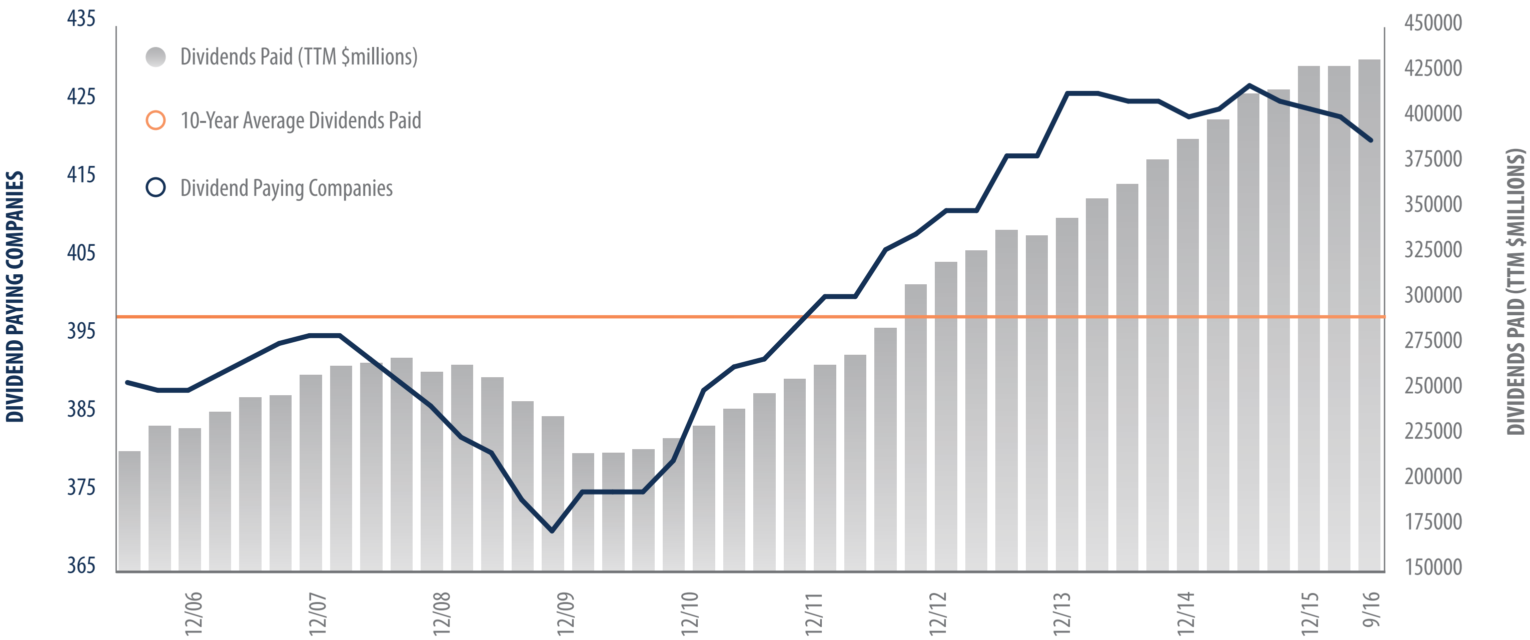
RICHARD BERNSTEIN ADVISORS

QUALITY INCOME PORTFOLIO

S&P 500 | DIVIDENDS PAID AND DIVIDEND PAYING COMPANIES

(6/30/2006 - 9/30/2016)



Source: FactSet

THE DIVIDEND ATTRACTION

Investors have treasured dividend-paying stocks for ages and recent performance has justified the love. The S&P 500 Index total dividend payout for the trailing twelve months (TTM) ending in Q3 2016 was $430.9 billion, which was a 4.8% increase from the same time period a year ago. The payout was the largest TTM total on record. The third quarter also marked the eleventh consecutive quarter that the TTM dividend payout for the S&P 500 index hit a new high. Perhaps the hardest thing for an individual investor to do is to weed out quality dividend-paying businesses from all the rest.

Source: FactSet

THE QUALITY INCOME APPROACH

The Richard Bernstein Advisors Quality Income Portfolio is a unit investment trust (UIT) focused on total return through a combination of dividend income and capital appreciation. A UIT is an investment vehicle which consists of a professionally selected unmanaged portfolio of securities which are held for a predetermined period of time. The value of the units of the trust will fluctuate each day with the value of the underlying securities; therefore it is possible to lose money by investing in the trust.

The stocks are selected for the trust by Richard Bernstein Advisors LLC (RBA) using their comprehensive Quality Income strategy and held for approximately 15 months. This strategy attempts to control the risks associated with investing in higher-yielding stocks, yet maintain attractive current income. RBA believes risk actually increases as dividend yield increases, and that simply investing in high-yield equities often leads to selecting stocks whose dividends are subsequently cut or discontinued. RBA's strategy incorporates several layers of risk control in order to attempt to minimize the probability of dividend cuts and the related underperformance.

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RBA PORTFOLIO SELECTION PROCESS

The stock market is often far ahead of investors in predicting dividend cuts or omissions. Many stocks that offer extremely high dividend yields get there not by increasing their dividends, but by virtue of their stock price dropping significantly, thus dramatically increasing their yield. In addition, there is typically a sound business reason for a stock to tumble and it usually involves business problems for the company. In such circumstances, it is reasonable to expect a competent board of directors to cut dividends to conserve cash.

Because of this effect, RBA believes stocks with extremely high dividend yields should be viewed cautiously, because high dividend yields may simply reflect depressed stock prices in anticipation of dividend cuts or omissions. RBA examines the security of dividends on the global high dividend yield universe by screening for debt levels and for consistency of earnings. This process generally results in an unweighted portfolio of less than 100 stocks from the initial universe of several thousand.

RBA then uses a proprietary optimization method to weight the stocks. This final step attempts to reduce the volatility of the overall portfolio. Thus, the strategy attempts to reduce risk in two ways. First, RBA screens for estimated dividend consistency. Second, RBA uses a proprietary weighting method which strives to reduce overall portfolio volatility. Of course, there can be no assurance that these objectives will be achieved. In addition, there is no guarantee that the issuers of the securities included in the portfolio will declare dividends in the future or that, if declared, they will either remain at current levels or increase over time.

A TACTICAL DIVIDEND PORTFOLIO FOR TOTAL RETURN INVESTORS SEEKING HIGH INCOME WITH LOWER VOLATILITY THAN THE OVERALL MARKET.

RBA'S QUANTITATIVE TECHNIQUES SEEK INCOME IN A RISK-CONTROLLED PROCESS TO ATTEMPT TO GAIN YIELD WHILE SEEKING TO ELIMINATE THOSE COMPANIES RIPE FOR DIVIDEND CUTS.

RBA IS A REGISTERED INVESTMENT ADVISER FOCUSING ON LONGER TERM INVESTMENT STRATEGIES THAT COMBINE TOP-DOWN, MACROECONOMIC ANALYSIS AND QUANTITATIVELY-DRIVEN PORTFOLIO CONSTRUCTION, UTILIZING MR. BERNSTEIN'S WIDELY RECOGNIZED EXPERTISE IN STYLE INVESTING AND ASSET ALLOCATION.

The firm's Chief Executive and Chief Investment Officer, Mr. Bernstein has over 30 years' experience on Wall Street, including most recently as the Chief Investment Strategist at Merrill Lynch & Co. RBA acts as sub-advisor for mutual funds and also selects portfolios for income-oriented Unit Investment Trusts sponsored by First Trust Portfolios L.P. Additionally, RBA runs exchange-traded fund asset allocation portfolios and separately managed accounts and is the index provider for two exchange-traded funds. RBA has approximately $3.1 billion in assets under management/advisement as of September 30, 2016.

You should consider the portfolio's investment objective, risks, and charges and expenses carefully before investing. Contact your financial advisor or call First Trust Portfolios, L.P. at the number listed below to request a prospectus, which contains this and other information about the portfolio. Read it carefully before you invest.

RISK CONSIDERATIONS

An investment in this unmanaged unit investment trust should be made with an understanding of the risks involved with owning common stocks, such as an economic recession and the possible deterioration of either the financial condition of the issuers of the equity securities or the general condition of the stock market.

Certain of the securities in the portfolio are issued by Real Estate Investment Trusts (REITs). Companies involved in the real estate industry are subject to changes in the real estate market, vacancy rates and competition, volatile interest rates and economic recession.

An investment in a portfolio containing small-cap and mid-cap companies is subject to additional risks, as the share prices of small-cap companies and certain mid-cap companies are often more volatile than those of larger companies due to several factors, including limited trading volumes, products, financial resources, management inexperience and less publicly available information.

An investment in a portfolio containing equity securities of foreign issuers is subject to additional risks, including currency fluctuations, political risks, withholding, the lack of adequate financial information, and exchange control restrictions impacting foreign issuers.

This UIT is a buy and hold strategy and investors should consider their ability to hold the trust until maturity. There may be tax consequences unless units are purchased in an IRA or other qualified plan.

The value of the securities held by the trust may be subject to steep declines or increased volatility due to changes in performance or perception of the issuers.

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