

A photograph of two women, one with dark curly hair and one with blonde hair wearing glasses, both smiling and looking at a smartphone held by the woman with dark hair. They are standing in front of a rustic wooden wall.

# Investing just got social

BUZZ Indexes is pleased to announce changes to the index construction methodology of the Buzz Social Media Insights Index, effective as of the August 18<sup>th</sup> rebalance date. BUZZ Indexes believes that the Index changes lead to better portfolio diversification and better represent the social (sentiment) momentum goal of the strategy. An updated Index Guideline can be found on the BUZZ Indexes website.

## KEY HIGHLIGHTS OF THE INDEX CHANGES INCLUDE:

### 1. Dynamic Index Universe

- + Continued increase in online discussion allows for a greater number of stocks for potential inclusion in the Index – all stocks that satisfy a minimum number of mentions are now included in the Index Universe.

### 2. Increased number of stocks held by the Index

- + 75 stocks with the highest positive insight scores are included in the Index each month.

### 3. Decreased maximum weight for stocks

- + Stocks are weighted based on their Insight Score and subject to a 3% maximum weight.

**BUZZ Indexes believes that the index changes will significantly improve the quality of the index offering.**

**SECTOR COMPARISON**

SECTOR	AUGUST 2016 INDEX WEIGHT (%)	JULY 2016 INDEX WEIGHT (%)
Consumer Discretionary	18.77	20.29
Consumer Staples	4.69	0.00
Energy	6.70	3.43
Financial Services	3.34	0.00
Health Care	25.05	27.08
Industrials	7.65	4.82
Information Technology	24.40	34.03
Materials	3.00	4.89
Telecommunication Services	6.40	5.46
Utilities	0.00	0.00

**INDEX FUNDAMENTALS**

**2.0%**

Dividend Yield

**16.7**

P/E Ratio

**\$142.7B**

Average Market Cap

**\$5.2B**

Smallest Market Cap

**\$589.3B**

Largest Market Cap

**INDEX HOLDINGS**

COMPANY	WEIGHT (%)	COMPANY	WEIGHT (%)
Alphabet Inc.	3.00	Energy Transfer Equity LP	0.87
Apple Inc.	3.00	Home Depot Inc.	0.81
Valeant Pharmaceuticals International Inc.	3.00	Citigroup Inc.	0.80
Twitter Inc.	3.00	Altria Group Inc.	0.80
Alcoa Inc.	3.00	Bristol-Myers Squibb Co.	0.80
Walt Disney Co.	3.00	Skyworks Solutions Inc.	0.77
Tesla Motors Inc.	3.00	Oracle Corp.	0.77
Sirius XM Holdings Inc.	3.00	Cheniere Energy Inc.	0.68
Gilead Sciences Inc.	3.00	United Technologies Corp.	0.67
Abbvie Inc.	3.00	Devon Energy Corp.	0.63
Facebook Inc.	3.00	Cisco Systems Inc.	0.59
Opko Health Inc.	3.00	Mcdonald's Corp.	0.51
Microsoft Corp.	3.00	Mallinckrodt PLC	0.51
Celgene Corp.	3.00	Williams Companies, Inc.	0.51
Intel Corp.	3.00	Wells Fargo & Co.	0.49
Sprint Corp.	3.00	Schlumberger Ltd.	0.48
Ford Motor Co.	3.00	Regeneron Pharmaceuticals	0.48
Kinder Morgan Inc.	3.00	Comcast Corp.	0.48
Boeing Co.	3.00	JPMorgan Chase & Co.	0.44
AT&T Inc.	2.53	HP Inc.	0.44
Johnson & Johnson	2.42	Frontier Communications Corp.	0.44
General Electric Co.	2.28	Verizon Communications Inc.	0.43
General Motors Co.	1.71	Jetblue Airways Corp.	0.35
Medivation Inc.	1.60	Las Vegas Sands Corp.	0.34
Nike Inc.	1.56	Delta Air Lines Inc.	0.29
Biogen Inc.	1.39	Morgan Stanley	0.25
CVS Health Corp.	1.36	Marathon Oil Corp.	0.24
Visa Inc.	1.26	Herbalife Ltd.	0.24
Coca-Cola Co.	1.15	Western Digital Corp.	0.24
Procter & Gamble Co.	1.15	Corning Inc.	0.23
Nvidia Corp.	1.15	American International Group	0.23
Amgen Inc.	1.08	Priceline Group Inc.	0.17
United Parcel Service	1.06	Blackstone Group LP	0.16
Bank of America Corp.	0.97	Southwestern Energy Co.	0.15
International Business Machines Corp.	0.95	Wynn Resorts Ltd.	0.14
Lowe's Companies, Inc.	0.92	Valero Energy Corp.	0.13
Pfizer Inc.	0.90	Macy's Inc.	0.13
Merck & Co. Inc.	0.88	<b>Total:</b>	<b>100.00</b>

**DYNAMIC INDEX UNIVERSE**



**TOP FIVE POSITIVELY TRENDING STOCKS IN THE DYNAMIC INDEX UNIVERSE**

- Valeant Pharmaceuticals
- Tesla Motors
- Facebook
- Sirius XM Holdings
- Twitter

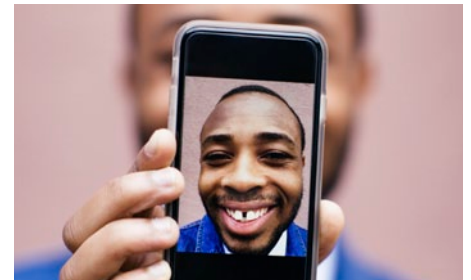
**TOP FIVE NEGATIVELY TRENDING STOCKS IN THE DYNAMIC INDEX UNIVERSE**

- Yahoo!
- Walmart
- Microsoft
- Rite Aid
- Netflix

**Sprott Buzz Social Media Insights Exchange Traded Fund ('Buzz ETF')** tracks the BUZZ Social Media Insights Index, which identifies the 75 most bullish U.S. stocks based on investment insights derived from the Social Media's Big Data.

- Over 50 million unique stock-specific data points from Social Media comments, news articles and blog posts are processed on a monthly basis.
- The data is filtered through an analytics model which utilizes Natural Language Processing Algorithms and Artificial Intelligence applications.

**HOW IT WORKS:**



**1. Where's the BUZZ?**

First, from a defined investment universe of U.S. stocks, the BUZZ Index targets the most mentioned stocks across the Social Media landscape.

**2. What's the BUZZ?**

The BUZZ Index looks at what the Social community is saying about these most-mentioned and whether the sentiment is positive, negative or neutral on a collective basis.

**3. Who is creating the BUZZ?**

The Buzz Index then measures the influence within the social media community of those individuals who are discussing each stock and their historical accuracy.

## IMPORTANT DISCLOSURES & DEFINITIONS

**An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, which contain this and other information please contact your financial professional or call 1.855.215.1425. Read the prospectus carefully before investing.**

Sprott Buzz Social Media Insights ETF shares are not individually redeemable. Investors buy and sell shares of the Sprott Buzz Social Media Insights ETF on a secondary market. Only market makers or “authorized participants” may trade directly with the Fund, typically in blocks of 50,000 shares.

The Fund is new with a limited operating History.

The ability to invest based on social media analytics is relatively new and untested. The Fund may invest a significant portion of its assets in securities issued by companies in the information technology sector in order to track the Underlying Index's allocation to that sector.

These types of funds typically have a high portfolio turnover that could increase transaction costs and cause short-term capital gains to be realized.

The Fund is not suitable for all investors. There are risks involved with investing in ETFs including the loss of money. The Fund is considered non-diversified and can invest a greater portion of assets in securities of individual issuers than a diversified fund. As a result, changes in the market value of a single investment could cause greater fluctuations in share price than would occur in a diversified fund. Funds that emphasize investment in small/mid cap companies will generally experience greater price volatility. Diversification does not eliminate the risk of experiencing investment losses. ETFs are considered to have continuous liquidity because they allow for an individual to trade throughout the day.

Defined investment universe of US stocks – in order to be eligible for inclusion in the Underlying Index, a company's stock must be traded on one or more major U.S. exchanges, have a minimum market capitalization of at least \$5 billion, and have a 3 month minimum average daily trading volume of \$1 million.

Investing in companies based on social media analytics involves the potential for market manipulation because social media posts may be made with an intent to inflate, or otherwise manipulate, the public perception of a stock or other investment.

Text and sentiment analysis of social media postings may prove inaccurate; that is, high positive sentiment may not correlate with negative change in the value of a company's stock.

Natural language processing (NLP) deals with the application of computational models to text or speech data. NLP algorithms can be used in Sentiment analysis to identify and extract subjective information in source materials. Sentiment analysis is widely applied to reviews and social media for a variety of applications, ranging from marketing to customer service.

Artificial intelligence (AI) is the intelligence exhibited by machines or software. One of the central problems (or goals) of AI research include natural language processing (communication).

<sup>1</sup>Big Data is a term for data sets that are so large or complex that traditional data processing applications are inadequate.

Social media, as it relates to the ETF, refers to social media sites.

Some examples of social media sites may include, but are not limited to, the following: Facebook, Twitter, LinkedIn, Digg, Reddit, RSS, blogs, Investopedia, stock forums, etc.

Social community refers to the users of the social media sites.

Hedge Funds are alternative investments using pooled funds that may use a number of different strategies in order to earn active return, or alpha, for their investors.

Fundamental Analysis is a method of evaluating a security that entails attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors

Relative Value is a method of determining an asset's value that takes into account the value of similar assets.

Technical Indicator is any class of metrics whose value is derived from generic price activity in a stock or asset.

Capital Asset Theory is a model that describes the relationship between risk and expected return and that is used in the pricing of risky securities.

ALPS Portfolio Solutions Distributor, Inc. is the Distributor for the Sprott Buzz Social Media Insights ETF.