ADVISORS ASSET MANAGEMENT

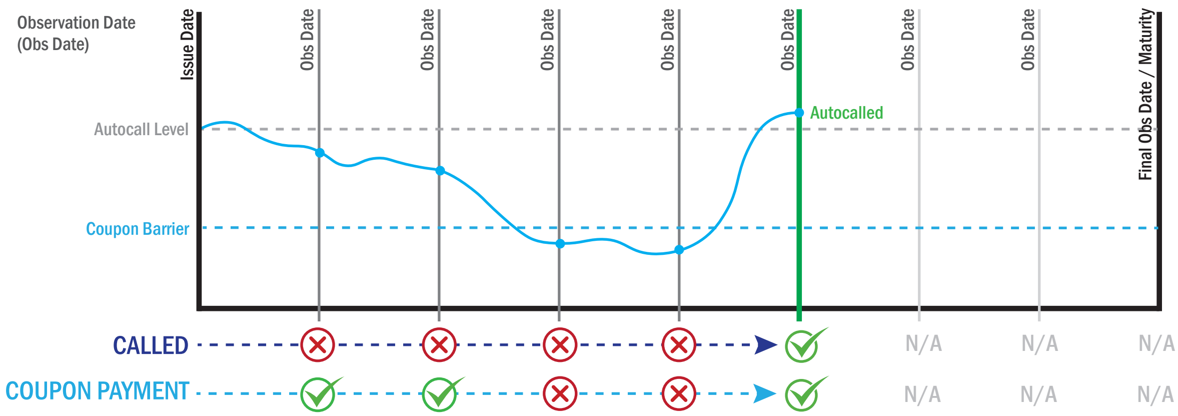
# Contingent Coupon Notes (Autocallable) *with a Principal Buffer*

Potential to generate enhanced income through periodic, contingent coupon payments

Contingent Coupon Notes (Autocallable) offer investors the opportunity to earn enhanced income in the form of periodic, contingent coupon payments based on the performance of an underlying asset, commonly referred to as an "underlier." If the underlier closes at or above the defined coupon barrier level on any specified "coupon observation date," the coupon is paid. If the closing value is below the coupon barrier level on the coupon observation date, no coupon is paid for that period.

The notes can be automatically redeemed, or "autocalled," at par on the "call observation date" if the performance of the underlier closes at or above the defined autocall level. Although it can vary, the autocall level is generally equal to or greater than the initial level established on or around the issue date. The coupon observation dates often align with the call observation dates, but sometimes they do not align resulting in, for example, a note with monthly coupon observation dates and quarterly call observation dates. In the hypothetical illustration below, the coupon observation dates, and call observation dates do align.

## *Hypothetical illustration*

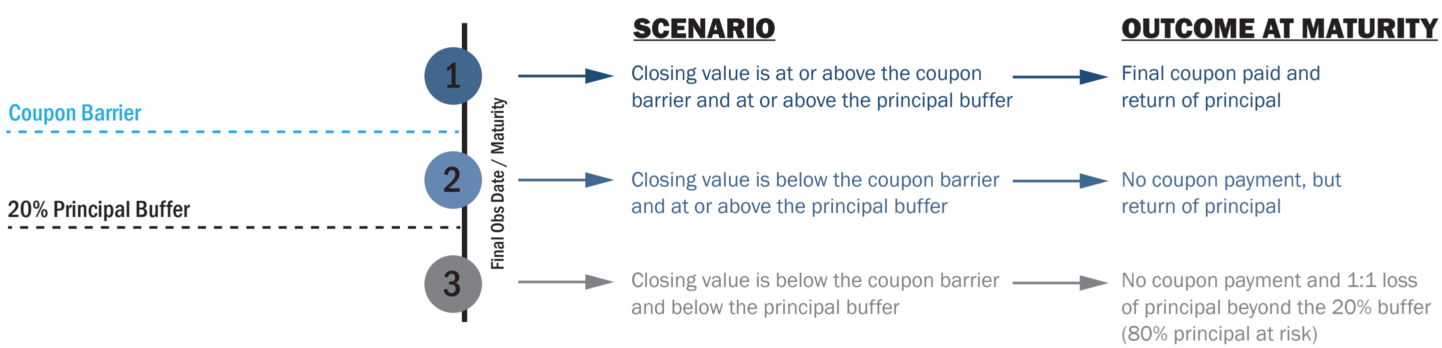



*This information should not be taken as an indication or prediction of investment results. Specific terms and conditions will vary based on the individual terms of the note resulting in different payout structures and risks.*

## *What if the note is not autocalled?*

If the note is NOT autocalled on any call observation date, it will go to maturity and any downside participation will be defined by the individual terms of the note. Generally, these Contingent Coupon Notes are not principal protected, and investors may lose some or all of their initial investment. Additionally, it is possible investors will not receive any coupon payments over the life of the note.

Let's assume a Contingent Coupon Note has a principal buffer of 20%, observed at maturity. As long as the underlier level is at least 80% of the initial level, the investor will receive 100% of the principal, subject to the credit risk of the issuer. If the underlier level drops below 80%, the investor experiences a 1-to-1 decline in their investment beyond the buffer amount, resulting in a loss of principal.




*For illustrative purposes only and assumes a "Hard" buffer at maturity. Specific terms and conditions will vary based on the individual terms of the note.*

## *Definitions*

**Autocallable:** Call feature which automatically redeems the note prior to maturity if the underlier is at or above a predetermined level on the observation date. If autocalled, the investor will receive their principal investment plus any coupon payment for that period.

**Contingent coupon:** Periodic coupon payment the investor may receive over the life of an investment, or paid at maturity, subject to the underlier being at or above the coupon barrier, and subject to the terms described in the prospectus or offering document.

**Coupon barrier:** The level at which the underlier must be at or above, relative to the initial level set on or around the issue date, for the contingent coupon to be paid.

**Initial level:** The value of the underlier on the trade date.

**Observation date:** Defined date on which the value of the underlier is measured in order to determine a coupon payment and/or call event.

**Principal buffer:** A contingent form of protection which absorbs a percentage of the underlier's negative performance, beyond which the investor participates in losses. *(A "hard" buffer absorbs a fixed percentage of a loss, after which losses are 1:1 with the market. A "geared" buffer absorbs a fixed percentage of a loss, after which losses are leveraged to the market; considered more risky than hard buffers because the investor may lose full principal investment.)*

**Underlying asset (underlier):** Structured Investments provide a return based on the performance of a reference asset or index to which the investment is linked. Common underliers include indices, individual equities, commodities, interest rates, and currencies.

## *Selected Risks*

**Structured notes have complex features and may not be suitable for all investors. They are sold only by prospectus and investors should read the prospectus and pricing supplement carefully before investing as they contain a detailed explanation of the risks, tax treatment, and other relevant information about the investment.  The tax treatment of structured notes varies depending on the offering, and can be uncertain in some cases. Structured products are sold through financial professionals and investors should consult accounting, legal, and/or tax professional before investing.**

Selected risks associated with Contingent Coupon Notes (Autocallable) include, but are not limited to:

**Call risk.** Early redemption of the note prior to the scheduled maturity can adversely affect an investor's return. An investor may be unable to reinvest the proceeds at a similar return if this occurs.

**Creditworthiness of the issuer.** Structured notes are unsecured obligation of the issuer and therefore are subject to the risk of default. The issuer's creditworthiness is an important consideration when evaluating any structured products.

**Fees.** Structured notes are subject to fees and costs, which may include amounts payable to your financial professional, structured and development costs, and offering expenses.

**Limited return potential.** Returns are limited to the coupon payments, if any. Investors will not participate in any price appreciation of the underlying asset nor will they receive dividend payments generated by the underlier. Notes are not principally protected, and investors can lose some or all their initial investment.

**Liquidity risk.** Typically, the issuer will maintain a secondary market; however, there is no obligation to do so. There may be little to no secondary market available.

**Market risk.** Volatility and other market forces, such as interest rate fluctuations and inflation, can affect the value of the underlying asset, which can affect return. Historical performance of the underlying asset is no guarantee of future performance.

*The information contained herein is not intended to be a complete description of the terms, risks, and benefits associated with any specific structured product offering. The content is for informational purposes only and does not pertain to any security product or service and is not an offer or solicitation of an offer to buy or sell any security product or service. Unless otherwise stated, all information and opinion contained in this publication was produced by Advisors Asset Management, Inc. (AAM) and other sources believed by AAM to be accurate and reliable. Due to rapidly changing market conditions and the complexity of investment decisions, supplemental information and other sources may be required to make informed investment decisions based on your individual investment objectives and suitability specifications.*

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