

Dividend Strategy

SECOND QUARTER 2011

STRATEGY OBJECTIVES

ZACKS DIVIDEND STRATEGY SEEKS TAX EFFICIENT RETURNS FROM BOTH CAPITAL APPRECIATION AND DIVIDENDS.

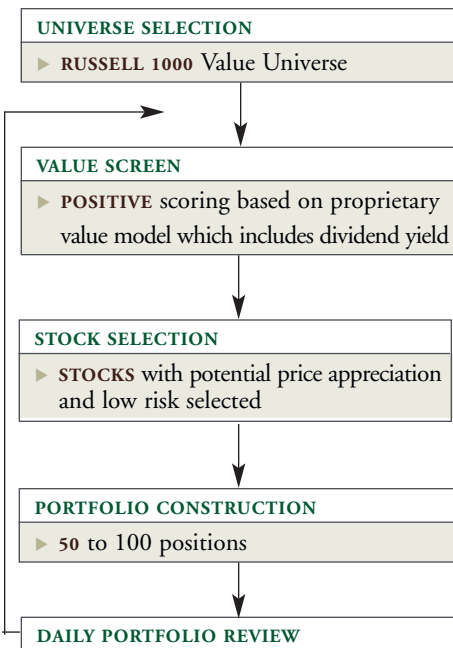
PERFORMANCE HIGHLIGHT

1.36% HIGHER ANNUAL DIVIDEND YIELD THAN THE S&P 500.

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



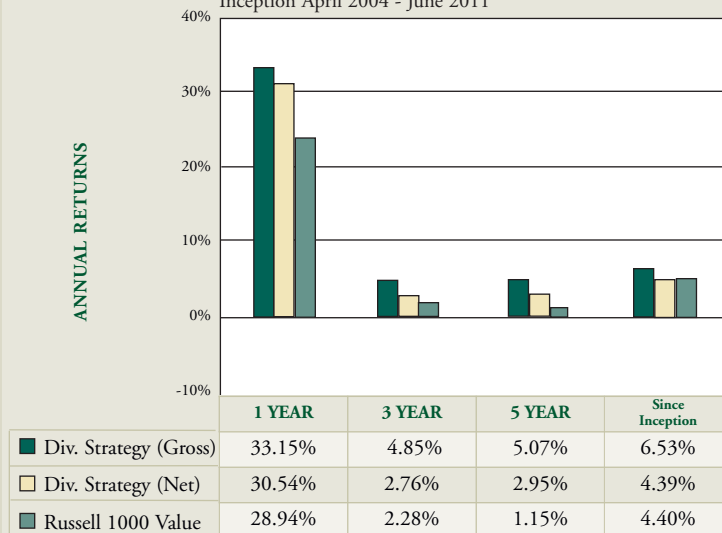
Strategy Overview

The Zacks Dividend Strategy is managed by Mitch Zacks. The strategy holds stocks that, on an historic basis, have paid, in aggregate, a higher dividend yield than the broad market. Additionally, the strategy seeks to own those shares that have produced predictable dividend income.

ZACKS DIVIDEND STRATEGY

Annualized Returns

Inception April 2004 - June 2011



Portfolio Annual Returns

APRIL 2004 TO JUNE 2011

	DIVIDEND GROSS	DIVIDEND NET	RUSSELL 1000 VALUE
2011 YTD	9.38%	8.26%	5.92%
2010	14.33%	12.42%	15.51%
2009	16.22%	13.92%	19.69%
2008	-26.48%	-28.00%	-36.85%
2007	6.36%	4.20%	-0.17%
2006	20.94%	18.51%	22.25%
2005	2.76%	0.68%	7.05%
2004 (Apr-Dec)	11.99%	10.31%	13.06%
Standard Deviation		14.29	16.28

Portfolio Characteristics

- ▶ **HIGH YIELD:** provides substantially higher current yield than the S&P 500.
- ▶ **LOW VOLATILITY**
- ▶ **LOW TURNOVER**
- ▶ **TAX EFFICIENT:** most capital gains are long-term

Portfolio Statistics

AS OF 6/30/11

	DIVIDEND STRATEGY	S&P 500
Price/Earnings	12.84	14.52
Price/Sales	1.32	1.35
Price/Book	1.88	2.00
Dividend Yield	3.32%	1.96%
Beta	0.95	1.00

Zacks

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Dividend Strategy

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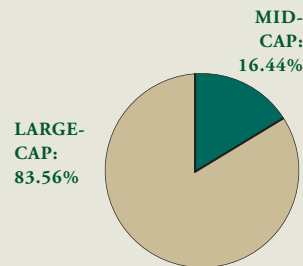
About Zacks

Founded and headquartered in Chicago, Zacks Investment Management is a Registered Investment Advisor. Our parent company, Zacks Investment Research, is a privately held investment research firm who is well known for their expert analysis of investment data and strong commitment to independence in the equity research universe.

Zacks Investment Management is uniquely qualified in the areas of portfolio management for institutions and wealthy individual investors. We employ a specialized process combining a quantitative screening methodology and fundamental bottom up analysis that is unparalleled in the industry. Client assets are managed in an active account manner, incorporating both a macro and micro economic view of the markets, overall economy and our clients' objectives.

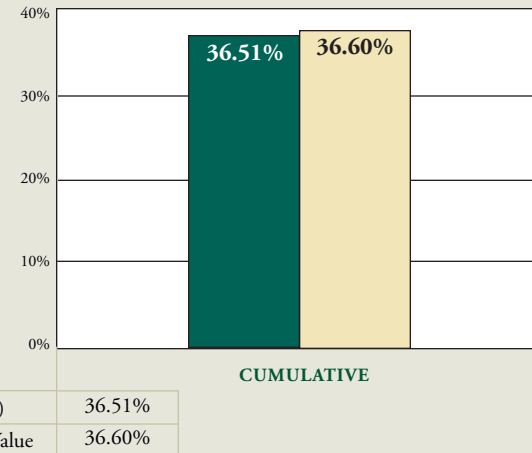
Market Capitalization

The current portfolio is an all-cap blend that includes 16.44% mid- and 83.56% large-cap stocks representing both value and growth styles. The average market cap is \$83.2 billion.



CUMULATIVE PERFORMANCE COMPARISON

Zacks Dividend Strategy (April 2004 to June 2011)



How the Zacks Dividend Strategy is Managed

- ▶ **DIVERSIFIED:** 50 to 100 stocks
- ▶ **VALUE BASED:** as determined by price and yield on an historic basis
- ▶ **CURRENT YIELD** of the overall strategy strives to be greater than the S&P 500
- ▶ **PROPRIETARY** quantitative model focused on value stocks
- ▶ **EXPECTATION** of future dividend payments

Sample Portfolio Holdings

(AS OF 6/30/11)

- ▶ EL DUPONT DE NEMOURS
- ▶ CHEVRON CORP.
- ▶ CONOCO PHILLIPS
- ▶ AT&T INC..
- ▶ PFIZER INC.
- ▶ GENERAL ELECTRIC.
- ▶ AMERICAN EXPRESS CO.
- ▶ EXXON MOBILE CORP
- ▶ INTEL CORPORATION.
- ▶ JP MORGAN CHASE & CO.

INDEPENDENT

Research | Thinking | Results

DISCLOSURE Past performance is no guarantee of future results. Results for Zacks Dividend Strategy are shown gross of fees. Results for the Strategy reflect the reinvestment of dividends and other earnings. The results portrayed are the performance history of a representative managed separate account. Clients of the firm may receive different performance than the representative account (e.g. timing of investment). Wholesale, retail and institutional clients of the firm may have differing performance due to timing of trades. Investments in the Zacks Dividend 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. Net of fees performance is based on the maximum fee of 2.05%. Past performance is no indication of future results. Inherent in any investment is the potential for loss.

Standard management fees are available on request and are described in Part II of Form ADV.

The S&P 500 Index is a well known, unmanaged index of the prices of 500 large-company common stocks, mainly blue-chip stocks, selected by Standard & Poor's. The S&P 500 Index assumes

reinvestment of dividends but does not reflect advisory fees. An investor cannot invest directly in an index. The volatility of the benchmark may be materially different from the individual performance obtained by a specific investor.

The Russell 1000 Value Index is a well-known, unmanaged index of the price of 1000 large-company growth common stocks selected by Russell. The Russell 1000 Growth Index assumes reinvestment of dividends but does not reflect advisory fees. An investor cannot directly invest in an index.

The sample portfolio holdings provided represents the top 10 largest equity positions in the Dividend Strategy as of 6/30/2011 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 Dividend 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.

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