

# GOTHAM FUNDS

LONG/SHORT VALUE INVESTING

## GOTHAM INDEX PLUS FUND (GINDX)

100% Net Long\*: Index Investment + Active Long/Short Overlay

[www.gothamfunds.com](http://www.gothamfunds.com)

Long/short mutual funds managed by hedge fund managers Joel Greenblatt and Robert Goldstein.

### OVERVIEW (As of December 31, 2017)

Ticker	GINDX
CUSIP	360875579
Net Exposure <sup>1</sup>	99.0%
Fund Net Assets	\$254.8M
Inception Date	Mar-31-15

### TOTAL RETURNS (As of December 31, 2017)

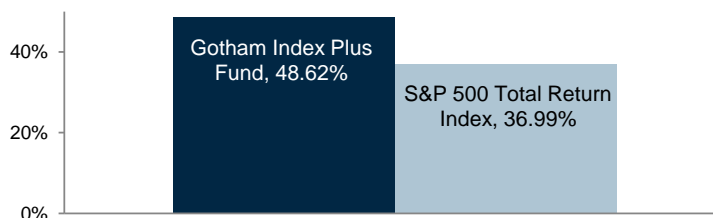
Trailing 12 Months	26.05%
Since Inception (Annualized)	15.48%

### MORNINGSTAR RANKING™ (As of December 31, 2017)

1<sup>st</sup> Percentile (outperformed 99% of peer group)

Based on total returns among 1177 Large Cap Blend funds for the period since inception through 12/31/17.

### CUMULATIVE PERFORMANCE SINCE INCEPTION (Mar-31-15 to Dec-31-17)



### INVESTMENT STRATEGY

For investors that are seeking to more closely track an index, Gotham Index Plus (GINDX) is comprised of an investment that seeks to closely track the S&P 500 plus an investment in an actively managed long/short overlay.

#### HOW IT WORKS:



**RESULT: 100% net long\*  
\$190 long / \$90 short**

\*\*We net positions that appear in both the index portion and the actively managed long/short overlay.

#### KEY ATTRIBUTES:

- Index based + active long/short overlay
- Core equity allocation
- Tax goal: Long-term capital gains<sup>2</sup>
- 1% management fee<sup>3</sup>

#### FUND ADVANTAGE:

Active long/short component is designed to be additive to index return. We expect the long/short overlay to be uncorrelated and often negatively correlated with the index return resulting in attractive upside and downside capture ratios

\* The net long exposure is estimated and is the targeted exposure during most market environments.

<sup>1</sup> Net exposure excludes exchange traded funds ("ETFs") bought or sold for cash management purposes (inflows and outflows). Generally, such ETF positions are closed out within one trading day.

<sup>2</sup> A preference for long-term gains is an objective established and followed by Gotham Asset Management, is not formal policy of the fund, and is subject to change at any time.

<sup>3</sup> Please see reverse side for other fees and expenses.

*The performance data quoted represents past performance. Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares upon redemption may be worth more or less than their original cost. The performance quoted does not reflect a 1% redemption fee on shares redeemed within 30 days of purchase. Returns would have been lower if certain expenses had not been reduced or reimbursed. Current performance may be lower or higher than the performance quoted here. To obtain performance current to the most recent month-end, please call 877-974-6852 or visit [www.gothamfunds.com/performance.aspx](http://www.gothamfunds.com/performance.aspx).*

Mutual fund investing involves risks, including possible loss of principal. Short sales by a fund theoretically involve unlimited loss potential since the market price of securities sold short may continuously increase. It is anticipated the fund will frequently adjust the size of its long and short positions and thus may experience high portfolio turnover which tends to increase brokerage costs. The fund will use leverage to make additional investments which could result in greater losses than if the fund were not leveraged.

**An investor should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. The prospectus contains this and other information about the fund. To obtain a copy of the prospectus, please call 877-974-6852 or visit [www.GothamFunds.com](http://www.GothamFunds.com). The prospectus should be read carefully before investing.**

Morningstar category rankings are based on a fund's total return relative to all funds in the same Morningstar category, not including the effect of sales charges and redemption fees. Performance for an individual fund may reflect expense limitation arrangements, without which returns and Morningstar rankings would have been lower. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. A high ranking does not necessarily mean that a fund had positive performance over the ranking period. For the trailing one year time period through 12/31/2017, the Morningstar ranking was 4<sup>th</sup> percentile among 1,303 Large Cap Blend funds. The fund's performance reflects expense limitation agreements in effect since its inception.

Source: Gotham, unless otherwise indicated. The information herein is correct to the best of the knowledge of Gotham as of the date indicated and is subject to change without notice.

The S&P 500 Total Return Index is a commonly followed equity index and is generally considered a barometer of the U.S. equity market. Returns for the S&P 500 Total Return Index include the reinvestment of income and do not include transaction fees, management fees or any other costs. The performance and volatility of the fund will be different than those of the index. It is not possible to invest directly in the index.

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All data as of December 31, 2017 unless otherwise indicated

## FUND PERFORMANCE

	GINDX	S&P 500 Total Return Index
Since Inception Cumulative <sup>1</sup>	48.62%	36.99%
Since Inception Annualized <sup>1</sup>	15.48%	12.13%
Trailing 12 Months	26.05%	21.83%
YTD	26.05%	21.83%
Trailing 3 Months	11.89%	6.64%
Month	3.89%	1.11%

## PORTFOLIO STATISTICS

Annualized Statistics vs. S&P 500 Total Return Index	Since Inception <sup>1</sup>	
	GINDX	S&P 500
Alpha	1.49%	-
Beta	1.16	1.00
Standard Deviation	12.93%	9.69%
Sharpe Ratio	1.15	1.19
Sortino Ratio	2.38	2.16

Source: Morningstar

## MONTHLY RETURNS BY YEAR

2017	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
GINDX (Net)	0.87%	5.25%	(0.49%)	(0.16%)	(1.48%)	0.50%	2.16%	1.22%	4.34%	1.77%	5.83%	3.89%	26.05%
S&P 500 Total Return Index	1.90%	3.97%	0.12%	1.03%	1.41%	0.62%	2.06%	0.31%	2.06%	2.33%	3.07%	1.11%	21.83%

2016	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
GINDX (Net)	(5.80%)	4.32%	7.15%	(2.13%)	0.59%	(1.57%)	6.09%	0.66%	(1.03%)	(1.79%)	9.90%	1.36%	17.98%
S&P 500 Total Return Index	(4.96%)	(0.13%)	6.78%	0.39%	1.80%	0.26%	3.69%	0.14%	0.02%	(1.82%)	3.70%	1.98%	11.96%

2015	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
GINDX (Net)				1.10%	2.08%	(2.62%)	0.80%	(6.81%)	(1.70%)	8.62%	0.50%	(1.34%)	(0.06%)
S&P 500 Total Return Index				0.96%	1.29%	(1.94%)	2.10%	(6.03%)	(2.47%)	8.44%	0.30%	(1.58%)	0.43%

## NET SECTOR EXPOSURES

Health Care	21.54%
Industrials	21.03%
Consumer Staples	17.21%
Information Technology	16.43%
Consumer Discretionary	14.97%
Financials	7.75%
Telecommunication Services	4.44%
Materials	1.88%
Energy	0.59%
Utilities	(2.25%)
Real Estate	(4.60%)

## POSITION DATA

Number of Holdings - Long	308
Number of Holdings - Short	190
Largest Long Position Size	3.58%
Largest Short Position Size	(1.93%)

The fund's composition and allocations are subject to change and exclude ETFs for cash management purposes.

## FEES AND MINIMUMS

	Investment Minimum <sup>2</sup>	Additional Investment Minimum	Redemption Fee (within 30 days)	Gross Expense Ratio <sup>3</sup>	Net Expense Ratio <sup>4</sup>	Expense Limitation <sup>*</sup>
GINDX (I Share)	\$250,000	\$5,000	1.00%	3.47%	3.38%	1.15%

\*The Adviser has contractually agreed to waive its management fee and/or reimburse expenses to the extent necessary to maintain the total annual fund operating expenses at the stated level until January 31, 2019. The expense limitation is exclusive of certain expenses such as expenses related to short and borrowing costs and extraordinary expenses. See the Prospectus for additional details.

## PORTFOLIO MANAGERS

### Joel Greenblatt

Managing Principal & Co-Chief Investment Officer

Mr. Greenblatt serves as Managing Principal and Co-Chief Investment Officer of Gotham Asset Management, the successor to Gotham Capital, an investment firm he founded in 1985. Since 1996, he has been a professor on the adjunct faculty of Columbia Business School where he teaches "Value and Special Situation Investing." Mr. Greenblatt is a director of Pzena Investment Management, Inc., a global investment management firm. He formerly served on the Investment Boards of the University of Pennsylvania and the UJA Federation. Mr. Greenblatt is the author of You Can Be A Stock Market Genius (Simon & Schuster, 1997), The Little Book that Beats the Market (Wiley, 2005), The Little Book that Still Beats the Market (Wiley, 2010), and The Big Secret for the Small Investor (Random House, 2011). He is the Former Chairman of the Board (1994-1995) of Alliant Techsystems, a NYSE-listed aerospace and defense contractor. He holds a BS (1979), summa cum laude, and an MBA (1980) from the Wharton School of the University of Pennsylvania.

### Robert Goldstein

Managing Principal & Co-Chief Investment Officer

Mr. Goldstein serves as Managing Principal and Co-Chief Investment Officer of Gotham Asset Management, the successor to Gotham Capital, which he joined in 1989. Mr. Goldstein also founded and served as Managing Partner (1989-1997) of Metropolis Partners, a value and special situation investment partnership managing capital on behalf of institutions and wealthy individuals before returning capital to outside investors at the end of 1997. Mr. Goldstein currently serves on the Board of Trustees of the Museum of the City of New York. He holds a BA (1988), magna cum laude, from Tufts University.

## IMPORTANT INFORMATION

<sup>1</sup> Inception Date: March 31, 2015.

<sup>2</sup> Investment minimums are waived to fee-based advisors and certain other investors.

<sup>3</sup> Includes dividend and interest expense on short sales of 2.23%, but does not reflect dividends earned by the fund on its long positions of 4.13%

<sup>4</sup> After waivers and reimbursements by the Advisor of 0.09% under expense limitation agreement.

**Alpha:** A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. Alpha is an annualized figure that is calculated using historical monthly returns. **Beta:** Beta is a measure of a portfolio's sensitivity to market movements. It is a risk measure based on a comparison of the volatility of the portfolio's monthly returns and the index's monthly returns. The S&P 500 Total Return has been used as the index. **Standard Deviation:** The statistical measurement of dispersion about an average, which depicts how widely the fund's monthly returns have varied over the specified time period. Standard deviation is an annualized figure that is calculated using historical monthly returns. **Sharpe Ratio:** A measure of risk-adjusted performance. The Sharpe Ratio is an annualized figure calculated by dividing the average monthly excess returns of the portfolio (relative to the risk-free rate) by the monthly standard deviation of the portfolio's excess returns (relative to the risk-free rate). **Sortino Ratio:** The Sortino Ratio is an annualized figure calculated by dividing the average monthly excess returns of the portfolio (relative to the risk-free rate) by the monthly downside standard deviation of the portfolio's excess returns (relative to the risk-free rate).

As noted above, the Portfolio Statistics calculations are based on monthly returns.

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