Align your fiduciary philosophy with defined outcome investments

Not all investors are created equal. Each client has a unique view as to where he or she thinks the market is headed. Whether a client is a raging bull, hibernating bear, or simply bewildered by the stock market, advisors strive to have solutions available to meet every investor’s expectations. Defined outcome investing can help advisors deliver solutions that provide a degree of clarity in an uncertain market. These solutions can provide a level of control for investors in different types of market conditions. Bull, bear, or bewildered, defined outcome investing has a solution for your client.

Strategies for every investor’s outlook

- **Bearish**
  - Preservation
  - Less upside potential, but offering a maximum loss amount

- **Moderate**
  - Buffer
  - Maintains some upside potential while providing some protection against losses

- **Bullish**
  - Growth
  - Enhanced upside potential
Growth strategy (bullish)

Allocating 30% of an investor’s equity position to a growth strategy can result in enhanced returns in a positive environment.

The above graph is intended to illustrate potential hypothetical outcomes and is therefore based on hypothetical portfolio returns. It does not reflect any actual past performance and, therefore, does not reflect returns that an investor could have received. Returns assume investment is held until maturity. The above “new asset mix” returns represent an investment of 70% in the S&P 500 via ETF SPY and 30% in a growth, defined outcome investment via UIT that’s held to maturity. Past performance is not indicative of future results. An investment cannot be made directly in an index. There is no guarantee the investment objectives will be met. Potential investors should refer to the prospectus, which details fees and expenses, as well as other important matters.

How a growth strategy works

- Seeks to outperform an ETF in a positive price return environment, up to a capped return amount.
- Investment is accessed through a Unit Investment Trust (UIT).

Benefits

- Growth solutions allow investors to partake in enhanced market returns, while not having to take incremental downside risk.
- Can be used tactically by investors that anticipate positive returns over an investment's defined term period.
- Can be used strategically to replace or complement core equity exposure.
Buffer strategy (moderate)

Allocating 30% of an investor’s equity position to a buffer strategy can mitigate losses while allowing an investor to participate in returns in a modestly positive environment.

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How a buffer strategy works

- Seeks to deliver an ETF’s positive price appreciation, while also providing protection against an initial loss, up to a defined amount.
- Investment is accessed through a Unit Investment Trust (UIT).

Benefits

- Buffer solutions allow investors to participate in some of the investment’s upside while providing some protection against losses.
- Can be used tactically to deploy excess cash, provided the investor is comfortable with the potential of some loss beyond the buffer level.
- Can be used strategically to reduce equity exposure as opposed to moving to bonds or cash.
- Buffer strategies can be used in an alternative sleeve to diversify traditional equity/bond exposure and potentially reduce risk.
Preservation strategy (bearish)

Allocating 30% of an investor’s equity position to a preservation strategy allows for even more protection on the downside, with some upside potential.

Investing in a preservation strategy can help investors outperform equity markets in very negative market environments.

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How a preservation strategy works

- Seeks to deliver an ETF’s positive price appreciation up to a capped amount, while partially protecting the initial investment by defining a maximum loss.
- Investment is accessed through a Unit Investment Trust (UIT).

Benefits

- Preservation solutions offer some upside potential but have a maximum loss amount or “floor.”
- Can be used tactically to deploy excess cash, given the investor is comfortable with the potential of a pre-determined amount of loss.
- Can be used strategically to reduce equity exposure as opposed to moving to bonds, money market funds, or cash, all of which could have less upside potential.
The structure of these securities may be complex, and the suitability of an investment should be considered based on your investment objectives, risk tolerance, financial goals and time horizon. You should consider the portfolio’s investment objective, risks, fees and expenses carefully before investing. Contact your financial advisor to request a prospectus, which will contain this and other information about the portfolio. Read it carefully before you invest. This communication shall not constitute an offer to sell or a solicitation of any offer to buy.

A unit investment trust (UIT) is a professionally selected, pooled investment vehicle in which a portfolio of securities is selected by the sponsor and deposited into the trust for a specified period of time. Generally, a UIT portfolio is not actively traded and follows a buy and hold strategy. A UIT is registered with the SEC as a Registered Investment Company (RIC) or Grantor trust.

Potential Risks of Defined Outcome UITs the ability to have a more controlled investment experience is a key benefit of a defined outcome UIT. Potential risks include: Must Be Held for Outcome Period.

Slippage Risk. While the strategy is designed to deliver the outcomes outlined in the applicable prospectus, there is no guarantee that it will. Because of expenses and the potential impact of redeeming holders on the remaining holders, the strategy may not be able to provide the estimated outcomes for investors holding their investments until maturity.

Capped Upside: Unitholders may be subject to an upside return cap that represents the maximum percentage return that can be achieved from an investment in the UIT over the life of the trust, before fees and expenses.

All investments are subject to market risk, including possible loss of principal.

Diversification cannot assure a profit or protect against loss in a declining market.