deduct a \$5.00 fee plus brokerage commissions from the proceeds.

If you wish to participate in the Plan and your Shares are held in your own name, you may complete the form on the following page and deliver it to the Agent. Any inquiries regarding the Plan can be directed to the Agent at 1-866-439-6787.

Eaton Vance

Municipal Income 2028 Term Trust

January 31, 2015

Application for Participation in Dividend Reinvestment Plan

This form is for shareholders who hold their common shares in their own names. If your common shares are held in the name of a brokerage firm, bank, or other nominee, you should contact your nominee to see if it will participate in the Plan on your behalf. If you wish to participate in the Plan, but your brokerage firm, bank, or nominee is unable to participate on your behalf, you should request that your common shares be re-registered in your own name which will enable your participation in the Plan.

The following authorization and appointment is given with the understanding that I may terminate it at any time by terminating my participation in the Plan as provided in the terms and conditions of the Plan.

Please print exact name on account:

Shareholder signature

Date

Shareholder signature

Date

Please sign exactly as your common shares are registered. All persons whose names appear on the share certificate must sign.

**YOU SHOULD NOT RETURN THIS FORM IF YOU WISH TO RECEIVE YOUR DISTRIBUTIONS IN CASH. THIS IS NOT A PROXY.**

*This authorization form, when signed, should be mailed to the following address:*

Eaton Vance Municipal Income 2028 Term Trust

c/o American Stock Transfer & Trust Company, LLC

P.O. Box 922

Wall Street Station

New York, NY 10269-0560

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### **Number of Employees**

The Trust is organized as a Massachusetts business trust and is registered under the Investment Company Act of 1940, as amended, as a closed-end, management investment company and has no employees.

### **Number of Shareholders**

As of January 31, 2015, our records indicate that there are 2 registered shareholders and approximately 4,884 shareholders owning the Trust shares in street name, such as through brokers, banks, and financial intermediaries.

If you are a street name shareholder and wish to receive Trust reports directly, which contain important information about the Trust, please write or call:

Eaton Vance Distributors, Inc.

Two International Place

Boston, MA 02110

1-800-262-1122

### **New York Stock Exchange symbol**

The New York Stock Exchange symbol is ETX.

## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Management and Organization

**Fund Management.** The Trustees of Eaton Vance Municipal Income 2028 Term Trust (the Trust) are responsible for the overall management and supervision of the Trust's affairs. The Trustees and officers of the Trust are listed below. Except as indicated, each individual has held the office shown or other offices in the same company for the last five years. The Noninterested Trustees consist of those Trustees who are not interested persons of the Trust, as that term is defined under the 1940 Act. The business address of each Trustee and officer is Two International Place, Boston, Massachusetts 02110. As used below, EVC refers to Eaton Vance Corp., EV refers to Eaton Vance, Inc., EVM refers to Eaton Vance Management, BMR refers to Boston Management and Research and EVD refers to Eaton Vance Distributors, Inc. EVC and EV are the corporate parent and trustee, respectively, of EVM and BMR. EVD is the Trust's principal underwriter and a wholly-owned subsidiary of EVC. Each officer affiliated with Eaton Vance may hold a position with other Eaton Vance affiliates that is comparable to his or her position with EVM listed below. Each Trustee oversees 178 portfolios in the Eaton Vance Complex (including all master and feeder funds in a master feeder structure). Each officer serves as an officer of certain other Eaton Vance funds. Each Trustee serves for a three year term. Each officer serves until his or her successor is elected.

Name and Year of Birth	Position(s) with the Trust	Term Expiring; Trustee Since <sup>(1)</sup>	Principal Occupation(s) and Directorships During Past Five Years and Other Relevant Experience
<b>Interested Trustee</b>			
Thomas E. Faust Jr. 1958	Class I Trustee	Until 2016.  Trustee since 2007.	Chairman, Chief Executive Officer and President of EVC, Director and President of EV, Chief Executive Officer and President of EVM and BMR, and Director of EVD. Trustee and/or officer of 178 registered investment companies. Mr. Faust is an interested person because of his positions with EVM, BMR, EVD, EVC and EV, which are affiliates of the Trust.  <b>Directorships in the Last Five Years.<sup>(2)</sup></b> Director of EVC and Hexavest Inc.
<b>Noninterested Trustees</b>			
Scott E. Eston 1956	Class I Trustee	Until 2016.  Trustee since 2011.	Private investor. Formerly held various positions at Grantham, Mayo, Van Otterloo and Co., L.L.C. (investment management firm) (1997-2009), including Chief Operating Officer (2002-2009), Chief Financial Officer (1997-2009) and Chairman of the Executive Committee (2002-2008); President and Principal Executive Officer, GMO Trust (open-end registered investment company) (2006-2009). Former Partner, Coopers and Lybrand L.L.P. (now PricewaterhouseCoopers) (public accounting firm) (1987-1997).  <b>Directorships in the Last Five Years.<sup>(2)</sup></b> None.
Cynthia E. Frost <sup>(3)</sup> 1961	Class I Trustee	Until 2016.  Trustee since 2014.	Private investor. Formerly, Chief Investment Officer of Brown University (university endowment) (2000-2012); Portfolio Strategist for Duke Management Company (university endowment manager) (1995-2000); Managing Director, Cambridge Associates (1989-1995); Consultant, Bain and Company (1987-1989); Senior Equity Analyst, BA Investment Management Company (1983-1985).  <b>Directorships in the Last Five Years.</b> None.



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George J. Gorman <sup>(3)</sup>	Class II	Until 2017.	Principal at George J. Gorman LLC (consulting firm). Formerly, Senior Partner at Ernst & Young LLP (public accounting firm) (1974-2009).
1952	Trustee	Trustee since 2014.	<b>Directorships in the Last Five Years.</b> Formerly, Trustee of the Bank of America Money Market Funds Series Trust (2011-2014) and of the Ashmore Funds (2010-2014).
Valerie A. Mosley	Class III Trustee	Until 2015.	Chairwoman and Chief Executive Officer of Valmo Ventures (a consulting and investment firm). Former Partner and Senior Vice President, Portfolio Manager and Investment Strategist at Wellington Management Company, LLP (investment management firm) (1992-2012). Former Chief Investment Officer, PG Corbin Asset Management (1990-1992). Formerly worked in institutional corporate bond sales at Kidder Peabody (1986-1990).
1960		Trustee since 2014.	<b>Directorships in the Last Five Years.</b> <sup>(2)</sup> Director of Dynex Capital, Inc. (mortgage REIT) (since 2013).

## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Management and Organization continued

Name and Year of Birth	Position(s) with the Trust	Term Expiring; Trustee Since <sup>(1)</sup>	Principal Occupation(s) and Directorships
			During Past Five Years and Other Relevant Experience
<b>Noninterested Trustees (continued)</b>			
William H. Park 1947	Class II Trustee	Until 2017.  Trustee since 2003.	Private investor. Formerly, Consultant (2012-2014). Formerly, Chief Financial Officer, Aveon Group L.P. (investment management firm) (2010-2011). Formerly, Vice Chairman, Commercial Industrial Finance Corp. (specialty finance company) (2006-2010). Formerly, President and Chief Executive Officer, Prizm Capital Management, LLC (investment management firm) (2002-2005). Formerly, Executive Vice President and Chief Financial Officer, United Asset Management Corporation (investment management firm) (1982-2001). Formerly, Senior Manager, Price Waterhouse (now PricewaterhouseCoopers) (an independent registered public accounting firm) (1972-1981).  <b>Directorships in the Last Five Years.</b> <sup>(2)</sup> None.
Ronald A. Pearlman 1940	Class II Trustee	Until 2017.  Trustee since 2003.	Lawyer and consultant. Formerly, Professor of Law, Georgetown University Law Center (1999-2014). Formerly, Partner, Covington & Burling LLP (law firm) (1991-2000). Formerly, Chief of Staff, Joint Committee on Taxation, U.S. Congress (1988-1990). Formerly, Deputy Assistant Secretary (Tax Policy) and Assistant Secretary (Tax Policy), U.S. Department of the Treasury (1983-1985).  <b>Directorships in the Last Five Years.</b> <sup>(2)</sup> None.
Helen Frame Peters 1948	Class III Trustee	Until 2015.  Trustee since 2008.	Professor of Finance, Carroll School of Management, Boston College. Formerly, Dean, Carroll School of Management, Boston College (2000-2002). Formerly, Chief Investment Officer, Fixed Income, Scudder Kemper Investments (investment management firm) (1998-1999). Formerly, Chief Investment Officer, Equity and Fixed Income, Colonial Management Associates (investment management firm) (1991-1998).  <b>Directorships in the Last Five Years.</b> <sup>(2)</sup> Formerly, Director of BJ's Wholesale Club, Inc. (wholesale club retailer) (2004-2011). Formerly, Trustee of SPDR Index Shares Funds and SPDR Series Trust (exchange traded funds) (2000-2009). Formerly, Director of Federal Home Loan Bank of Boston (a bank for banks) (2007-2009).
Harriett Tee Taggart 1948	Class II Trustee	Until 2017.  Trustee since 2011.	Managing Director, Taggart Associates (a professional practice firm). Formerly, Partner and Senior Vice President, Wellington Management Company, LLP (investment management firm) (1983-2006).  <b>Directorships in the Last Five Years.</b> <sup>(2)</sup> Director of Albemarle Corporation (chemicals manufacturer) (since 2007) and The Hanover Group (specialty property and casualty insurance company) (since 2009). Formerly, Director of Lubrizol Corporation (specialty chemicals) (2007-2011).
Ralph F. Verni	Chairman of the	Until 2015.	

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1943	Board and Class III  Trustee	Trustee since 2005 and Chairman since 2007.	Consultant and private investor. Formerly, Chief Investment Officer (1982-1992), Chief Financial Officer (1988-1990) and Director (1982-1992), New England Life. Formerly, Chairperson, New England Mutual Funds (1982-1992). Formerly, President and Chief Executive Officer, State Street Management & Research (1992-2000). Formerly, Chairperson, State Street Research Mutual Funds (1992-2000). Formerly, Director, W.P. Carey, LLC (1998-2004) and First Pioneer Farm Credit Corp. (2002-2006).
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**Directorships in the Last Five Years.**<sup>(2)</sup> None.

**Principal Officers who are not Trustees**

<b>Name and Year of Birth</b>	<b>Position(s) with the Trust</b>	<b>Officer Since<sup>(4)</sup></b>	<b>Principal Occupation(s) During Past Five Years</b>
Payson F. Swaffield	President	Since 2003	Vice President and Chief Income Investment Officer of EVM and BMR.
1956 Maureen A. Gemma	Vice President, Secretary and Chief Legal Officer	Since 2005	Vice President of EVM and BMR.
1960			

## Eaton Vance

## Municipal Income 2028 Term Trust

January 31, 2015

## Management and Organization continued

Name and Year of Birth	Position(s)	Officer Since <sup>(4)</sup>	Principal Occupation(s) During Past Five Years
	with the Trust		
Principal Officers who are not Trustees (continued)			
James F. Kirchner 1967	Treasurer	Since 2007	Vice President of EVM and BMR.
Paul M. O Neil 1953	Chief Compliance Officer	Since 2004	Vice President of EVM and BMR.

(1) Year first appointed to serve as Trustee for a fund in the Eaton Vance family of funds. Each Trustee has served continuously since appointment unless indicated otherwise. Each Trustee holds office until the annual meeting for the year in which his or her term expires and until his or her successor is elected and qualified, subject to a prior death, resignation, retirement, disqualification or removal.

(2) During their respective tenures, the Trustees (except for Ms. Frost and Mr. Gorman) also served as Board members of one or more of the following funds (which operated in the years noted): eUnits™ 2 Year U.S. Market Participation Trust: Upside to Cap / Buffered Downside (launched in 2012 and terminated in 2014); eUnits™ 2 Year U.S. Market Participation Trust II: Upside to Cap / Buffered Downside (launched in 2012 and terminated in 2014); Eaton Vance Credit Opportunities Fund (launched in 2005 and terminated in 2010); Eaton Vance Insured Florida Plus Municipal Bond Fund (launched in 2002 and terminated in 2009); and Eaton Vance National Municipal Income Trust (launched in 1998 and terminated in 2009). However, Ms. Mosley did not serve as a Board member of eUnits™ 2 Year U.S. Market Participation Trust: Upside to Cap / Buffered Downside (launched in 2012 and terminated in 2014).

(3) Ms. Frost and Mr. Gorman began serving as Trustees effective May 29, 2014.

(4) Year first elected to serve as officer of a fund in the Eaton Vance family of funds when the officer has served continuously. Otherwise, year of most recent election as an officer of a fund in the Eaton Vance family of funds. Titles may have changed since initial election.

## Eaton Vance Funds

### IMPORTANT NOTICES

**Privacy.** The Eaton Vance organization is committed to ensuring your financial privacy. Each of the financial institutions identified below has in effect the following policy ( Privacy Policy ) with respect to nonpublic personal information about its customers:

Only such information received from you, through application forms or otherwise, and information about your Eaton Vance fund transactions will be collected. This may include information such as name, address, social security number, tax status, account balances and transactions.

None of such information about you (or former customers) will be disclosed to anyone, except as permitted by law (which includes disclosure to employees necessary to service your account). In the normal course of servicing a customer's account, Eaton Vance may share information with unaffiliated third parties that perform various required services such as transfer agents, custodians and broker-dealers.

Policies and procedures (including physical, electronic and procedural safeguards) are in place that are designed to protect the confidentiality of such information.

We reserve the right to change our Privacy Policy at any time upon proper notification to you. Customers may want to review our Privacy Policy periodically for changes by accessing the link on our homepage: [www.eatonvance.com](http://www.eatonvance.com).

Our pledge of privacy applies to the following entities within the Eaton Vance organization: the Eaton Vance Family of Funds, Eaton Vance Management, Eaton Vance Investment Counsel, Eaton Vance Distributors, Inc., Eaton Vance Trust Company, Eaton Vance Management's Real Estate Investment Group and Boston Management and Research. In addition, our Privacy Policy applies only to those Eaton Vance customers who are individuals and who have a direct relationship with us. If a customer's account (i.e., fund shares) is held in the name of a third-party financial advisor/broker-dealer, it is likely that only such advisor's privacy policies apply to the customer. This notice supersedes all previously issued privacy disclosures. For more information about Eaton Vance's Privacy Policy, please call 1-800-262-1122.

**Delivery of Shareholder Documents.** The Securities and Exchange Commission (SEC) permits funds to deliver only one copy of shareholder documents, including prospectuses, proxy statements and shareholder reports, to fund investors with multiple accounts at the same residential or post office box address. This practice is often called "householding" and it helps eliminate duplicate mailings to shareholders. *Eaton Vance, or your financial advisor, may household the mailing of your documents indefinitely unless you instruct Eaton Vance, or your financial advisor, otherwise.* If you would prefer that your Eaton Vance documents not be householded, please contact Eaton Vance at 1-800-262-1122, or contact your financial advisor. Your instructions that householding not apply to delivery of your Eaton Vance documents will be effective within 30 days of receipt by Eaton Vance or your financial advisor.

**Portfolio Holdings.** Each Eaton Vance Fund and its underlying Portfolio(s) (if applicable) will file a schedule of portfolio holdings on Form N-Q with the SEC for the first and third quarters of each fiscal year. The Form N-Q will be available on the Eaton Vance website at [www.eatonvance.com](http://www.eatonvance.com), by calling Eaton Vance at 1-800-262-1122 or in the EDGAR database on the SEC's website at [www.sec.gov](http://www.sec.gov). Form N-Q may also be reviewed and copied at the SEC's public reference room in Washington, D.C. (call 1-800-732-0330 for information on the operation of the public reference room).

**Proxy Voting.** From time to time, funds are required to vote proxies related to the securities held by the funds. The Eaton Vance Funds or their underlying Portfolios (if applicable) vote proxies according to a set of policies and procedures approved by the Funds' and Portfolios' Boards. You may obtain a description of these policies and procedures and information on how the Funds or Portfolios voted proxies relating to portfolio securities during the most recent 12-month period ended June 30, without charge, upon request, by calling 1-800-262-1122 and by accessing the SEC's website at [www.sec.gov](http://www.sec.gov).

**Share Repurchase Program.** The Fund's Board of Trustees has approved a share repurchase program authorizing the Fund to repurchase up to 10% of its outstanding common shares as of the approved date in open-market transactions at a discount to net asset value. The repurchase program does not obligate the Fund to purchase a specific amount of shares. The Fund's repurchase activity, including the number of shares purchased, average price and average discount to net asset value, is disclosed in the Fund's annual and semi-annual reports to shareholders.

**Additional Notice to Shareholders.** If applicable, a Fund may redeem or purchase its outstanding preferred shares in order to maintain compliance with regulatory requirements, borrowing or rating agency requirements or for other purposes as it deems appropriate or necessary.

**Closed-End Fund Information.** Eaton Vance closed-end funds make fund performance data and certain information about portfolio characteristics available on the Eaton Vance website shortly after the end of each month. Other information about the funds is available on the website. The funds' net asset value per share is

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readily accessible on the Eaton Vance website. Portfolio holdings for the most recent month-end are also posted to the website approximately 30 days following the end of the month. This information is available at [www.eatonvance.com](http://www.eatonvance.com) on the fund information pages under Individual Investors Closed-End Funds .

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Investment Adviser and Administrator

**Eaton Vance Management**

Two International Place

Boston, MA 02110

Custodian

**State Street Bank and Trust Company**

State Street Financial Center, One Lincoln Street

Boston, MA 02111

Transfer Agent

**American Stock Transfer & Trust Company, LLC**

6201 15<sup>th</sup> Avenue

Brooklyn, NY 11219

Independent Registered Public Accounting Firm

**Deloitte & Touche LLP**

200 Berkeley Street

Boston, MA 02116-5022

Fund Offices

Two International Place

Boston, MA 02110



14264 1.31.15

**Item 2. Code of Ethics**

The registrant has adopted a code of ethics applicable to its Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer. The registrant undertakes to provide a copy of such code of ethics to any person upon request, without charge, by calling 1-800-262-1122.

**Item 3. Audit Committee Financial Expert**

The registrant's Board has designated William H. Park, an independent trustee, as its audit committee financial expert. Mr. Park is a certified public accountant who is a private investor. Previously, he served as a consultant, as the Chief Financial Officer of Aveon Group, L.P. (an investment management firm), as the Vice Chairman of Commercial Industrial Finance Corp. (specialty finance company), as President and Chief Executive Officer of Prizm Capital Management, LLC (investment management firm), as Executive Vice President and Chief Financial Officer of United Asset Management Corporation (an institutional investment management firm) and as a Senior Manager at Price Waterhouse (now PricewaterhouseCoopers) (an independent registered public accounting firm).

**Item 4. Principal Accountant Fees and Services**

(a)-(d)

The following table presents the aggregate fees billed to the registrant for the registrant's fiscal periods ended January 31, 2014 and January 31, 2015 by the registrant's principal accountant, Deloitte & Touche LLP ( "D&T" ), for professional services rendered for the audit of the registrant's annual financial statements and fees billed for other services rendered by D&T during such period.

<b>Fiscal Periods Ended</b>	<b>1/31/14*</b>	<b>1/31/15</b>
Audit Fees	\$ 46,000	\$ 48,200
Audit-Related Fees <sup>(1)</sup>	\$ 0	\$ 0
Tax Fees <sup>(2)</sup>	\$ 8,310	\$ 9,060
All Other Fees <sup>(3)</sup>	\$ 0	\$ 0
<b>Total</b>	<b>\$ 54,310</b>	<b>\$ 57,260</b>

\* Registrant commenced operations on March 28, 2013.

- (1) Audit-related fees consist of the aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit of financial statements and are not reported under the category of audit fees and specifically include fees for the performance of certain agreed-upon procedures relating to the registrant's auction preferred shares.
- (2) Tax fees consist of the aggregate fees billed for professional services rendered by the principal accountant relating to tax compliance, tax advice, and tax planning and specifically include fees for tax return preparation and other related tax compliance/planning matters.
- (3) All other fees consist of the aggregate fees billed for products and services provided by the principal accountant other than audit, audit-related, and tax services.

(e)(1) The registrant's audit committee has adopted policies and procedures relating to the pre-approval of services provided by the registrant's principal accountant (the "Pre-Approval Policies"). The Pre-Approval Policies establish a framework intended to assist the audit committee in the proper discharge of its pre-approval responsibilities. As a

general matter, the Pre-Approval Policies (i) specify certain types of audit, audit-related, tax, and other services determined to be pre-approved by the audit committee; and (ii) delineate specific procedures governing the mechanics of the pre-approval

process, including the approval and monitoring of audit and non-audit service fees. Unless a service is specifically pre-approved under the Pre-Approval Policies, it must be separately pre-approved by the audit committee.

The Pre-Approval Policies and the types of audit and non-audit services pre-approved therein must be reviewed and ratified by the registrant's audit committee at least annually. The registrant's audit committee maintains full responsibility for the appointment, compensation, and oversight of the work of the registrant's principal accountant.

(e)(2) No services described in paragraphs (b)-(d) above were approved by the registrant's audit committee pursuant to the de minimis exception set forth in Rule 2-01(c)(7)(i)(C) of Regulation S-X.

(f) Not applicable.

(g) The following table presents (i) the aggregate non-audit fees (i.e., fees for audit-related, tax, and other services) billed to the registrant by D&T for the registrant's fiscal periods ended January 31, 2014 and January 31, 2015; and (ii) the aggregate non-audit fees (i.e., fees for audit-related, tax, and other services) billed to the Eaton Vance organization by D&T for the same time periods.

Fiscal Periods Ended	1/31/14*	1/31/15
<b>Registrant*</b>	\$ 8,310	\$ 9,060
<b>Eaton Vance<sup>(1)</sup></b>	\$ 370,325	\$ 99,750

\* Registrant commenced operations on March 28, 2013.

(1) Eaton Vance Management, a subsidiary of Eaton Vance Corp., acts as the registrant's investment adviser and administrator.

(h) The registrant's audit committee has considered whether the provision by the registrant's principal accountant of non-audit services to the registrant's investment adviser and any entity controlling, controlled by, or under common control with the adviser that provides ongoing services to the registrant that were not pre-approved pursuant to Rule 2-01(c)(7)(ii) of Regulation S-X is compatible with maintaining the principal accountant's independence.

## 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 and Exchange Act of 1934, as amended. William H. Park (Chair), Scott E. Eston, Ronald A. Pearlman, Cynthia E. Frost and Ralph F. Verni are the members of the registrant's audit committee.

## Item 6. Schedule of Investments

Please see schedule of investments contained in the Report to Stockholders included under Item 1 of this Form N-CSR.

## Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies

The Board of Trustees of the Trust has adopted a proxy voting policy and procedure (the Fund Policy), pursuant to which the Trustees have delegated proxy voting responsibility to the Funds.

investment adviser and adopted the investment adviser's proxy voting policies and procedures (the Policies) which are described below. The Trustees will review the Fund's proxy voting records from time to time and will annually consider approving the Policies for the upcoming year. In the event that a conflict of interest arises between the Fund's shareholders and the investment adviser, the administrator, or any of their affiliates or any affiliate of the Fund, the investment adviser will generally refrain from voting the proxies related to the companies giving rise to such conflict until it consults with the Board's Special Committee except as contemplated under the Fund Policy. The Board's Special Committee will instruct the investment adviser on the appropriate course of action.

The Policies are designed to promote accountability of a company's management to its shareholders and to align the interests of management with those shareholders. An independent proxy voting service (Agent), currently Institutional Shareholder Services, Inc., has been retained to assist in the voting of proxies through the provision of vote analysis, implementation and recordkeeping and disclosure services. The investment adviser will generally vote proxies through the Agent. The Agent is required to vote all proxies and/or refer them back to the investment adviser pursuant to the Policies. It is generally the policy of the investment adviser to vote in accordance with the recommendation of the Agent. The Agent shall refer to the investment adviser proxies relating to mergers and restructurings, and the disposition of assets, termination, liquidation and mergers contained in mutual fund proxies. The investment adviser will normally vote against anti-takeover measures and other proposals designed to limit the ability of shareholders to act on possible transactions, except in the case of closed-end management investment companies. The investment adviser generally supports management on social and environmental proposals. The investment adviser may abstain from voting from time to time where it determines that the costs associated with voting a proxy outweighs the benefits derived from exercising the right to vote or the economic effect on shareholders interests or the value of the portfolio holding is indeterminable or insignificant.

In addition, the investment adviser will monitor situations that may result in a conflict of interest between the Fund's shareholders and the investment adviser, the administrator, or any of their affiliates or any affiliate of the Fund by maintaining a list of significant existing and prospective corporate clients. The investment adviser's personnel responsible for reviewing and voting proxies on behalf of the Fund will report any proxy received or expected to be received from a company included on that list to the personnel of the investment adviser identified in the Policies. If such personnel expects to instruct the Agent to vote such proxies in a manner inconsistent with the guidelines of the Policies or the recommendation of the Agent, the personnel will consult with members of senior management of the investment adviser to determine if a material conflict of interests exists. If it is determined that a material conflict does exist, the investment adviser will seek instruction on how to vote from the Special Committee.

Information on how the Fund voted proxies relating to portfolio securities during the most recent 12 month period ended June 30 is available (1) without charge, upon request, by calling 1-800-262-1122, and (2) on the Securities and Exchange Commission's website at <http://www.sec.gov>.

#### **Item 8. Portfolio Managers of Closed-End Management Investment Companies**

Thomas M. Metzold is responsible for the overall and day-to-day management of the Trust's investments. Mr. Metzold has been an Eaton Vance portfolio manager since 1991, is a Senior Portfolio Advisor and is a Vice President of Eaton Vance Management (EVM or Eaton Vance). This information is provided as of the date of filing of this report.

The following table shows, as of the Fund's most recent fiscal year end, the number of accounts the portfolio manager managed in each of the listed categories and the total assets (in millions of dollars) in the accounts managed within each category. The table also shows the number of accounts with respect to which the advisory fee is based on the performance of the account, if any, and the total assets (in millions of dollars) in those accounts.

	Number of All Accounts	Total Assets of All Accounts	Number of Accounts Paying a Performance Fee	Total Assets of Accounts Paying a Performance Fee
Registered Investment Companies	8	\$ 5,713.6	0	\$ 0
Other Pooled Investment Vehicles	0	\$ 0	0	\$ 0
Other Accounts	0	\$ 0	0	\$ 0

The following table shows the dollar range of Fund shares beneficially owned by the portfolio manager as of the Fund's most recent fiscal year end.

Portfolio Manager	Dollar Range of Equity Securities Owned in the Fund
Thomas M. Metzold	\$500,001 - \$1,000,000

*Potential for Conflicts of Interest.* It is possible that conflicts of interest may arise in connection with a portfolio manager's management of the Fund's investments on the one hand and investments of other accounts for which a portfolio manager is responsible on the other. For example, a portfolio manager may have conflicts of interest in allocating management time, resources and investment opportunities among the Fund and other accounts he or she advises. In addition, due to differences in the investment strategies or restrictions between the Fund and the other accounts, a portfolio manager may take action with respect to another account that differs from the action taken with respect to the Fund. In some cases, another account managed by a portfolio manager may compensate the investment adviser based on the performance of the securities held by that account. The existence of such a performance based fee may create additional conflicts of interest for a portfolio manager in the allocation of management time, resources and investment opportunities. Whenever conflicts of interest arise, a portfolio manager will endeavor to exercise his or her discretion in a manner that he or she believes is equitable to all interested persons. EVM has adopted several policies and procedures designed to address these potential conflicts including a code of ethics and policies which govern the investment adviser's trading practices, including among other things the aggregation and allocation of trades among clients, brokerage allocation, cross trades and best execution.

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## Compensation Structure for EVM

Compensation of EVM's portfolio managers and other investment professionals has three primary components: (1) a base salary, (2) an annual cash bonus, and (3) annual stock-based compensation consisting of options to purchase shares of EVC's nonvoting common stock and restricted shares of EVC's nonvoting common stock. EVM's investment professionals also receive certain retirement, insurance and other benefits that are broadly available to EVM's employees. Compensation of EVM's investment professionals is reviewed primarily on an annual basis. Cash bonuses, stock-based compensation awards, and adjustments in base salary are typically paid or put into effect at or shortly after the October 31st fiscal year end of EVC.

*Method to Determine Compensation.* EVM compensates its portfolio managers based primarily on the scale and complexity of their portfolio responsibilities and the total return performance of managed funds and accounts versus the benchmark(s) stated in the prospectus, as well as an appropriate peer group (as described below). In addition to rankings within peer groups of funds on the basis of absolute performance, consideration may also be given to relative risk-adjusted performance. Risk-adjusted performance measures include, but are not limited to, the Sharpe Ratio. Performance is normally based on periods ending on the September 30th preceding fiscal year end. Fund performance is normally evaluated primarily versus peer groups of funds as determined by Lipper Inc. and/or Morningstar, Inc. When a fund's peer group as determined by Lipper or Morningstar is deemed by EVM's management not to provide a fair comparison, performance may instead be evaluated primarily against a custom peer group or market index. In evaluating the performance of a fund and its manager, primary emphasis is normally placed on three-year performance, with secondary consideration of performance over longer and shorter periods. For funds that are tax-managed or otherwise have an objective of after-tax returns, performance is measured net of taxes. For other funds, performance is evaluated on a pre-tax basis. For funds with an investment objective other than total return (such as current income), consideration will also be given to the fund's success in achieving its objective. For managers responsible for multiple funds and accounts, investment performance is evaluated on an aggregate basis, based on averages or weighted averages among managed funds and accounts. Funds and accounts that have performance-based advisory fees are not accorded disproportionate weightings in measuring aggregate portfolio manager performance.

The compensation of portfolio managers with other job responsibilities (such as heading an investment group or providing analytical support to other portfolios) will include consideration of the scope of such responsibilities and the managers' performance in meeting them.

EVM seeks to compensate portfolio managers commensurate with their responsibilities and performance, and competitive with other firms within the investment management industry. EVM participates in investment-industry compensation surveys and utilizes survey data as a factor in determining salary, bonus and stock-based compensation levels for portfolio managers and other investment professionals. Salaries, bonuses and stock-based compensation are also influenced by the operating performance of EVM and its parent company. The overall annual cash bonus pool is generally based on a substantially fixed percentage of pre-bonus adjusted operating income. While the salaries of EVM's portfolio managers are comparatively fixed, cash bonuses and stock-based compensation may fluctuate significantly from year to year, based on changes in manager performance and other factors as described herein. For a high performing portfolio manager, cash bonuses and stock-based compensation may represent a substantial portion of total compensation.

## Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers

### REGISTRANT PURCHASES OF EQUITY SECURITIES

Period*	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares	
			Purchased as Part of Publicly Announced Programs	Maximum Number of Shares that May Yet Be Purchased Under the Programs*
November 2013				1,103,184
December 2013				1,103,184
January 2014				1,103,184
February 2014				1,103,184
March 2014				1,103,184
April 2014				1,103,184
May 2014				1,103,184
June 2014				1,103,184
July 2014	18,700	17.04	18,700	1,084,484
August 2014	115,500	17.09	115,500	968,984
September 2014	65,100	17.34	65,100	903,884
October 2014				903,884
November 2014				903,884
December 2014				903,884
January 2015				903,884
<b>Total</b>	<b>199,300</b>	<b>\$ 17.17</b>	<b>199,300</b>	

\* On November 11, 2013, the Fund's Board of Trustees approved a share repurchase program authorizing the Fund to repurchase up to 10% of its then currently outstanding common shares in open-market transactions at a discount to net asset value. The repurchase program was announced on November 15, 2013.

### Item 10. Submission of Matters to a Vote of Security Holders

No material changes.

### Item 11. Controls and Procedures

(a) It is the conclusion of the registrant's principal executive officer and principal financial officer that the effectiveness of the registrant's current disclosure controls and procedures (such disclosure controls and procedures having been evaluated within 90 days of the date of this filing) provide reasonable assurance that the information required to be disclosed by the registrant has been recorded, processed, summarized and reported within the time period specified in the Commission's rules and forms and that the information required to be disclosed by the registrant has been accumulated and communicated to the registrant's principal executive officer and principal financial officer in order to allow timely decisions regarding required disclosure.



(b) There have been no changes in the registrant's internal controls over financial reporting 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 control over financial reporting.

**Item 12. Exhibits**

- (a)(1) Registrant's Code of Ethics Not applicable (please see Item 2).
- (a)(2)(i) Treasurer's Section 302 certification.
- (a)(2)(ii) President's Section 302 certification.
- (b) Combined Section 906 certification.

**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.

Eaton Vance Municipal Income 2028 Term Trust

By: /s/ Payson F. Swaffield  
Payson F. Swaffield  
President

Date: March 24, 2015

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.

By: /s/ James F. Kirchner  
James F. Kirchner  
Treasurer

Date: March 24, 2015

By: /s/ Payson F. Swaffield  
Payson F. Swaffield  
President

Date: March 24, 2015