



Unit Investment Trust

A unit investment trust – or UIT:

A pooled investment vehicle in which a fixed portfolio of stocks, bonds or other securities is selected by a professional investment manager and held in the trust for a predetermined period of time.

UITs enable you to gain targeted investment exposure to an asset class, investment style, or market sector in a single transaction. A wide variety of UITs are available to help you construct a diversified portfolio that's appropriate for your specific needs, financial goals, and risk tolerance.

UITs offer many features found in other pooled investments, but with two major differences – a defined portfolio and a defined lifespan.

Unlike actively managed funds that continually buy and sell securities, thereby changing their investment mix, a UIT's holdings remain fixed. Because the underlying holdings in a UIT are transparent and do not change, you and your financial professional can take greater control of your overall investment exposures in order to avoid concentrated positions and portfolio overlap when implementing an investment or financial planning strategy.

UITs have a finite life which typically ranges from 13 to 24 months but can be as long as 25 years. This defined maturity can help you align UITs with both your short-term and long-term goals while helping adhere to a disciplined approach. When a trust matures, you can take the cash value of your units or invest the proceeds into another UIT that is in line with your goals.

Investment and Insurance Products offered through City National Securities, Inc. ARE NOT FDIC INSURED, MAY LOSE VALUE and ARE NOT BANK GUARANTEED.

UIT FEATURES

Fully Invested:

UITs do not typically hold cash, which can be a drag on overall portfolio performance.

Known Portfolio:

The securities held in a UIT remain fixed, giving you the comfort of knowing what you own and helping eliminate emotional investing.

Daily Liquidity:

Should your investing needs change, UITs can be redeemed on any business day at the redemption price, which may be more or less than the original purchase price.

Convenience:

With one low-minimum purchase, you can own a professionally selected portfolio of securities.

Professional Selection:

The securities selected for each trust are carefully evaluated by teams of experienced professionals who specialize in all major asset classes.

Reinvestment Options:

Most UITs allow you to elect to have distributions reinvested into additional units of the same trust. There are no sales charges incurred on units purchased through the reinvestment option.

Diversification:

UITs are diversified across many different securities, which helps reduce risk, but does not eliminate it entirely. It would take a substantial time and capital commitment to achieve this type of diversification on your own. It is important to note that diversification does not guarantee a profit or protect against loss.

Income Potential:

UITs have the potential to provide monthly income from dividends or interest.

Costs:

There are costs associated with an investment in Unit Investment Trust. Consult your City National Securities (CNS) Advisor and/or the security's prospectus (if applicable) for complete details.

Risk Considerations:

Investing involves risk, including possible loss of principal. You should consider a portfolio's investment objectives, risks, and charges and expenses carefully before investing. You should read the prospectus carefully before you invest.

Brokerage Services are provided through City National Securities, Inc. (member [FINRA](#), [SIPC](#)), a subsidiary of City National Bank.