

# Zacks GARP Composite 35 Trust

Series 21

## A 15 Month Unit Investment Trust

### Investment Objective

The trust seeks to provide investors with the possibility of above-average total return (a total return that exceeds that of the S&P 500 Index over the life of the trust). Total return may include capital appreciation and dividend income. There is no guarantee that the investment objective of the trust will be achieved.

### Investment Strategy

The trust seeks to achieve its objective through investment in common stock of foreign and/or domestic companies. The portfolio was selected by Zacks Investment Management, Inc. the "portfolio consultant". The portfolio consultant used a quantitative selection process to determine the components of the portfolio. The portfolio consultant sought to select common stocks that it believes have high projected earnings growth, strong returns, and reasonable valuation characteristics. The portfolio consultant combined these factors into a growth-at-a-reasonable-price ("GARP") composite to select stocks for the portfolio.

Initial Universe:

- Rank all common stocks on the New York Stock Exchange or the NASDAQ Stock Market by market capitalization in descending order;
- Rank the stocks by liquidity (defined as the stock's market price multiplied by the stock's most-recent three-month average daily trading volume) in descending order;
- Then, combine both rankings and eliminate any stock not ranked among the top 2,000.
- Eliminate stocks with negative earnings per share;
- Eliminate stocks with negative year over year earnings per share growth.

The trust's portfolio is compiled using the following factors:

- First, rank the remaining stocks by "PEG" ratio (defined as the stock's market price-to-earnings ratio divided by the stock's 12-month earnings per share growth rate of the last 5 years) in descending order;
- Next, rank the stocks by "share buyback" (defined as the number of shares outstanding one year prior to the Security Selection Date divided by the current number of shares outstanding) in descending order;
- Then, rank the stocks by "CFO-to-price" ratio (defined as the issuing company's trailing 12-month cash flow from operations divided by the stock's market price) in descending order;
- Then, rank the stocks by "earnings surprise" (defined as the issuing company's actual earnings per share from the last completed fiscal quarter minus the issuing company's mean earnings per share consensus estimate for the completed fiscal quarter reported by industry analysts, divided by the issuing company's actual earnings per share from the last completed fiscal quarter) in descending order;
- Then, create a composite score for each stock by applying each ranking equally;



- Then, rank the stocks by composite score in ascending order; and
- Select the 35 stocks with the best resulting ranking (i.e. the stocks with the lowest composite scores). The selected stocks are then weighed approximately equally to create the portfolio.

### Description of Portfolio

INCEPTION DATE:	April 18, 2019
TERMINATION DATE:	July 21, 2020
INITIAL OFFER PRICE	\$10.00
MINIMUM INVESTMENT	100 units (may vary by selling firm)
NUMBER OF ISSUES:	35
DISTRIBUTIONS: <sup>1</sup>	MONTHLY (if any)
HISTORICAL 12-MONTH DISTRIBUTION: <sup>2</sup>	\$0.1263 (per unit)
CUSIP (CASH):	83203J 109
CUSIP (REINVESTMENT):	83203J 117
FEE-BASED CUSIP (CASH):	83203J 125
FEE-BASED CUSIP (REINVESTMENT):	83203J 133
TICKER:	SMGPX

<sup>1</sup>Distributions, if any, will be made commencing on May 25, 2019.

<sup>2</sup>The Historical 12-Month Distribution of Trust Holdings is calculated by taking the weighted average of the regular income distributions paid by the securities included in the trust's portfolio over the 12 months preceding the trust's date of deposit reduced to account for the effects of trust fees and expenses. This historical distribution is for illustrative purposes only and is not indicative of amounts that will actually be distributed by the trust. The distributions paid by the trust may be higher or lower than the amount shown above due to factors including, but not limited to, changes in the price of trust units, changes (including reductions) in distributions paid by issuers, changes in actual trust expenses and sales of securities in the portfolio. There is no guarantee that the issuers of the securities included in the trust will pay any distributions in the future.

**Investors should consider the trust's investment objective, risks, charges and expenses carefully before investing. The prospectus contains this and other information relevant to an investment in the trust. Please read the prospectus carefully before you invest. If a prospectus did not accompany this literature, please contact SmartTrust at (888) 505-2872 to obtain a free prospectus.**

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## Sales Charges<sup>3</sup> (based on a \$10 public offering price)

### Standard Accounts

Transactional Sales Charge:	Initial	0.00%
	Deferred	1.35%
Creation & Development Fee <sup>3</sup> :		0.50%
Maximum Sales Charge:		1.85%

The initial sales charge is paid at the time of purchase and is the difference between the total sales charge (maximum of 1.85% of the public offering price) and the sum of the remaining deferred sales charge and the total creation and development fee. When the public offering price per unit is less than or equal to \$10, you will not pay an initial sales fee. When the public offering price per unit is greater than \$10 per unit, you will pay an initial sales fee.

The deferred sales charge is a charge of \$0.135 per unit and will be deducted in three monthly installments commencing on July 20, 2019. The initial and deferred sales fees do not apply to fee-based accounts. Please see the prospectus for sales charge details.

### Fee/Wrap Accounts

Creation & Development Fee <sup>4</sup> :	0.50%
Maximum Sales Charge:	0.50%

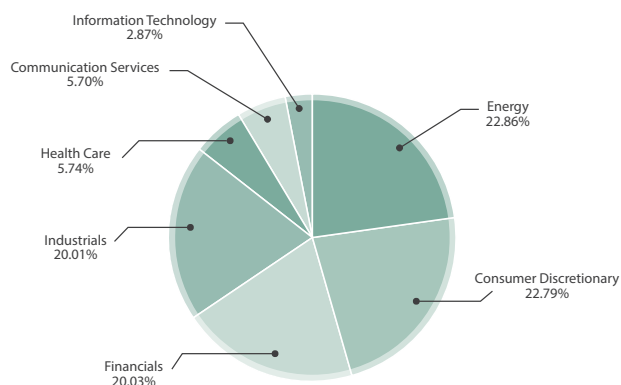
<sup>3</sup>Percentages are based on a \$10.00 per unit offering price. For unit prices other than \$10.00, percentages of initial sales charge, creation and development fee, and deferred sales charges will vary. Early redemption will still cause payment of the deferred sales charge. The table above shows the initial offering period sales charges only.

<sup>4</sup>The creation and development fee is a charge of \$.050 per unit collected at the end of the initial offering period. If the price you pay exceeds \$10 per unit, the creation and development fee will be less than 0.50%; if the price you pay is less than \$10 per unit, the creation and development fee will exceed 0.50%. In addition to the sales charges listed, UITs are subject to annual operating expenses and organization costs.

## Portfolio Holdings as of April 18, 2019:

EQUITY SECURITIES – 100.00%			
<b>Communication Services – 5.70%</b>			
AMCX	AMC Networks Inc.	GS	The Goldman Sachs Group, Inc.
		NAVI	Navient Corporation
SBGI	Sinclair Broadcast Group, Inc.	SYF	Synchrony Financial
<b>Consumer Discretionary – 22.79%</b>			
ANF	Abercrombie & Fitch Co.	VOYA	Voya Financial, Inc.
		WDR	Waddell & Reed Financial, Inc.
DDS	Dillard's, Inc.	<b>Health Care – 5.74%</b>	
EXPE	Expedia, Inc.	HCA	HCA Holdings, Inc.
FL	Foot Locker, Inc.	MNK	Mallinckrodt public limited company
LAD	Lithia Motors, Inc.	<b>Industrials – 20.01%</b>	
SBH	Sally Beauty Holdings, Inc.	ALSN	Allison Transmission Holdings, Inc.
TOL	Toll Brothers, Inc.	CAR	Avis Budget Group, Inc.
TPH	TRI Pointe Group, Inc.	MTOR	Meritor, Inc.
<b>Energy – 22.86%</b>			
APA	Apache Corporation	RUSHA	Rush Enterprises, Inc.
ARCH	Arch Coal, Inc.	LUV	Southwest Airlines Co.
CNX	CNX Resources Corporation	TXT	Textron Inc.
COP	ConocoPhillips	UAL	United Continental Holdings, Inc.
HFC	HollyFrontier Corporation	<b>Information Technology – 2.87%</b>	
MRO	Marathon Oil Corporation	HPE	Hewlett Packard Enterprise Company
PSX	Phillips 66	<b>Financials – 20.03%</b>	
VLO	Valero Energy Corporation	ALLY	Ally Financial Inc.
		CIT	CIT Group Inc.

## Portfolio Allocation as of April 18, 2019:



## Risk Considerations

Unitholders can lose money by investing in this trust. An investment in units of the trust should be made with an understanding of the risks related to the trust, such as the following:

- Security prices will fluctuate. The value of your investment may fall over time.
- The financial condition of an issuer may worsen or its credit ratings may drop, resulting in a reduction in the value of your units. This may occur at any point in time, including during the initial offering period.
- The issuer of a security may be unwilling or unable to make income and/or principal payments in the future. This may reduce the level of distributions the trust pays which could reduce your income and cause the value of your units to fall.
- The trust invests in securities of foreign issuers, which may include companies located in emerging markets. These risks may include market and political factors related to the company's foreign market, international trade conditions, less regulation, smaller or less liquid markets, increased volatility, differing accounting practices and changes in the value of foreign currencies.
- The trust may invest in stocks of small and mid-size companies. These stocks are often more volatile and have lower trading volumes than stocks of larger companies. Small and mid-size companies may have limited products or financial resources, management inexperience and less publicly available information.
- The trust is not actively managed. Except in limited circumstances, the trust will hold, and continue to buy, shares of the same securities even if their market value declines.
- The sponsor may offer successive trusts with similar portfolios thereby allowing the investor to pursue the same strategy over a number of years. Investors should consider their ability to pursue investing in successive trusts, if available. There may be tax consequences associated with investing in the trust and rolling over an investment from one trust to the next.