

Wiley Wealth Management

Personalized investment management

Mission statement and investment approach

Mission statement

Our mission is simple: to provide ongoing value to all aspects of our clients' financial lives. Unlike many of our peers, we have decided to set a limit to the number of clients each Advisor serves. What has allowed us to remain unique and valuable to our clients has been the application of the proven Supernova® client service model. Implementing Supernova® throughout our practice provides the structure for us to be proactive as we adapt to our clients' ever-changing lives. By limiting the number of clients per Advisor and having consistent scheduled discussions with each client, we strive to maintain our near 100% client retention rate.

Portfolio Managers

Luke L. Wiley, CFP®, CRPC®

- Investment professional since 1997
- With UBS since 2009

Zachary H. Wiley, CPM®, CRPC®

- Investment professional since 2001
- With UBS since 2009

Investment approach

The **52-Week Low Formula™** combines behavioral finance with a multifactor, quantitative model. This formula screens each benchmark for companies that we believe possess the characteristics shown to generate above average performance.

The objective of this formula is to achieve above-average growth relative to its respective benchmark over a full market cycle (five years) while experiencing below-average volatility.

To accomplish our objective, the formula applies strict valuation metrics to identify each company (i.e., minimum Free Cash Flow Yield) while challenging conventional wisdom and its emotional pressures (i.e., companies trading closest to their 52-week low). This consistent evaluation of value and a nonconformist mindset is applied throughout our individual stock selection.

The 52-Week Low Formula™ consists of the following five proprietary filters:

Filter 1: Does the company show signs of a durable competitive advantage within an industry with good economics?

Key questions—Is there a low barrier to entry within the industry? Is the product/service a commodity?

Filter 2: Is the Free Cash Yield to Enterprise Value above our minimum requirement?

The Free Cash Flow Yield of the company must provide a certain multiple over the risk-free rate of the 10-year Treasury. Free Cash Flow is the actual cash you would receive if you bought the entire company including its debt (enterprise value).

Filter 3: Is the company's Return on Invested Capital (ROIC) greater than its Weighted Cost of Capital (WACC)?

It is greatly recognized that companies that have ROIC greater than their WACC increase shareholder value over time.

Filter 4: Can the company's free cash flow cover its long-term debt within a defined minimum period?

This metric helps to ensure that the company can make it through most, if not all, economic cycles.

Filter 5: We then select the 25 companies that have passed each filter that are trading closest to their 52-week low.

This evaluation process is applied every six months. Companies that no longer meet the required tests are sold and replaced with a new opportunity for growth.

In summary, the 25 screened companies are typically the least liked by the investment community, which is what drives our stock selection process. To paraphrase Warren Buffett—You want to do business with Mr. Market when he is very depressed and giving away his inventory.

Investment strategies

Competitive Advantage 52-Week Low™ Russell 1000 (Large-Cap Strategy)

Objective

The objective of the **Competitive Advantage 52-Week Low™ Russell 1000 Strategy** is to achieve above-average growth relative to our benchmark over a full market cycle (five years) while experiencing below-average volatility.

Key facts

Equities/Large-Cap

Domestic

Russell 1000

Investment strategy

The five-filter formula combines behavioral finance with a multifactor, quantitative model. This formula screens each benchmark for companies that we believe possess the characteristics shown to generate above average performance. We then select the 25 companies that have passed each filter that are trading closest to their 52-week low. The 25 screened companies selected are typically the least liked by the investment community, which is what drives our stock selection process.

Competitive Advantage 52-Week Low™ Russell 3000 (All-Cap Strategy)

Objective

The objective of the **Competitive Advantage 52-Week Low™ Russell 3000 Strategy** is to achieve above-average growth relative to our benchmark over a full market cycle (five years) while experiencing below-average volatility.

Key facts

Equities/All-Cap

Domestic

Russell 3000

Investment strategy

The five-filter formula combines behavioral finance with a multifactor, quantitative model. This formula screens each benchmark for companies that we believe possess the characteristics shown to generate above average performance. We then select the 25 companies that have passed each filter that are trading closest to their 52-week low. The 25 screened companies selected are typically the least liked by the investment community, which is what drives our stock selection process.

Competitive Advantage 52-Week Low™ Russell 2000 (Small-Cap Strategy)

Objective

The objective of the **Competitive Advantage 52-Week Low™ Russell 2000 Strategy** is to achieve above-average growth relative to our benchmark over a full market cycle (five years) while experiencing below-average volatility.

Key facts

Equities/Small-Cap

Domestic

Russell 2000

Investment strategy

The five-filter formula combines behavioral finance with a multifactor, quantitative model. This formula screens each benchmark for companies that we believe possess the characteristics shown to generate above average performance. We then select the 25 companies that have passed each filter that are trading closest to their 52-week low. The 25 screened companies selected are typically the least liked by the investment community, which is what drives our stock selection process.

Access to unparalleled global resources and the attention you deserve

Through the UBS Portfolio Management Program, Wiley Wealth Management has access to multiple sources of world-class investment research:

- UBS Wealth Management Research—independent-minded analysis tailored for individual investors
- UBS Investment Research—institutional-quality securities research from the UBS Investment Bank
- Third-party research—in-depth research from third-party sources

These resources help to inform the investment decisions in your portfolio and provide extensive coverage of industry, regional, national and international economic trends.

Wiley Wealth Management is backed by the analytical tools and operational excellence needed to support the construction and execution of a custom-tailored portfolio.

Wiley Wealth Management
UBS Financial Services Inc.
8044 Montgomery Road, Suite 200
Cincinnati, OH 45236

Luke L. Wiley, CFP®, CRPC®
First Vice President—Investments
513-792-2145
luke.wiley@ubs.com

Zachary H. Wiley, CPM®, CRPC®
First Vice President—Investments
513-792-2148
zachary.wiley@ubs.com

**advisors.ubs.com/
wileywealthmanagement/**

About the UBS Portfolio Management Program (PMP)

Keeping abreast of the ever-changing global economy and world capital markets is more than a full-time job, particularly in the current environment. Few individual investors have the time, technical expertise or analytical resources to stay on top of a portfolio of investments.

For clients who prefer to delegate the day-to-day management of their assets to a Financial Advisor, UBS offers a personalized investment service, backed by the firm's extensive global resources.

As a PMP client, you will establish a one-on-one relationship with your personal portfolio manager, who is experienced in designing and executing customized investment strategies.

The past performance of an index is not a guarantee of future results. Each index reflects an unmanaged universe of securities without any deduction for advisory fees or other expenses that would reduce actual returns, as well as the reinvestment of all income and dividends. An actual investment in the securities included in the index would require an investor to incur transaction costs, which would lower the performance results. Indices are not actively managed and investors cannot invest directly in the indices.

PMP is a wrap fee advisory program in which our Financial Advisors manage client accounts on a discretionary basis. PMP is designed for clients who (i) want to delegate portfolio management discretion to their Financial Advisor; (ii) are looking to implement a medium to long-term investment plan; and (iii) prefer the consistency of fee-based pricing.

PMP is not appropriate for clients who: (i) want to maintain trading control over their account; (ii) seek a short-term investment; (iii) want to maintain consistently high levels of cash, money market funds, or invest primarily in no-load mutual funds; (iv) want to maintain highly concentrated positions that will not be sold regardless of market conditions; or (v) who anticipate significant withdrawals from the account.

It is important that you understand the ways in which we conduct business and the applicable laws and regulations that govern us. As a firm providing wealth management services to clients, we are registered with the US Securities and Exchange Commission (SEC) as an investment adviser and a broker-dealer, offering both investment advisory and brokerage services. Though there are similarities among these services, the investment advisory programs and brokerage accounts we offer are separate and distinct, differ in material ways and are governed by different laws and separate contracts. It is important that you carefully read the agreements and disclosures that we provide to you about the products or services we offer. While we strive to ensure the nature of our services is clear in the materials we publish, if at any time you seek clarification on the nature of your accounts or the services you receive, please speak with your Financial Advisor.

Two sources of research are available to UBS Financial Services Inc. clients. One source is written by UBS Wealth Management Research (WMR). WMR is part of UBS Global Wealth Management & Business Banking (the UBS business group that includes, among others, UBS Financial Services Inc. and UBS International Inc.), whose primary business focus is individual investors (Private Clients). The other source is written by UBS Investment Research. UBS Investment Research is part of UBS Investment Bank, whose primary business focus is institutional investors. The Private Client report style, length and content is designed to be more easily used by Private Clients. Because both sources of information are independent of one another and reflect the different assumptions, views and analytical methods of the analysts who prepared them, there may exist a difference of opinions between the two sources. Neither the Institutional report nor the Private Client report is necessarily more reliable than the other.

The various research content provided does not take into account the unique investment objectives, financial situation or particular needs of any specific individual investor. If you have any questions, please contact your Financial Advisors.

The 52-Week Low name and all corresponding formulas, products, strategies, publications and educational material concerning or related, in any way, to investments are owned by 52-Week Low, LLC. This third-party material is neither endorsed nor owned by UBS Financial Services Inc., its parent or subsidiaries. UBS Financial Services Inc. is not responsible for the information contained in any third-party material.

Certified Financial Planner Board of Standards, Inc. (CFP Board) owns the CFP® certification mark, the CERTIFIED FINANCIAL PLANNER™ certification mark, and the CFP® certification mark (with plaque design) logo in the United States, which it authorizes use of by individuals who successfully complete CFP Board's initial and ongoing certification requirements. Chartered Retirement Planning CounselorSM or CRPCTM are registered trademarks owned by the College for Financial Planning and may not be used without the express written consent of the College. CPM® and Certified Portfolio Manager® are trademarks owned by the Academy of Certified Portfolio Managers. For designation disclosures, visit ubs.com/us/en/designation-disclosures.

UBS Wealth Management Research is provided by UBS Financial Services Inc. and UBS AG. For more information, please visit our website at ubs.com/workingwithus.

As a firm providing wealth management services to clients, UBS Financial Services Inc. offers investment advisory services in its capacity as an SEC-registered investment adviser and brokerage services in its capacity as an SEC-registered broker-dealer. Investment advisory services and brokerage services are separate and distinct, differ in material ways and are governed by different laws and separate arrangements. It is important that you understand the ways in which we conduct business, and that you carefully read the agreements and disclosures that we provide to you about the products or services we offer. For more information, please review the client relationship summary provided at ubs.com/relationshipsummary, or ask your UBS Financial Advisor for a copy.

© UBS 2023. All rights reserved. The key symbol and UBS are among the registered and unregistered trademarks of UBS. UBS Financial Services Inc. is a subsidiary of UBS AG. Member FINRA/SIPC. SPE_WL1028_WIL PMP_v2