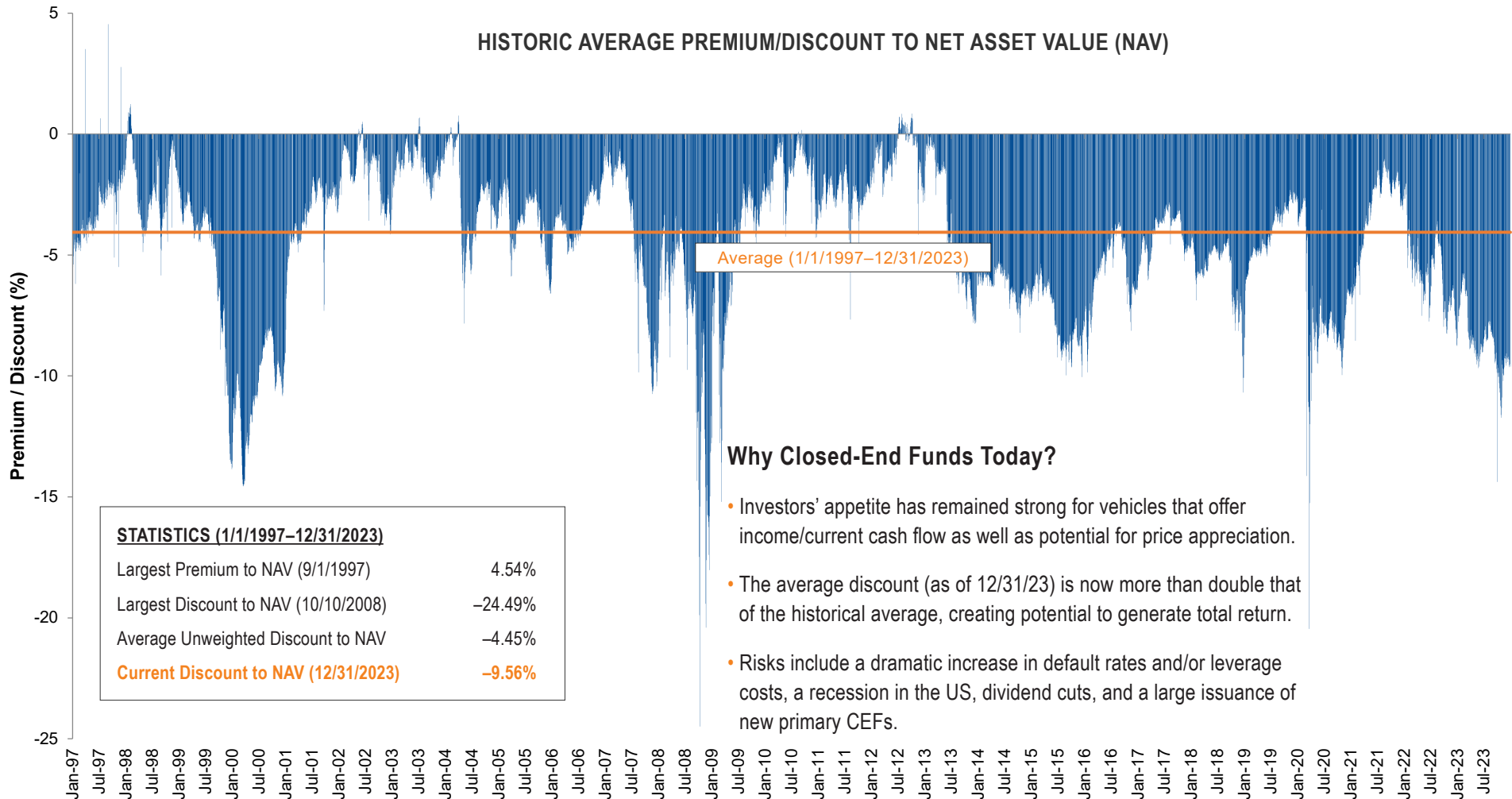


# Opportunity in Closed-End Funds (CEFs)



Data source: Morningstar - data run on 1/8/24. Averages shown in graph reflect an unweighted premium/discount to NAV of All US CEFs that includes approximately 500 taxable and tax-exempt CEFs traded on the New York Stock Exchange, based on daily data. Values above 0% indicate a premium and values below 0% indicate a discount in the chart above. Because a CEF's shares trade in the market based on investor demand, the CEF may trade at a price higher or lower than its NAV. A CEF with a share price higher than its NAV is said to be selling at a "premium" to the NAV. A CEF with a share price lower than its NAV is said to be selling at a "discount" to the NAV. For example, if a CEF has an NAV of \$100, based on the current value of its portfolio, but is priced at \$90, it is said to be selling at a 10% discount to NAV.

Past performance does not guarantee future results. Please see reverse for additional important disclosure information.

## Key Characteristics of Closed-End Funds

**Income.** Many CEFs are built as income-generating vehicles and such funds generally adhere to scheduled distributions, whether they be monthly, quarterly or annually. However, distributions can include a return of capital, are not guaranteed and may vary over time.

**Stable asset base.** CEFs generally have a stable pool of assets to invest which enables the manager to focus on opportunities where they see the greatest potential, subject to stated investment strategies, regardless of the investment time horizon. There is, however, no assurance that any underlying investment or an investment in a CEF will be profitable.

**Daily liquidity.** CEFs are typically listed on stock market exchanges and can be bought or sold throughout the day. Of course, there is no guarantee that the CEF can be sold at a higher price than the original purchase price.

## Why AAM and a Unit Investment Trust?

**Invest with experts.** Advisors Asset Management, Inc. (AAM) offers a focused selection of proprietary UITs with an emphasis on solid investment disciplines and specific asset classes. In addition, AAM partners with Cohen & Steers as portfolio consultant on several CEF UITs.

**Buy. Hold. Roll.** UITs are relatively fixed portfolios of professionally selected securities using a pre-defined filtering process. UITs are professionally monitored, not actively managed, and will generally terminate on a pre-determined date. This provides an opportunity to roll into a refreshed, rebalanced portfolio of securities at maturity, when available, with the applicable sales charge.

**We do the necessary research.** AAM utilizes a disciplined methodology for CEF selection within AAM sponsored UITs that analyzes characteristics such as historic returns, income potential, future growth potential, portfolio diversification and advisor experience. We then utilize a multi-factor approach to select the final securities based on yield, performance and premium/discount when compared to their peers and historic average.

**Diversification.** UITs provide investors the opportunity to invest in a portfolio of CEFs they may otherwise not be able to assemble independently due to investment minimums.



Visit [www.aamlive.com](http://www.aamlive.com) or contact a financial professional for more information on the potential benefits of an allocation to closed-end funds.

***Unit Investment Trusts (UITs) are sold only by prospectus. You should consider the investment objectives, risks, charges and expenses carefully before investing. Contact your financial professional or visit Advisors Asset Management online at [www.aamlive.com](http://www.aamlive.com) to request a prospectus which contains this and other information about the trust. Read it carefully before you invest or send money. Securities offered through your financial professional.***

**RISKS:** Closed-end funds are actively managed investment companies and are subject to various risks, including management's ability to meet the fund's investment objective, and to manage the fund's portfolio when the underlying securities are redeemed or sold, during periods of market turmoil and as investors' perceptions regarding the funds or their underlying investments change. Closed-end funds frequently trade at a discount to their net asset value in the secondary market.

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