



# Power Factor Strategies

WBI's multi-factor security selection has been utilized in our quantitative management system for 30 years. The system uses our most powerful factor combinations, intending to find the strongest dividend stocks to buy.

WBI Power Factor Rising Dividends 2500  
WBI Power Factor All Cap Rising Dividends  
WBI Power Factor All Cap High Yield Dividend

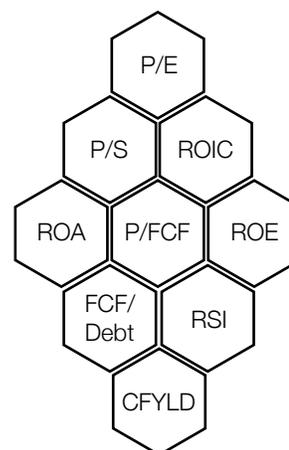
Our Power Factor Strategies unleash the power of WBI's time-tested security selection by maintaining a fully invested approach to maximize return. WBI employs a Smart Beta<sup>1</sup> approach which seeks to improve portfolio holdings and returns each quarter by rebalancing portfolios with stocks having the highest Power Factor scores and performance potential.

## Our Investment Process

### POWER FACTOR SECURITY SELECTION

- ▶ Software screens thousands of domestic and international dividend-paying stocks quarterly to find companies with the strongest quality fundamentals and the strongest growth trends.
- ▶ WBI's advanced factor-layering process curates portfolio holdings for rising income, and yield factor styles. SMA portfolios are managed to include small, mid and large-cap securities.

#### THE POWER FACTORS



### ACTIVE QUARTERLY REBALANCING



- ▶ Helps enforce a “buy low-sell high” discipline by locking in gains on stocks that have had pushed appreciation.
- ▶ Confirms strongest quality fundamentals on a quarterly basis.
- ▶ Designed to improve performance and reduce volatility over full market cycles.

## Important Information

**Past performance does not guarantee future results.** This is not an offer to buy or sell any security. No security or strategy, including those referred to directly or indirectly, is suitable for all accounts or profitable all of the time and there is always the possibility of loss. You should not assume that any discussion or information provided here serves as a substitute for personalized investment advice from WBI or any other investment professional. If you have questions regarding the applicability of specific issues discussed to your individual situation, please consult with WBI or your chosen professional advisor. This information is compiled from sources believed to be reliable, accuracy cannot be guaranteed. Information contained in this Presentation may constitute "forward-looking statements," identified by terminology such as "should," "expect," or "continue," or the negatives thereof or other variations thereon. Due to various risks and uncertainties, actual events, results [or the actual performance of the Adviser's investments] may differ materially from those reflected or contemplated in such forward-looking statements. WBI's advisory operations, services, and fees are in the Form ADV, available upon request.

The process by which securities are selected and assets are allocated within WBI Power Factor SMA strategies, which are aggressive, will typically occur no more frequently than quarterly, which may cause accounts invested at different times during a quarter to reflect implementation of the strategies on a different basis than other accounts managed to the same or a similar strategy. The accounts may invest in and hold securities which are declining in value for an extended period of time, typically without taking a temporary defensive position, as part of the normal operation of the investment strategy.

### POWER FACTORS

**P/E - Price to Earnings Ratio:** indicates multiple an investor can expect to pay for a share of stocks to receive one dollar of that company's earnings.

**P/S - Price to Sales:** valuation ratio that compares a company's stock price to its revenue per share.

**ROIC - Return on Invested Capital:** performance measure indicating the percentage return that investors in a company earn on invested capital.

**ROA - Return on Assets:** indicator of how profitable a company is related to its total assets.

**P/FCF - Price to Free Cash Flow:** valuation metric of securities used to compare a company's per share market price to free cash flow per share.

**ROE - Return on Equity:** measures the ability of a firm to generate profits from its shareholders' investments in the company.

**FCF/Debt - Free Cash Flow to Debt:** ratio of a company's cash flow from operations to its total debt.

**RSI - Relative Strength Index:** momentum indicator comparing recent gains and losses in an attempt to determine overbought or oversold opportunity.

**CFYLD - Cash Flow Yield:** evaluation ratio of a stock's operating cash flow per share against its market price per share.

<sup>1</sup>Smart Beta strategies attempt to deliver a better risk and return trade-off than conventional market cap weighted indices by using alternative weighting schemes based on measures such as volatility or dividends.

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