



1913 Stuart Avenue
Richmond, VA 23220
(804) 677-4343
www.alphaverification.com

Alpha Performance Verification Services

Independent Verifier's Report on Performance Record

The Sector 770
1207 Route 9, Suite 10
Wappingers Falls, NY 12590

We have examined the accompanying Statement of Investment Performance and Notes to Statement of Investment Performance for ***The Sector 770 Sector, ETF, and Select Models*** for the periods January 1, 2004 through December 31, 2019. *The Sector 770* is responsible for the Statement of Investment Performance and Notes to Statement of Investment Performance. Our responsibility is to express an opinion on this performance presentation based on our examination.

Scope of Work

Our examination included examining evidence supporting the Statement of Investment Performance and Notes to Statement of Investment Performance for the **Sector, ETF, and Select Models** and performing other procedures, as we considered necessary in the circumstances. Our examination included procedures to obtain assurance that performance results reflected in the Statement of Investment Performance were calculated using criteria as outlined in the Notes to Statement of Investment Performance. We believe our examination provides a reasonable basis for our opinion.

Opinion

In our opinion, the Statements referred to above present, in all material respects, the performance record of ***The Sector 770 Sector, ETF, and Select Models*** for the periods January 1, 2004 through December 31, 2019, based on the criteria set forth in the Notes to Statement of Investment Performance. The Statement of Investment Performance and Notes to Statement of Investment Performance are an integral part of this opinion.

A handwritten signature in black ink that reads "Alpha Performance Verification". The signature is written in a cursive, flowing style.

Alpha Performance Verification Services
Michael W. Hultzapple, CPA, CFA, CIPM
March 5, 2020

The Sector 770
Statement of Investment Performance

Model Portfolio
Yearly Performance

	Sector Model	ETF Model	Select Model	Composite	Vanguard 500
2019	19.40%	19.46%	19.25%	19.37%	31.33%
2018	-3.12%	7.50%	5.34%	3.24%	-4.52%
2017	17.81%	11.34%	24.08%	17.74%	21.67%
2016	-5.04%	-5.97%	-2.83%	-4.61%	11.82%
2015	4.81%	7.03%	4.58%	5.47%	1.25%
2014	18.54%	12.84%	20.91%	17.43%	13.51%
2013	40.83%	33.06%	34.96%	36.28%	32.18%
2012	15.92%	8.14%	14.87%	12.98%	15.82%
2011	0.44%	7.11%	-2.71%	1.61%	1.97%
2010	11.44%	17.84%	21.91%	17.06%	14.91%
2009	-8.97%	2.95%	27.83%	7.27%	26.49%
2008	-1.79%	-4.23%	-34.45%	-13.49%	-37.02%
2007	5.61%	9.45%	5.20%	6.75%	5.39%
2006	14.37%	14.56%	11.36%	13.43%	15.64%
2005	12.24%	10.74%	11.54%	11.51%	4.77%
2004	23.71%	13.90%	25.79%	21.13%	10.74%
Cumulative	340.48%	359.84%	384.99%	376.54%	296.18%
Annualized	9.71%	10.01%	10.37%	10.25%	9.61%

The Sector 770
Notes to Statement of Investment Performance

1. Portfolio Management

The Sector 770 is published monthly. The current publisher has been publishing from July 1, 2005 to present.

2. Portfolio Description

The Sector 770 models invest in the top five funds from our rankings; the rankings are generated monthly and the model. Each uses only no-load mutual funds or exchange-traded funds (ETFs) to invest in the market sectors that our analytics show will have the greatest potential for momentum over the next 30 days.

Each model is designed to represent similar risk of the overall market, most suitable for the growth portion of a portfolio. Many readers use a combination of several models. The Composite return is an average of the three models.

3. Calculation Methodology

The returns have been prepared using the following methodologies consistently. Other methods may produce different results:

- Performance results reflect a deduction of a 1.80% additional annual fee beginning on January 1, 2018 and a 1.00% additional annual fee from January 1, 2014 through December 31, 2017. No additional annual fees are deducted prior to January 1, 2014. All returns are net of the appropriate mutual fund fees.
- Performance does not include transaction costs.
- Performance is calculated using the time weighted rate of return methodology.
- Performance includes realized and unrealized gains and losses, and reinvested dividends.
- Securities are valued using closing market values.
- Performance is presented in US dollars.
- Leverage is not used as a means to generate higher returns.
- **Performance is model performance and does not represent the results of actual trading.**

4. Benchmarks

- The benchmark is the Vanguard Index 500 Fund (VFINX) The fund is a measure of the performance large cap stocks

5. Other Notes

- Past performance is not indicative of future performance.
- The Independent Verifier's Report on Performance Record and Statement of Investment Performance are an integral part of this presentation.