

## BrandLoyalties Lifestyle Index

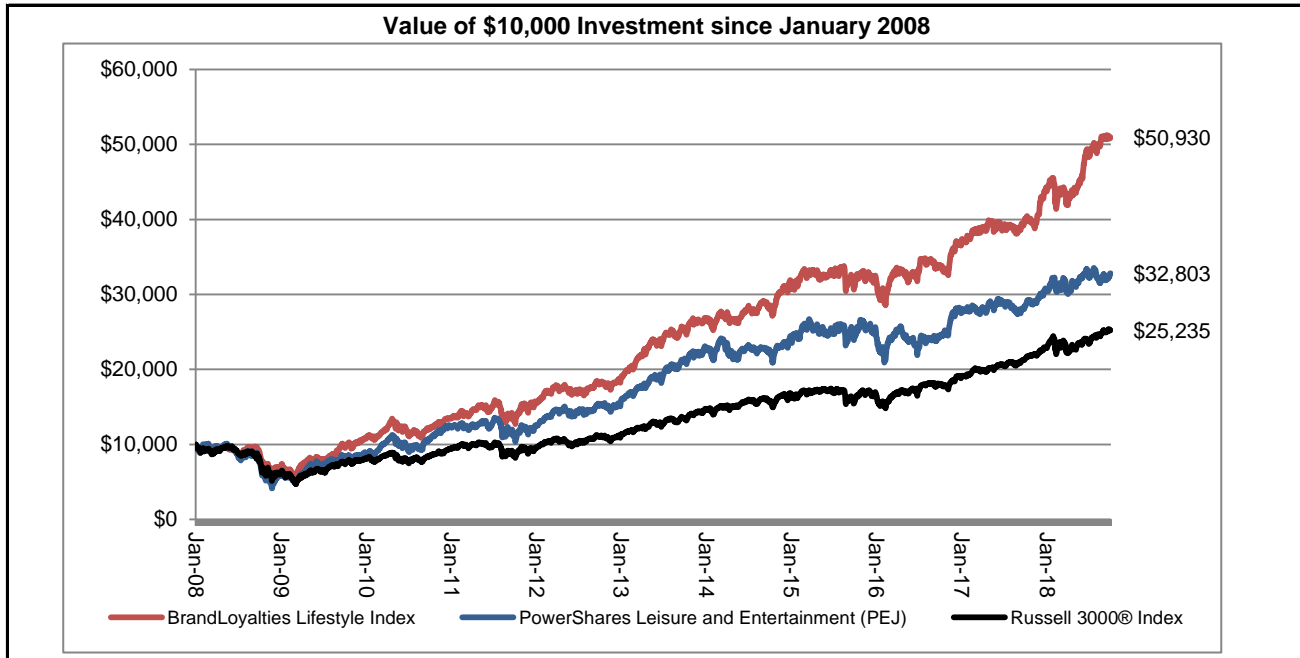
FACT SHEET

September 30, 2018

### BrandLoyalties Lifestyle Index:

Legendary investor Peter Lynch of the Fidelity Magellan Fund utilized "the power of common knowledge" to select consumer equities worthy of further rigorous analysis. He initially utilized de-facto focus groups of family, friends and co-workers to find which brands consumers preferred. BrandLoyalties has expanded this approach by leveraging the world's largest focus group – the Internet – and tracking the brands that hundreds of millions of consumers refer to every single day.

The BrandLoyalties Lifestyle Index is a smart beta strategy that includes equities with mid and large market capitalizations ( $\geq$  \$2 billion) that produce or sell non-essential high-end, luxury, leisure or entertainment consumer discretionary goods, and that are also in the best 20% of BrandLoyalties.com ranked corporations. This index is reallocated quarterly and rebalanced quarterly.



Historical Performance <sup>(2)</sup> :							
	Quarter <sup>(3)</sup>	YTD	1 Year	3 Years	5 Years	Inception to Date	Beta <sup>(3)</sup>
<b>BrandLoyalties Lifestyle Index</b>	<b>5.16%</b>	<b>16.49%</b>	<b>27.23%</b>	<b>17.91%</b>	<b>15.00%</b>	<b>16.35%</b>	<b>1.06</b>
Russell 3000 Index	7.12%	10.57%	17.58%	17.07%	13.46%	8.99%	1.00
Excess Returns	-1.96%	5.91%	9.65%	0.84%	1.54%	7.36%	
PowerShares Leisure and Entertainment (PEJ)	1.46%	7.28%	14.77%	10.54%	9.13%	11.68%	1.20

Annual Performance <sup>(2)</sup> :								
	2011	2012	2013	2014	2015	2016	2017	2018
<b>BrandLoyalties Lifestyle Index</b>	<b>14.90%</b>	<b>19.93%</b>	<b>45.05%</b>	<b>17.72%</b>	<b>1.56%</b>	<b>13.69%</b>	<b>19.75%</b>	<b>16.49%</b>
Russell 3000 Index	1.03%	16.42%	33.55%	12.56%	0.48%	12.74%	21.13%	10.57%
Excess Returns	13.88%	3.51%	11.50%	5.17%	1.08%	0.96%	-1.38%	5.91%
PowerShares Leisure and Entertainment (PEJ)	1.88%	23.65%	49.30%	5.32%	3.38%	22.00%	11.23%	7.28%

Confidential – for internal use to evaluate portfolio as an ETF only.  
 Portfolios presented by BrandLoyalties, Inc.  
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Top 10 Equity Holdings:		
Ticker	Name	%
NWSA	News Corporation	2.32%
CHUY	Chuy's Holdings, Inc.	2.32%
SBGI	Sinclair Broadcast Group Inc	2.31%
W	Wayfair Inc.	2.30%
BID	Sotheby's	2.30%
CBRL	Cracker Barrel Old Country Store, Inc.	2.30%
NCLH	Norwegian Cruise Line Holdings Ltd.	2.29%
LULU	Lululemon Athletica, Inc.	2.29%
YUM	Yum Brands	2.28%
PLNT	Planet Fitness Inc.	2.28%

Top 10 Industry Holdings:	
Industry	%
Restaurants	13.58%
Auto Parts Stores	9.06%
Specialty Retail, Other	6.80%
Broadcasting - TV	4.63%
Advertising Agencies	4.57%
Grocery Stores	4.54%
Beverages - Soft Drinks	4.54%
Telecom	2.32%
Cruise Lines	2.29%
Textile - Apparel Clothing	2.29%

### Notes:

(1) The BrandLoyalties Lifestyle Index uses the daily metrics from BrandLoyalties.com to select equities for inclusion in the index. The equities are in industries that produce or sell non-essential high-end, luxury, leisure or entertainment consumer discretionary goods, using classifications provided by NASDAQ and GICS. The equities have mid-sized and large market capitalizations ( $\geq$  \$2 billion market capitalization). The corporations included in the index are in the best 20% of BrandLoyalties.com ranked corporations. All eligible equities have a mean daily on-line brand name citation rate that is greater than three times the standard deviation of their daily citation rates. Any equity included in the index has a materially positive trailing year BrandLoyalties.com citation share growth ranking to trailing price correlation. All proforma performance numbers exclude transactions costs and management fees. The index's components are reselected quarterly, with assets from the discontinued positions reallocated equally to the newly created positions. The index is completely rebalanced and reconstituted quarterly to equal valuations. As of 09/30/2018 the index's proforma portfolio contained 44 equities with an average market capitalization of \$15.600 million.

(2) All performance numbers shown for the BrandLoyalties Lifestyle Index are from proforma simulations of a similarly constructed hypothetical portfolio, using modeled equity selections and historical prices for those equities. No historical investments were actually made. In those models all distributions from selected equities were reinvested. All proforma performance numbers exclude transactions costs and management fees. Proforma simulated returns from hypothetical portfolios may not be indicative of actual future investment results.

(3) All performance result time periods shown for the BrandLoyalties Lifestyle Index are for the indicated time span ending 09/30/2018. One quarter, year-to-date, one year, 3 year and 5 year results are for the trailing 3 calendar months, 9 calendar months, 12 calendar months, 36 calendar months and 60 calendar months ending 09/30/2018, respectively. The Inception date for the proforma simulations is January 2, 2008. Performance figures for periods of a year or less are simple percentage changes in the hypothetical proforma portfolio valuation during that time span, while those for periods greater than a year are the compound annualized total return for the full extended time span. Excess return and beta calculations are relative to the total return of the Russell 3000® Index. Beta calculations are for the inception-to-date time frame. The comparable ETF used in the chart and tables is the PowerShares Dynamic Leisure and Entertainment Portfolio (Ticker PEJ).

Portfolio ID: BL-183

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