Fourth Quarter 2017

Zacks INVESTMENT MANAGEMENT

Zacks Dividend Strategy

Objective: Zacks Dividend strategy seeks tax efficient returns from both capital appreciation and dividends.

Investment Process Summary

"A high dividend yielding strategy can help reduce volatility in a client portfolio and at the same time provide consistent and predictable returns."
- Mitch Zacks, Portfolio Manager

Universe Selection
- Russell 1000 Value Universe

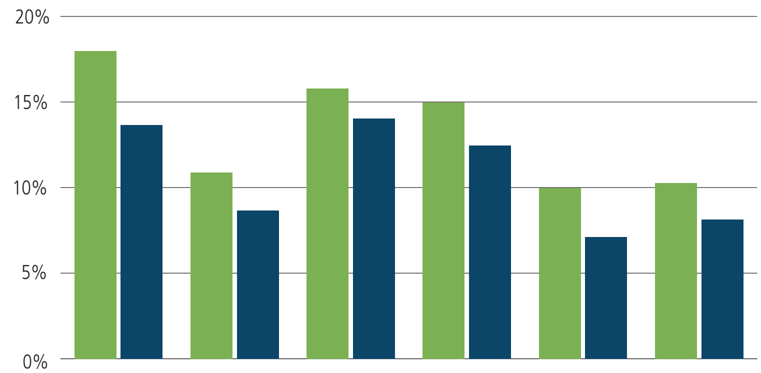
Value Screen
- Positive scoring based on proprietary value model which includes dividend yield

Stock Selection
- Stocks with potential price appreciation and low risk selected

Portfolio Construction
- 50 to 100 positions

Daily Portfolio Review

Annualized Performance
(April 2004 through December 2017)



	1 yr	3 yr	5 yr	7 yr	10 yr	Since Inception
Zacks Gross	17.97%	10.89%	15.80%	14.96%	9.99%	10.27%
Russell 1000 Value	13.66%	8.65%	14.04%	12.46%	7.10%	8.14%

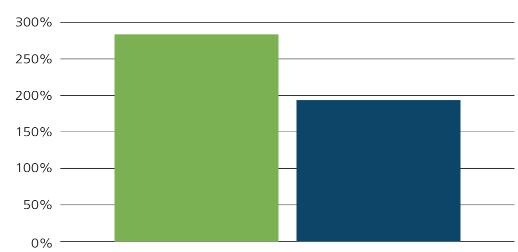
PORTFOLIO CHARACTERISTICS

- **High Yield:** Provides high current yield of 2.91%.
- **Low Volatility**
- **Low Turnover**
- **Tax Efficient:** Most capital gains are long-term

RISK/ RETURN MEASUREMENTS VS BENCHMARK

	Zacks Dividend (Gross)	Russell Value 1000
Alpha	3.12%	0.00%
Beta	0.85	1.00
Sharpe Ratio	0.68	0.45
Standard Deviation	13.31%	15.38%

CUMULATIVE PERFORMANCE COMPARISON



Zacks Dividend (Gross)	283.55%
Russell 1000 Value	193.41%

Performance data shown represents past performance and is no guarantee of future value.

Please see reverse side for additional information

Zacks Dividend Strategy

Q4 | 2017

Glossary

Alpha is a measure of the portfolio's risk adjusted performance. When compared to the portfolio's beta, a positive alpha indicates better-than-expected portfolio performance and a negative alpha worse than-expected portfolio performance.

Beta is a measure of the volatility of a portfolio relative to the overall market. A beta less than 1.0 indicates lower risk than the market; a beta greater than 1.0 indicates higher risk than the market. It is most reliable as a risk measure when the return fluctuations of the portfolio are highly correlated with the return fluctuations of the index chosen to represent the market.

Standard deviation is an indicator of the portfolio's total return volatility, which is based on a minimum of 36 monthly returns. The larger the portfolio's standard deviation, the greater the portfolio's volatility.

Market capitalization is the value of a corporation as determined by the market price of its issued and outstanding common stock. It is calculated by multiplying the number of outstanding shares by the current market price of a share.

Price/book ratio (P/B) is the ratio of a stock's price to its book value per share.

Price/earnings ratio (P/E) is the price of a stock divided by its earnings per share.

Sharpe Ratio is calculated by subtracting the risk-free rate of return (10-year U.S. Treasury bond) from the portfolio's return and dividing this value by the portfolio's standard deviation. Put simply, the Sharpe ratio tells us if the portfolio returns are due to investment decisions or a result of excess risk. The greater the Sharpe ratio, the better risk-adjusted performance has been.

CALENDAR YEAR RETURNS

	Zacks Dividend (Gross)	Russell Value 1000
2017	17.97%	13.66%
2016	16.84%	17.34%
2015	-1.08%	-3.83%
2014	12.06%	13.45%
2013	36.29%	32.53%
2012	15.80%	17.51%
2011	10.00%	0.39%
2010	14.33%	15.51%
2009	16.22%	19.69%
2008	-26.48%	-36.85%
2007	6.36%	-0.17%
2006	20.94%	22.25%
2005	2.76%	7.05%

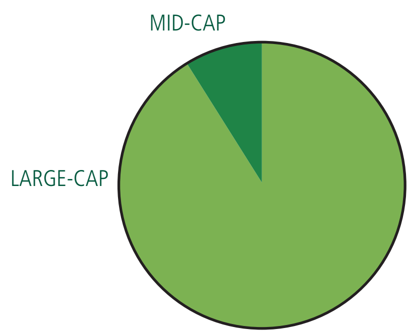
PORTFOLIO STATISTICS

	Zacks	Russell 1000 Value
Price/Earnings	17.18	20.18
Price/Book	2.77	2.14
Dividend Yield	2.91%	2.34%

SAMPLE PORTFOLIO HOLDINGS

JP Morgan Chase & Co.	JPM
Microsoft	MSFT
Johnson & Johnson	JNJ
Wal-Mart	WMT
Cisco Systems	CSCO
Home Depot	HD
Pfizer Inc.	PFE
Wells Fargo	WFC
Merck & Co	MRK
Procter & Gamble	PG

MARKET CAPITALIZATION



Large-Cap:	91.06%
Mid-Cap:	8.94%
Small-Cap	0.00%

DISCLOSURE Past performance is no guarantee of future results. Results for Zacks Dividend (the "Strategy") are shown gross of fees. Results for the Strategy reflect the reinvestment of dividends and other earnings. The results portrayed is the performance history of a composite of all discretionary accounts with no material investment restrictions, which are not restrained by investment style, type of security, industry/sector, location, size or market cap; it invests primarily in U.S. common stocks.

Prospective clients and clients should not assume identical performance results to those shown would have been achieved for their account if it was invested in the Strategy during the period. Clients of the firm may receive different performance than the composite. Client performance may differ due to factors such as timing of investment(s), timing of withdrawal(s), and client-mandated investment restrictions. Wholesale, retail and institutional clients of the firm may have differing performance due to timing of trades.

Prospective clients and clients should not assume identical performance results to those shown would have been achieved for their account if it was invested in the Strategy during the period. Clients of the firm may receive different performance than the representative account. Client performance may differ due to factors such as timing of investment(s), timing of withdrawal(s), and client-mandated investment restrictions. Wholesale, retail and institutional clients of the firm may have differing performance due to timing of trades.

Investments in the Strategy are not deposits of any bank, are not guaranteed by any bank, are not insured by FDIC or any other agency, and involve investment risks, including possible loss of the principal amount invested. Lower fees may apply to larger accounts; higher fees may apply to smaller accounts. Separately managed account minimums apply. Inherent in any investment is the potential for loss. Standard management fees are available on request and are described in Part 2A of Form ADV.

The sample portfolio holdings provided represents the top 10 largest equity positions in the Strategy as of 12/31/2017 based on the aggregate dollar value for a representative account. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the Strategy, and the reader should not assume that investments in the securities identified and discussed were or will be profitable. All information is provided for informational purposes only and should not be deemed as a recommendation to buy the securities mentioned.

Zacks Investment Management
227 West Monroe Street Suite 4350
Chicago, IL 60606-4900
Toll-free: 888.775.8351
Fax: 312.265.9541
www.ZacksIM.com

INDEPENDENT
Research | Thinking | Results

For Financial Professional Use Only/Not For Public Distribution