



ACRUENCE CAPITAL

XVOL

The Acruence Active Hedge
U.S. Equity ETF (XVOL)

Exchange Traded Funds (ETFs) are bought and sold through exchange trading at market price (not NAV), and are not individually redeemed from the fund. Shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns.

Investments involve risk including the possible loss of principal. There is no guarantee the investment objective will be successful.

Options can be volatile and have a large impact on the performance of the Fund. There is a risk of loss of all or part of the cash paid (premium) for purchasing options and the value of the option may be lost if not exercised at or prior to expiration. One of the primary drivers of the value of a VIX Option is movement in the spot value of the VIX Index, which is a measure of implied volatility of S&P 500 options. Therefore, changing market expectations of future volatility will lead to changes in the market value of VIX Options. Because implied volatilities often rise during periods of market stress, the VIX Index is often negatively correlated to equity markets.

The Fund may actively and frequently trade all or a significant portion of the securities in its portfolio which may increase the Fund's expenses and also cause adverse tax consequences.

The Fund is actively-managed and may not meet its investment objective based on the Sub-Adviser's success or failure to implement investment strategies for the Fund.

The fund is classified as non-diversified. Because it is non-diversified, it may hold large positions in a small number of securities. To the extent it maintains such positions, a price change in any one of those securities may have a greater impact on the fund's share price than if it were diversified.

The Fund is a recently organized management investment company with no operating history.

The **S&P 500® Index** is composed of 500 selected common stocks most of which are listed on the New York Stock Exchange. It is not an investment product available for purchase. The Chicago Board Options Exchange ("Cboe") Volatility Index (**The "VIX" Index**) estimates the expected level of volatility in the U.S. stock market, as reflected by the S&P 500, forward-looking over 30 days. It is not possible to invest directly in an Index.

You should consider the fund's investment objectives, risks, and charges and expenses carefully before you invest. The fund's prospectus or summary prospectus, which can be obtained by calling 1.833.653.6400, contains this and other information about the fund, and should be read carefully before investing.

The fund is distributed by Foreside Fund Services, LLC.



Acrucence Capital, LLC provides investment advisory services to individual and institutional clients.

The firm manages client investment portfolios on a discretionary basis and provides outsourced CIO (OCIO) services to other registered investment advisory companies.

Acrucence applies data science techniques to evaluate and optimize investment strategies. Dr. John Elder, a Partner at Acrucence, is the Founder of Elder Research, one of the world's most experienced data science companies.

Acrucence serves as investment sub-adviser to the XVOL ETF.

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We believe that data science can be used to measure the “edge” of an investment strategy.

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Acrucence Active Hedge U.S. Equity ETF

The Acrucence Active Hedge U.S. Equity ETF (XVOL) is an actively-managed exchange-traded fund (ETF) that seeks capital appreciation with reduced volatility as compared to the S&P 500 Index.

The sub-adviser seeks to achieve its objective by investing nearly all of the ETF's assets in a broad-based U.S. large-cap equity portfolio, while seeking to reduce volatility by purchasing options contracts on the Cboe Volatility Index, also known as the VIX.

XVOL lets investors stay invested in the broad U.S. equity markets while simultaneously offering the potential for reduced volatility during large downside moves.



XVOL Approach & Positioning

XVOL's strategy seeks to:

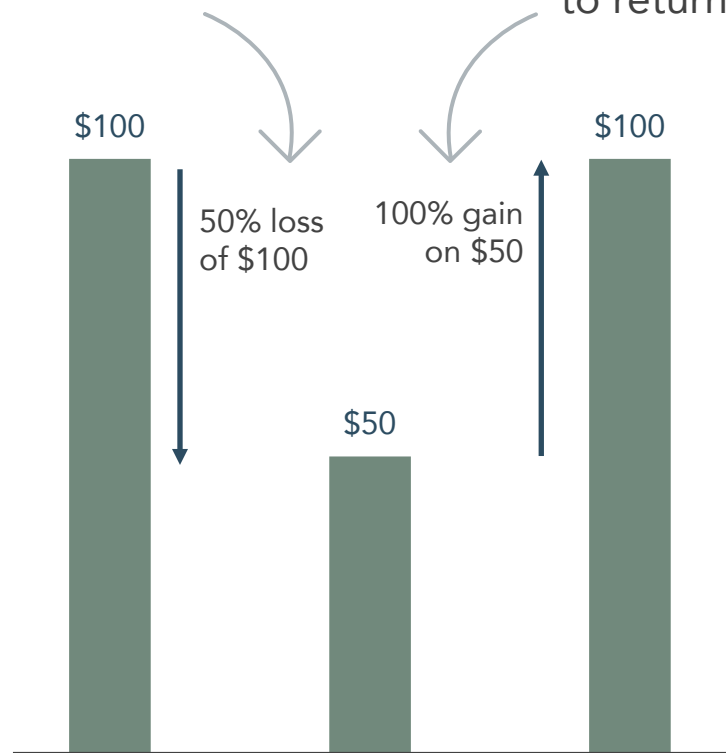
- Reduce volatility in the underlying portfolio
- Profit from large monthly moves in the VIX
- Capture volatility by buying forward VIX options up to five months in advance, predicated on spot VIX levels and the VIX term structure
 - XVOL uses a non-discretionary, algorithmic strategy to determine positions
 - XVOL's option positions are reevaluated monthly based on forward expected volatility in the S&P 500 Index
- Serve as a core equity allocation
- Be a replacement for S&P 500 Index-tracking products, with a goal of providing reduced volatility during times of market stress



The Importance of Hedging

If an investor sustains a 50% loss of capital...

...it takes a 100% return on the remaining capital to return to break even



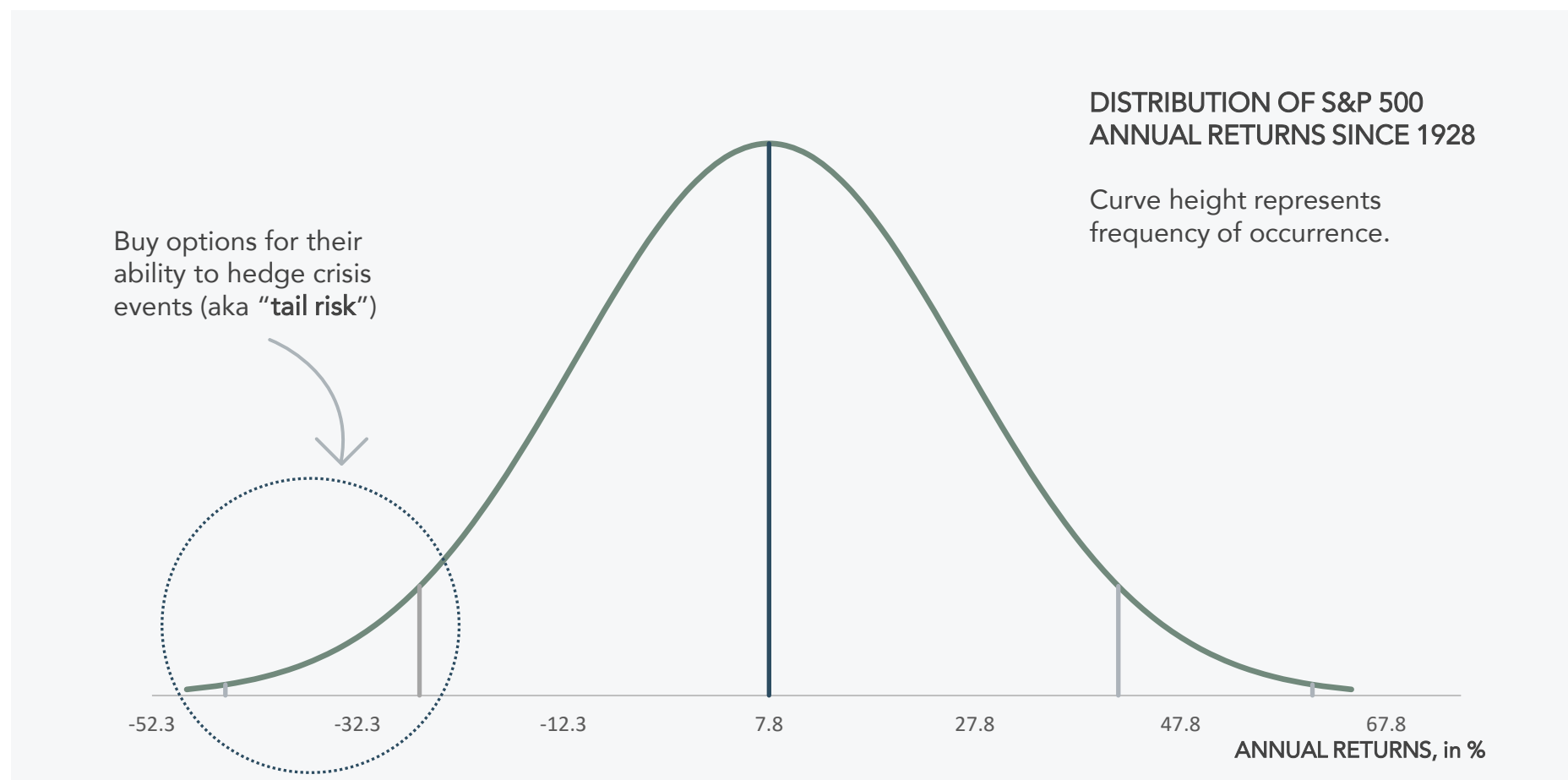
A 30% loss of capital requires a subsequent 43% return to break even.



Hedges must be placed before a market downturn to be most effective.






Our goal: hedge extreme negative events while staying invested. Forfeit some upside return potential due to option cost.



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Historically, the VIX Index — a measure of the stock market's expectation of volatility — has shown a *strong inverse relationship* with the S&P 500® Index.

| S&P 500 INDEX | | VIX INDEX |
|---|--|--|
|  Bull Market | ↑ Bull markets are generally accompanied by an expectation of low volatility. | ↓ An expectation of low volatility . |
|  Bear Market | ↓ Bear markets are generally accompanied by an expectation of mid-level volatility. | ↑ An expectation of mid-level volatility . |
|  Crisis Bear Market | ↓ Crisis bear markets are generally accompanied by an expectation of a spike in volatility. | ↑ An expectation of high volatility . |

Because of this inverse relationship, we believe that broad U.S. large-cap equity portfolios can be hedged using *volatility-driven* instruments.



Hedge Volatility Risk

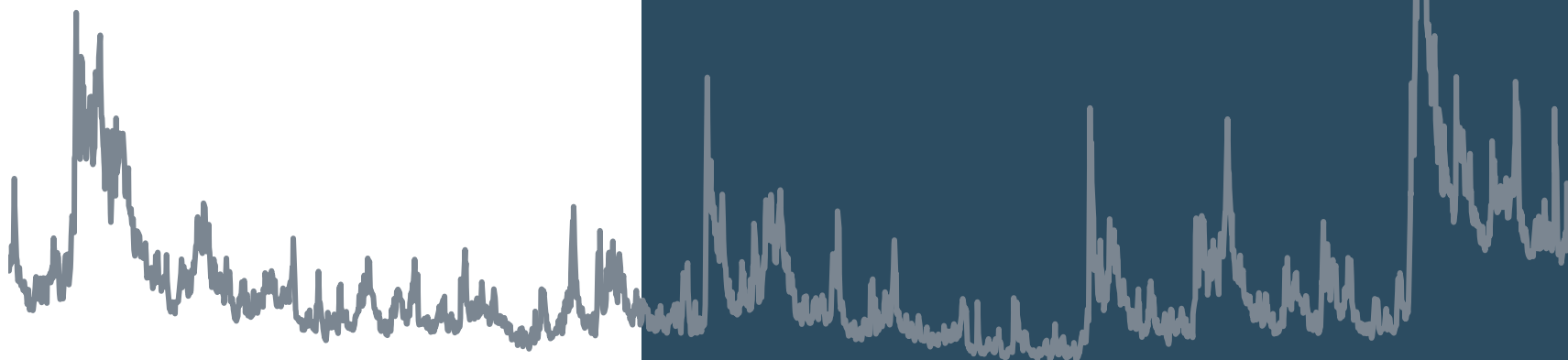
Acrucence seeks hedges that provide reduced volatility during times of market stress. Acrucence believes that hedging against heightened expectations of volatility is a more effective approach than hedging the price level of the S&P 500 Index.

Acrucence seeks to hedge volatility risk rather than price levels

Volatility Hedging Algorithm

Acrucence uses its proprietary, volatility-based algorithm to determine the hedge for XVOL.

The algorithm determines the number of VIX option contracts to purchase, as well as the strike price(s) and expiration date(s) of the options.



Hedging Volatility Risk

Acrucence developed a proprietary algorithm that seeks to manage portfolio risk.

This proprietary algorithm was refined and tested by Elder Research, one of the world's leading Data Science consultancies. John Elder, the founder of Elder Research was intimately involved in assessing Acrucence's algorithm and subsequently became a partner with Acrucence.



What is the VIX Index?

The VIX is an implied volatility index. It is often referred to as the “**fear index**” because it reflects the market’s expectation of forward-looking volatility.

The VIX index represents the market's expectation of 30-day S&P 500 volatility implicit in the prices of near-term S&P options.

What are VIX options?

VIX options are options on the VIX Index.

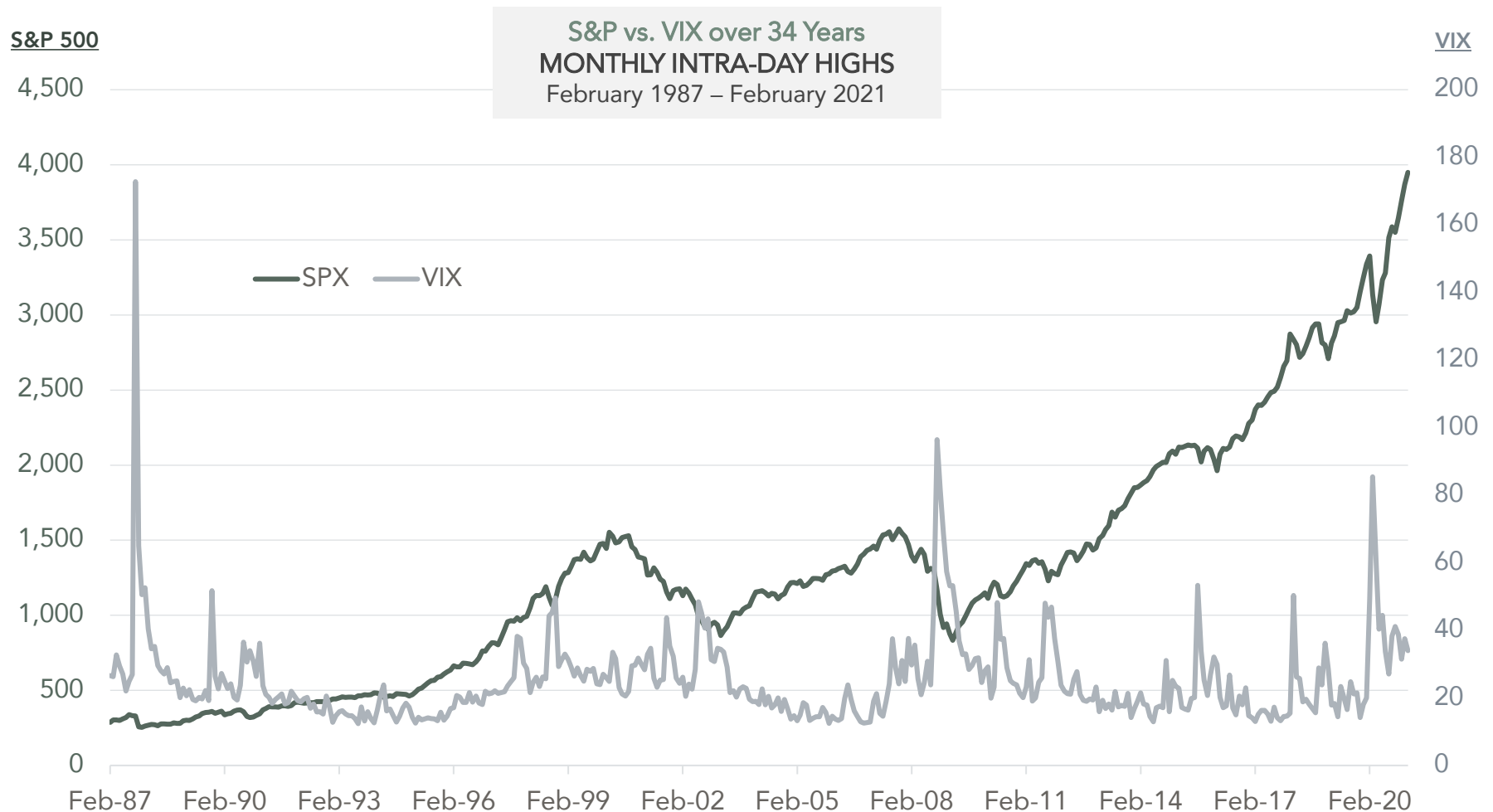
VIX options enable market participants to hedge portfolio volatility risk separate and distinct from market price risk.

VIX options allow traders to take a view on the future direction or movement of volatility.

VIX options are considered European options, meaning that they can only be exercised at expiration.



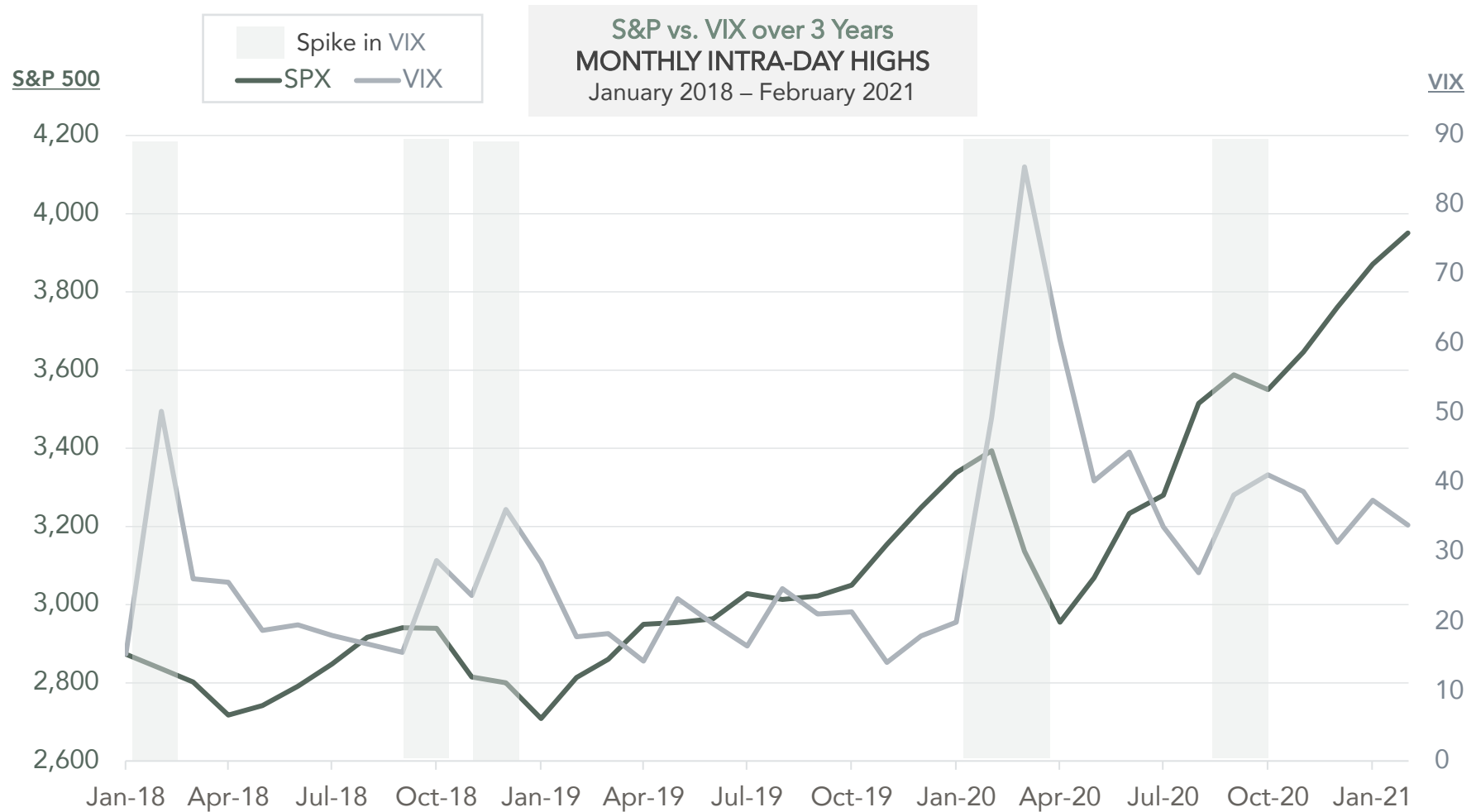
An Historically Inverse Relationship S&P 500 Index versus the VIX Index



Past performance is no guarantee of future results.
Graph data source: Cboe.



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When do VIX Call Options Profit?

A call option on the VIX Index profits from an increase in the expectation of volatility, as reflected in the VIX Index.



For illustrative purposes only. Not representative of the fund or its holdings.

Stay invested in the broader markets while seeking to mitigate severe downside risk.

U.S. Equity
Large-cap
Portfolio

+

VIX Index
Options



XVOL

Bull Markets



Bull markets are generally accompanied by an expectation of low volatility.

Call options on the VIX Index are likely to expire worthless as the level of the VIX Index falls.

Participate in the bull market's upside, reduced by the cost of the options hedge.

Bear Markets



Bear markets are generally accompanied by an expectation of mid-level volatility.

Call options on the VIX Index may or may not expire in the money.

The portfolio faces losses due to the bear market but remains invested. The VIX call options may or may not offset the losses. Potential exists for the options to expire worthless.

Crisis Bear Markets



Crisis bear markets are generally accompanied by an expectation of a spike in volatility.

Call options on the VIX Index are likely to become more valuable if the **level of the VIX Index spikes**.

Profits from the VIX Index call options are used to offset the loss from the crisis bear market. Call option profits are used to buy additional stock at a low price (due to the bear market).

Our goal:
Managing
"tail risk"



1

Broad U.S. Large-Cap Equity Portfolio

EQUITY POSITION

Establish a U.S. large-cap equity portfolio with a broad base of constituents

May use a representative sampling strategy

QUARTERLY

2

Evaluate Option Overlay

ALGORITHM INPUT

- Level of forward expected volatility of S&P 500 Index
- Level of VIX Index
- Price of VIX options



Proprietary
Volatility-based
Algorithm

ALGORITHM OUTPUT

Hedge Amount

Target percentage for the Fund to invest that month in VIX options

VIX Options Specifications

- Calls and/or puts
- Quantity
- Strike price(s) and expiration date(s)

MONTHLY

3

VIX Options Hedge

NEW POSITIONS

Purchase new VIX options positions

EXPIRING VIX OPTIONS POSITIONS

If the options are in the money, exercise the VIX options

MONTHLY

XVOL.

We believe that broad U.S. large-cap equity portfolios can be hedged against a severe downturn in markets by buying VIX call options.

The call options have the potential to gain in value as the expectation of volatility increases, thereby hedging the loss in the equity portfolio. Additional stocks may be purchased at what we interpret to be “bear” price levels.





Rob Emrich, III

Portfolio Manager of XVOL
Founder, Managing Partner, Acrucence

Mr. Emrich is the Managing Partner and Founder of Acrucence Capital, LLC. Mr. Emrich has over 20 years of investment experience. Mr. Emrich began his financial services career in 2000 as a financial advisor with Morgan Stanley. He has since worked in the fields of consulting services and money management, including his work as Vice President with Alliance Bernstein, Manning and Napier and Director with Janus Capital.

In 2010, Mr. Emrich developed an algorithmic commodity trading system and ran a portfolio for four years, trading crude oil, natural gas, interest rate and foreign currency futures. He is currently involved in developing and managing investment strategies, including the use of index options for hedging market risk and volatility.

Mr. Emrich graduated from Towson University in 1997 with a B.S. in Business Administration. In 2007, Mr. Emrich completed the Certified Investment Management Analyst (CIMA) program at the University of Pennsylvania's Wharton School of Business.



Mike Reddington

Portfolio Manager of XVOL
Senior Portfolio Manager, Acrucence

Mr. Reddington is Senior Portfolio Manager of Acrucence Capital, LLC and is Chief Investment Officer of Grove Hill Partners (GHP), LLC, a quantitative investment firm. Mr. Reddington is responsible for all aspects of the quantitative modeling process and maintaining the proprietary analytic platform necessary for GHP's investment strategies. Mr. Reddington is also a Senior Data Scientist with Elder Research.

Prior to launching GHP, Mr. Reddington was a Managing Director at SkyBridge Capital from 2014 to 2016 and also cofounded RFI Investments, LLC, an affiliate of Rafferty Holdings in 2012. Prior to that, Mr. Reddington was President of MVP I, LLC and sub-advisor to MVP II, Ltd, a Cayman based fund from 1994-2003. He was also Managing Partner of Kerry Associates, LLC from 1990-2009 where he was responsible for all areas of quantitative research and portfolio management.

Mr. Reddington earned his Bachelor of Science degree in finance from New York University and his MBA from Long Island University.



Michael Venuto

Portfolio Manager of XVOL

Michael Venuto, Chief Investment Officer of Toroso Investments and Portfolio Manager of the Acrucence Active Hedge U.S. Equity ETF (XVOL). Mr. Venuto is an ETF industry veteran with over a decade of experience in the design and implementation of ETF-based investment strategies. Previously, he was Head of Investments at Global X Funds where he provided portfolio optimization services to institutional clients. Before that, he was Senior Vice President at Horizon Kinetics where his responsibilities included new business development, investment strategy and client and strategic initiatives.



Charles A. Ragauss, CFA

Portfolio Manager of XVOL

Charles A. Ragauss, CFA, is a Portfolio Manager at Toroso Investments and Portfolio Manager of the Acrucence Active Hedge U.S. Equity ETF (XVOL). Through Toroso, Mr. Ragauss also provides support services to CSat Investment Advisory, L.P., doing business as Exponential ETFs ("Exponential"). Mr. Ragauss previously served as Chief Operating Officer and in other roles at Exponential from April 2016 to September 2020. Previously, Mr. Ragauss was Assistant Vice President at Huntington National Bank ("Huntington"), where he was Product Manager for the Huntington Funds and Huntington Strategy Shares ETFs, a combined fund complex of almost \$4 billion in assets under management. At Huntington, he led ETF development bringing to market some of the first actively managed ETFs. Mr. Ragauss joined Huntington in 2010.

Mr. Ragauss attended Grand Valley State University where he received his Bachelor of Business Administration in Finance and International Business, as well as a minor in French. He is a member of both the National and West Michigan CFA societies and holds the CFA designation.



Thank You

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