

# MarketDesk Quantitative ETFs

## Quarterly Letters

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### 4Q 2025 Market Recap

Market conditions were more complex in Q4 compared to earlier in the year. The stock market started the quarter near record highs after a strong recovery from April's tariff volatility. While major equity indices continued to trade higher and set new highs, market leadership shifted away from the highly concentrated leadership that characterized the first three quarters of 2025. Increased scrutiny of AI capital expenditures weighed on certain mega-cap tech stocks, while multiple Fed rate cuts encouraged rotation toward areas benefiting from lower interest rates and a soft-landing narrative.

The quarter was defined by two distinct volatility episodes, with the VIX Index rising to the highest level since April. The first occurred in early October, when the VIX spiked from the mid-teens to nearly 25 amid renewed U.S.–China trade tensions, an economic data blackout tied to the government shutdown, and increased credit concerns resulting from auto-sector bankruptcies and regional bank stress. A second bout of volatility followed in mid-November, triggered by the Federal Reserve pushing back against the need for a December rate cut and weakness in the technology sector tied to worries about expensive AI valuations. In both cases, the volatility proved macro-driven and temporary, and the market rebounded as risk sentiment improved.

The stock market stabilized in December as the Fed cut rates and the flow of economic data resumed after the government shutdown. While broad market indices ended the year near all-time highs, the quarter exposed the market's narrow leadership and the fragility of key market narratives.

### Note from Our Founders

The MarketDesk investment philosophy is grounded in two core beliefs. First, we believe in systematic, rules-based strategies that remove emotion from investment decisions and apply a consistent framework across all types of market environments. Second, we believe that long-term outperformance requires focused portfolios with high active share.

Each of our funds reflects these core philosophies. Our team designed both quantitative strategies to address what we see as limitations in traditional factor strategies. FMTM employs a shorter lookback signal to keep the fund's exposure fresh and to continually seek areas of emerging momentum. FDIV focuses on identifying companies with a high dividend yield and a high potential for capital appreciation.

Investing is often a hard and humbling endeavor. We approach markets through a rules-based, probabilistic lens that is grounded in research. Our focus isn't on being right all the time, but on being consistent over time. There will inevitably be periods when the models are out of sync with prevailing market trends. Sometimes the quantitative algorithm will be early, and at other times it will be wrong. That's not a flaw but a natural part of any systematic approach that seeks to do something different. By applying a repeatable and disciplined framework, we believe the mathematical advantages embedded in each strategy will work in their favor over a full market cycle.

Thank you for the trust you place in us and the opportunity to steward your capital through a wide range of market environments. If you would like to learn more about the strategies or discuss how they may fit within a broader portfolio, we invite you to reach out to our team.

# FMTM

## MarketDesk Focused U.S. Momentum ETF

### Quarterly Letter

#### Strategy Overview

A quantitative momentum strategy designed to balance offense and defense. The strategy's data-driven methodology uses price data from the last six months and advanced mathematics to identify companies with the highest relative momentum, even during market drawdowns. FMTM's repeatable framework aims to provide equal-weight exposure to 30-50 companies with stable and consistent momentum.

#### ETF Details

<b>Expense Ratio</b>	0.45%
<b>Fund Type</b>	Quantitative Equity
<b>Style Category</b>	Large Cap Core
<b>Rebalanced</b>	Monthly
<b>Reconstitution</b>	Monthly
<b>Distribution Frequency</b>	Annually
<b>30-Day SEC Yield</b>	0.14%

#### Portfolio Details

<b>Universe</b>	U.S. Stocks \$1B+
<b>Sectors</b>	No Constraints
<b>Strategy</b>	Short-Term Momentum
<b># of Holdings</b>	30 to 50
<b>Position Weights</b>	Equal Weight

#### Fund Performance

As of December 31, 2025

	3 Months	6 Months	1 Year	3 Years	5 Year	10 Year	Inception
Market Price	7.69%	20.84%	-	-	-	-	27.70%
Net Asset Value	7.68%	20.45%	-	-	-	-	27.62%

Returns are average annualized total returns, except those for periods of less than one year, which are cumulative.

The performance data quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance quoted. Market price returns are based upon the closing composite market price and do not represent the returns you would receive if you traded shares at other times.

Current 30-Day Yields represent the average annualized income dividend over the last 30 days excluding gains and losses as defined by the SEC. Current 30-Day Yield is the Current 30-Day Subsidized SEC Yield and reflects reimbursements or waivers of fees currently in effect. Current 30-Day Yield-Unsub is the Current 30-Day Unsubsidized SEC Yield and does not reflect reimbursements or waivers of fees currently in effect.

## Executive Summary

- FMTM gained +7.7% in 4Q25, benefiting from persistent momentum in secular growth themes despite narrowing leadership and sector rotation
- Performance was driven by AI infrastructure, optical networking, industrial capex, and CRO health care, offset by weak capital markets stocks
- The strategy held 63 different positions throughout the quarter, remained offensively positioned, and mitigated drawdowns during brief rotations

## Performance Recap

During 4Q 2025, FMTM delivered a total return of +7.7%, compared with -2.1% for MSCI Momentum<sup>1</sup>. Over the second half of 2025, FMTM returned +20.8%, versus +4.7% for MSCI Momentum. The fund's performance during the quarter was driven by a combination of continued momentum in the AI infrastructure theme and active rotation as market conditions evolved. The sections below discuss the fund's positioning, rotation, and key portfolio drivers during the quarter.

## Portfolio Positioning

Against the choppy, rotational market backdrop in Q4, FMTM's quantitative momentum framework and shorter lookback signal remained active and nimble. The fund's monthly turnover averaged 57% during the quarter compared to the historical average of 75%. The decrease in turnover reflects the fact that several core trends remained intact during the quarter, even as the broader market experienced multiple periods of volatility and weakness in mega-cap technology stocks.

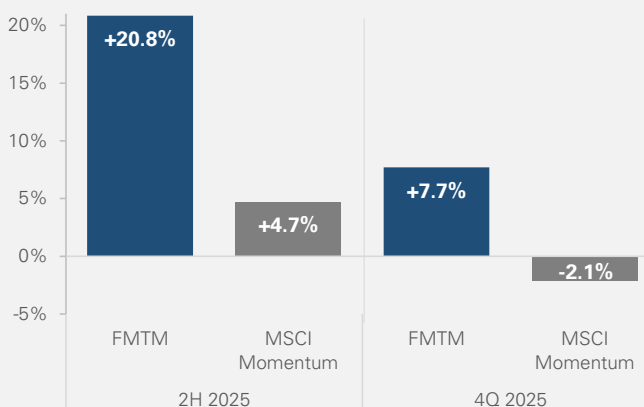
The fund's largest thematic exposure during the quarter was AI and Data Infrastructure, which averaged 37% of the portfolio (Figure 3). Consistent with recent months, the model emphasized diversification across the AI value chain rather than concentrating exposure in a narrow group of mega-cap stocks. Holdings spanned semiconductor equipment, memory and storage, optical networking, power, and data center infrastructure. This balanced approach allowed the portfolio to remain positioned for continued AI investment while reducing reliance on any single segment or narrative.

As market volatility increased, the model also selectively rotated into areas outside of core technology where momentum signals strengthened. Exposure expanded across Health Care and Biopharma, Industrials and Aerospace/Defense, and select Consumer and Retail names. The Health care and Biopharma theme increased in weight as the quarter progressed, averaging 22% monthly. Positions included health care services providers, pharmaceutical companies, and firms supporting the pharmaceutical industry. The Industrials and Aerospace/Defense theme held steady across the quarter, with an average monthly weight of 18%. The model identified industrial equipment manufacturers tied to data center power generation alongside companies benefiting from increased defense spending, including both traditional contractors and critical materials providers. The Consumer Retail theme weight averaged 9% during the quarter, with the model identifying retailers executing turnaround strategies and returning to profitability after the pandemic.

The model also demonstrated exit discipline in areas where trends weakened or broke down. The fund started the quarter with 23% exposure to the financial services sector, including alternative asset managers such as Blackstone, Carlyle Group, and Jefferies. The alternative asset management industry screened favorably heading into Q4, supported by strong private markets fundraising, robust fee growth, and expectations for increased dealmaking as the Federal Reserve cut interest rates.

However, the narrative around alternative asset managers turned negative in October when auto-sector bankruptcies and fraud-related loan losses at regional banks led to concerns about private credit risk. News headlines

Figure 1: Strategy Performance (Total Returns)



Source: MarketDesk

Figure 2: Top & Bottom 10 Holdings this Quarter (Total Returns)

<b>+61%</b> Ciena (CIEN)	<b>-8%</b> Doximity (DOCS)
<b>+47%</b> Coherent (COHR)	<b>-10%</b> Robinhood Markets (HOOD)
<b>+44%</b> Western Digital (WDC)	<b>-11%</b> Evercore (EVR)
<b>+42%</b> Insmid (INSM)	<b>-14%</b> Vertiv Holdings (VRT)
<b>+28%</b> Lam Research (LRCX)	<b>-15%</b> Blackstone (BX)
<b>+26%</b> Wayfair (W)	<b>-15%</b> Cognex (CGNX)
<b>+25%</b> Newmont Corp (NEM)	<b>-17%</b> Carlyle Group (CG)
<b>+22%</b> Micron Technology (MU)	<b>-17%</b> Advanced Micro (AMD)
<b>+21%</b> Cummins (CMI)	<b>-19%</b> Pure Storage (PSTG)
<b>+20%</b> Caterpillar (CAT)	<b>-19%</b> Jefferies Financial (JEF)

Source: MarketDesk

Data as of 12/31/2025.

<sup>1</sup> MSCI Momentum Index represented by the iShares MSCI USA Momentum Factor ETF (MTUM). References to third-party funds are for informational purposes only and should not be considered investment advice or a recommendation of any particular security, strategy, or investment product.

weighed on industry sentiment and triggered a sell-off. In response to the deterioration in price trends, the model exited all three positions at month-end.

Overall, portfolio activity during the quarter reflected a more dynamic regime. The fund's shorter lookback signal allowed it to remain engaged in the AI infrastructure trade while seeking out areas with emerging momentum.

## Key Portfolio Drivers

This section provides detail on the primary contributors and detractors to performance during the quarter. Individual security returns reflect the periods during which positions were held and may differ from full-quarter returns.

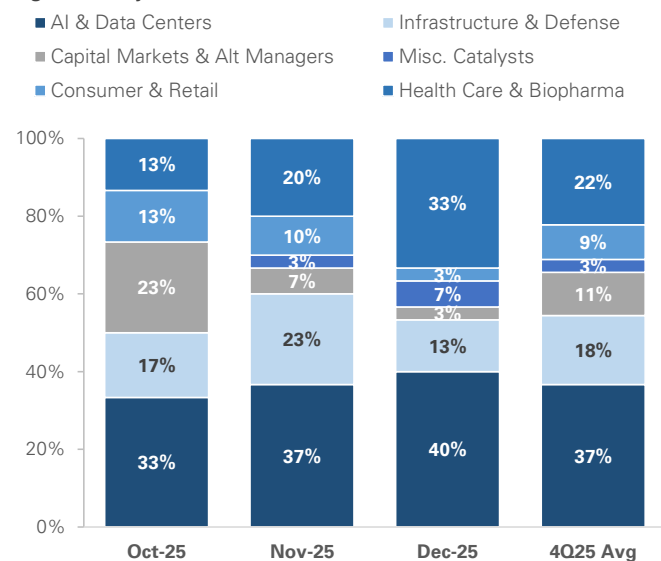
**AI Expansion Drives Tech Gains:** Technology was the top-performing sector, driven by increased AI adoption and continued cloud infrastructure investment. Alphabet (+17%) delivered its first \$100+ billion revenue quarter as development of AI projects and applications led to a 34% year-over-year increase in Google Cloud sales. Hardware and semiconductor names benefited from AI infrastructure demand. Coherent (+47%) traded higher on new data center cooling solutions and analyst upgrades, while Western Digital (+44%) and Micron (+22%) rallied as memory pricing surged amid tightening supply and rising AI storage needs. Arista Networks (+8%) extended gains as hyperscalers expanded high-speed networking capacity. In contrast, Doximity (-8%) declined as investors rotated away from software companies lacking direct AI exposure.

**Optical Networking Surge:** Ciena (+61%) was the top-performing holding, as AI data center construction led to increased demand for optical networking equipment. Ciena's advanced optical and switching solutions saw strong order momentum, as hyperscalers accelerated investments in data center connectivity. Management highlighted robust cloud demand and an expanding R&D pipeline, reinforcing investor confidence that Ciena remains a critical enabler of AI-driven network traffic growth.

**Industrials Show Strength Despite Tariffs:** Industrial holdings posted low double-digit gains, supported by resilient infrastructure, energy, and capital spending demand. Caterpillar (+20%) advanced on strong equipment sales, including a 33% increase in power generation engines driven by AI data center construction, while Cummins (+21%) benefited from healthy engine and machinery backlogs. Lam Research (+28%) outperformed as semiconductor manufacturers increased capex for AI-related logic and memory, and C.H. Robinson (+15%) rose alongside stabilizing freight volumes and improved supply-chain conditions.

**CRO Strength Lifts Health Care:** Health care holdings posted solid gains, driven by strength in biotech and clinical research services. Insmed (+42%) surged after reporting positive Phase 2 data for its inhaled therapy in pulmonary arterial hypertension, reinforcing confidence in its pipeline. Medpace (+8%) advanced as demand for contract research remained robust, supported by strong revenue growth, rising backlog, and continued outsourcing of R&D by pharmaceutical and biotech clients. In contrast, large-cap pharma lagged, with AbbVie (-1%) flat as investors digested its post-Humira transition. Overall, exposure to clinical catalysts and CRO services drove health care outperformance during the quarter.

**Figure 3: Major Portfolio Themes This Quarter**



Source: MarketDesk

**Capital Markets Weigh on Financials:** Financials underperformed as credit concerns, higher interest rates, and a muted deal environment pressured capital markets activity. Jefferies (-19%), Evercore (-11%), and Blackstone (-15%) lagged amid weak IPO and M&A activity, with financing costs pressuring advisory revenues and private market valuations. In contrast, SoFi Technologies (+8%) outperformed following record quarterly results and GAAP profitability, driven by strong growth in both lending and fee-based businesses. Overall, financials detracted from performance, reflecting continued headwinds for traditional capital markets firms, partially offset by select idiosyncratic growth stories.

**Few Bright Spots in Consumer Discretionary:** Consumer Discretionary holdings posted modest gains of roughly 2%, as cautious consumer spending weighed on the sector despite select outperformers. Wayfair (+26%) was a key contributor, rallying after delivering strong earnings, margin improvement, and evidence that its turnaround and cost discipline are gaining traction, supported by improved customer engagement and AI-driven enhancements. Traditional retailers saw mixed results, with Macy's (+11%) and Dillard's (+9%) posting limited gains, while luxury and apparel lagged amid softer high-end demand, including Tapestry (-6%). Overall, stock-specific execution drove performance in an otherwise challenging environment as inflation and tariffs continued to pressure discretionary spending.

## Outlook

As the market enters 1Q 2026, FMTM's systematic, rules-based process remains focused on identifying emerging leadership and adjusting portfolio exposures as market conditions evolve. Rather than attempting to forecast outcomes, the strategy is designed to respond to market trends as they develop. While risks remain ranging from policy uncertainty to shifts in economic momentum the quantitative strategy will remain disciplined and focused on identifying companies with the highest relative momentum, regardless of the broader market's direction.

# FDIV

## MarketDesk Focused U.S. Dividend ETF

### Quarterly Letter

#### Strategy Overview

FDIV is a quantitative dividend strategy focused on systematically generating above-average income without sacrificing upside potential. FDIV's repeatable framework aims to identify 60 to 80 companies that offer (1) a higher dividend yield and (2) a higher potential for capital appreciation.

#### ETF Details

<b>Expense Ratio</b>	0.35%
<b>Fund Type</b>	Quantitative Equity
<b>Style Category</b>	Large Cap Core
<b>Rebalanced</b>	Monthly
<b>Reconstitution</b>	Monthly
<b>Distribution Frequency</b>	Quarterly
<b>30-Day SEC Yield</b>	2.36%

#### Portfolio Details

<b>Universe</b>	U.S. Stocks \$1B+
<b>Sectors</b>	Max 35%
<b>Strategy</b>	Excluded
<b># of Holdings</b>	60 to 80
<b>Position Weights</b>	1-2% at Rebalance

#### Fund Performance

As of December 31, 2025

	3 Months	6 Months	1 Year	3 Years	5 Year	10 Year	Inception
Market Price	1.59%	5.51%	2.93%	-	-	-	15.66%
Net Asset Value	1.54%	5.59%	2.93%	-	-	-	15.63%

Returns are average annualized total returns, except those for periods of less than one year, which are cumulative.

The performance data quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance quoted. Market price returns are based upon the closing composite market price and do not represent the returns you would receive if you traded shares at other times.

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## Executive Summary

- FDIV gained +1.6% in 4Q25, benefiting from improving market breadth and relative value opportunities created by market volatility
- Performance was driven by factor exposure early in the quarter followed by stock selection later in the quarter
- The strategy held 118 different positions throughout the quarter, remained cyclically positioned, and actively rotated following periods of volatility

## Performance Recap

During 4Q 2025, FDIV delivered a total return of +1.6%, compared with +0.1% for S&P Dividend<sup>2</sup>. Over the second half of 2025, FDIV returned +5.5%, versus +3.9% for S&P Dividend. The sections below discuss the fund's positioning, rotation, and key portfolio drivers during the quarter.

## Portfolio Positioning

### October: Diversified Exposure to Start the Quarter

The fund started the fourth quarter with diversified exposure. Six sectors held weights above 10%, distributed across cyclical and defensive sectors. Financials, Industrials, and Consumer Discretionary each carried weights near 15% and accounted for approximately 45% of the portfolio. Meanwhile, Consumer Staples, Health Care, and Utilities accounted for about one-third of the fund's weight. The diversified exposure reflected a stock market trading near all-time highs at the start of October, with the model focused on identifying relative value opportunities across the market.

### November: Volatility Creates Opportunities in Financials & Energy

October's market volatility created an opportunity for the model to reposition at the start of November. In response to the pullback, the model's late-October rebalance reduced defensive exposure by roughly 10% and reallocated capital toward cyclical sectors that sold off during the month and were better positioned to rebound. Financials saw the largest increase, with its weight rising to nearly 22% after selling off in October. Energy saw the second largest increase, with the fund's exposure rising by about 5% after MLP companies sold off in October.

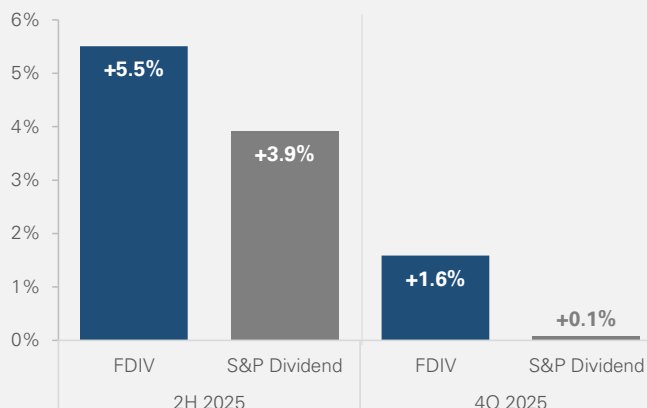
As part of the late-October rebalance, the model reduced exposure to Health Care and Consumer Staples by around 5% each, reducing defensive sectors to take advantage of more attractive opportunities. It reduced Technology exposure after the sector outperformed in October and increased exposure to Consumer Discretionary as it identified higher-quality companies that had underperformed. Overall, the late-October rebalance followed a clear pattern: the model captured gains, added to or bought areas that underperformed, and used October's volatility to improve the portfolio's quality.

### December: Capture Gains & Rotate to Industrials; Maintain Financials

During the late-November rebalance, the model again responded to shifting trends created by market volatility. It reduced Health Care exposure for a second consecutive month following the sector's outperformance in October and November, and it further reduced Staples exposure. The fund's defensive exposure fell to roughly 17%, about half the level at the start of the quarter, as the model continued to take advantage of market volatility. The model reduced its Energy exposure as MLP stocks rebounded and increased its cyclical exposure for a second consecutive month, with Industrial and Consumer Discretionary each increasing by over 5%. At the start of December, Financials, Industrials, and Consumer Discretionary each carried roughly 20% weights, accounting for over 60% of the fund's exposure.

The model ended the quarter by capturing gains and taking advantage of new opportunities. It cut Financials exposure by half to about 10% after the sector's recovery in November and December and trimmed Consumer Discretionary

Figure 4: Strategy Performance (Total Returns)



Source: MarketDesk

Figure 5: Top & Bottom 10 Holdings this Quarter (Total Returns)

+20% Science Applications (SAIC)	-10% Clorox (CLX)
+16% Genpact (G)	-11% Paychex (PAYX)
+15% United Parcel (UPS)	-11% Dolby Labs (DLB)
+15% Medtronic (MDT)	-12% Automatic Data (ADP)
+15% MarketAxess (MKT)	-13% Mondelez (MDLZ)
+14% Toro (TTC)	-14% Pool (POOL)
+12% Capital One (COF)	-18% Fastenal (FAST)
+12% OneMain (OMF)	-18% Kimberly-Clark (KMB)
+11% Yum! Brands (YUM)	-18% Graphic Packaging (GPK)
+11% Bristol-Myers (BMY)	-21% Bath & Body (BBWI)

Source: MarketDesk

Data as of 12/31/2025.

<sup>2</sup> S&P Dividend Index represented by the State Street SPDR S&P Dividend ETF (SDY). References to third-party funds are for informational purposes only and should not be considered investment advice or a recommendation of any particular security, strategy, or investment product.

and Industrials following their December outperformance. The proceeds were reallocated to areas that underperformed late in the quarter, with Health Care and Utilities each increasing by around 6%.

Throughout the quarter, the model maintained its disciplined approach. It consistently reduced or trimmed exposure to sectors after periods of outperformance and rotated toward areas where underperformance created new opportunities.

## Key Portfolio Drivers

The fund's equity-weight methodology, smaller average market cap, and value-oriented investment approach impacted Q4 performance. In October, mega-cap stocks, particularly tech and AI-related names, drove the market's performance after the companies reported strong earnings results and continued AI-driven growth. Stocks with growth-style characteristics, particularly mega-cap tech and AI, outperformed, while smaller companies with value-style characteristics underperformed. The fund benefited from areas of strength like Health Care, but its value-oriented approach and equal-weight methodology made it significantly underweight the tech sector and AI stocks, causing it to lag market-cap-weighted and growth indices.

In November, the fund's portfolio factor exposure flipped from a headwind to a tailwind. After outperforming in October, mega-cap tech, AI-linked names, and the broader growth factor underperformed in November amid concerns about expensive AI valuations. While those companies' large weights pressured the index, stocks outside the mega-cap universe further down within index and value-oriented traits outperformed as market breadth improved.

November's performance also benefited from the model's late-October rebalance, which added exposure to areas that underperformed during October's market volatility. The fund's Financial sector weight increased to 22%, with holdings returning an average of +2.9%. The fund's Energy weight increased from about 1% to 6% after it identified and purchased MLP stocks, with the group returning +4.9% on average. These gains were partially offset by weaker results in Consumer Discretionary, where several retailers issued disappointing guidance after the model purchased them following the October sell-off.

In December, the fund's factor exposure was less of a performance driver after impacting returns in October and November. There was limited dispersion across factors market-wide in December, with pairs like growth vs. value and large vs. small producing similar returns. The calmer backdrop and narrower performance gap allowed the model's data-driven stock selection process to drive performance.

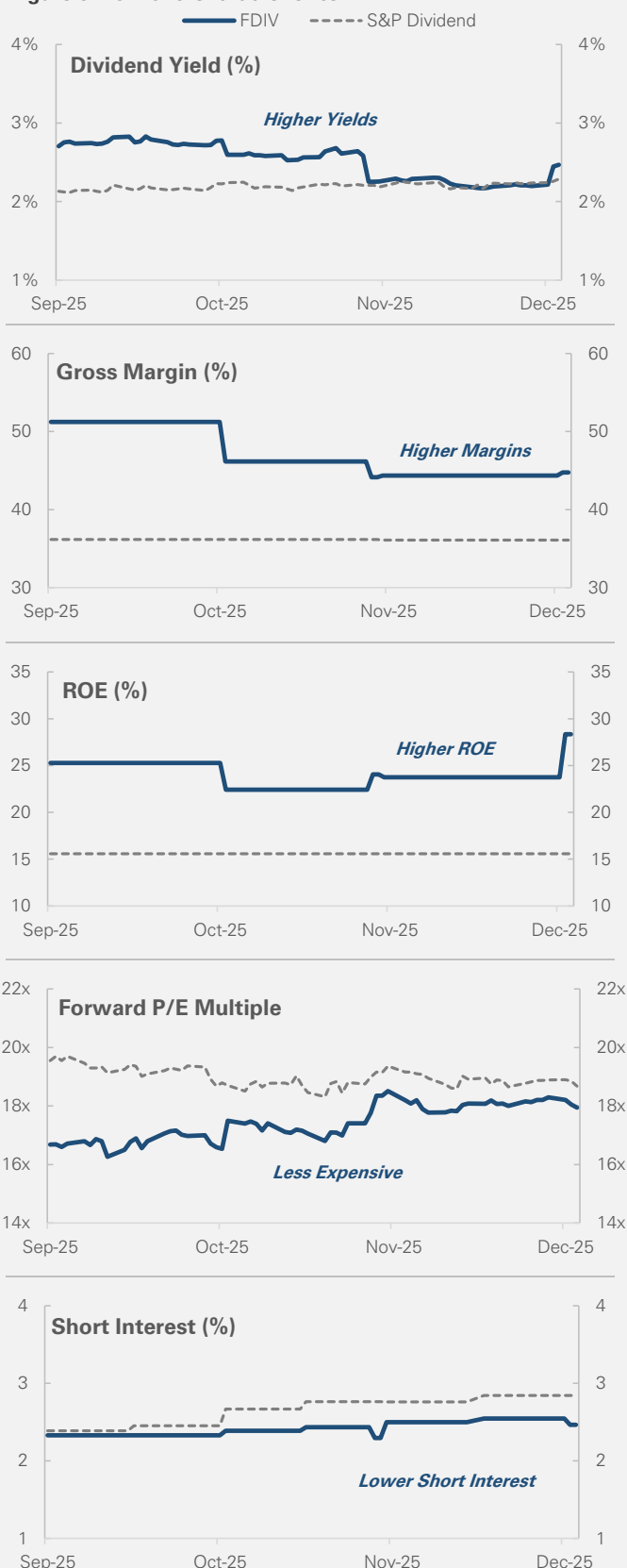
The model continued to pursue relative value opportunities after November's volatility, and its decisions paid off again in December. Industrials exposure increased to 23%, with holdings returning an average of +3.7%. The model's decision to further increase its Consumer Discretionary weight was another tailwind, with the sector accounting for 22% of the fund and the average holding returning +1.6%. Meanwhile, its continued emphasis on Financials benefited performance again, with the sector accounting for 21% of the fund and the average holding returning +5.3%.

The model's ability to take advantage of market volatility drove the fund's performance. Its systematic framework identified attractive opportunities after the volatility episodes in October and November, and its disciplined approach captured gains as new opportunities emerged.

## Outlook

As markets enter 1Q 2026, FDIV's systematic, rules-based process remains focused on identifying high-quality companies that are growing their dividends and have the potential for capital appreciation.

Figure 6: Portfolio Characteristics



Source: MarketDesk



**Dividend Yield** – Dividend yield represents a company's annualized cash dividends per share divided by its current share price, expressed as a percentage.

**Gross Margin** – Gross margin measures the percentage of revenue remaining after deducting the cost of goods sold, reflecting a company's core operating profitability.

**Return on Equity (ROE)** – Return on equity measures a company's net income relative to shareholders' equity and indicates how effectively equity capital is utilized to generate profits.

**Forward Price-to-Earnings (P/E) Multiple** – The forward price-to-earnings multiple is a valuation metric calculated as a company's current share price divided by estimated earnings per share over the next 12 months.

**Short Interest** – Short interest refers to the number of a company's shares that have been sold short but not yet covered or closed out, typically expressed as a percentage of shares outstanding.



**This material must be preceded or accompanied by a prospectus. Please read the prospectus carefully before investing. The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. Click here for the FMTM Prospectus and SAI. All fund documents can be found at [www.marketdeskindices.com](http://www.marketdeskindices.com). A free hardcopy of the prospectus may be obtained by calling +1.215.882.9983.**

**Investments involve risk. Principal loss is possible. Redemptions are limited and often commissions are charged on each trade. Unlike mutual funds, ETFs may trade at a premium or discount to their net asset value.**

**Principal Risks:** An investment in the Fund involves risk, including those described below. There is no assurance the Fund will achieve its investment objective. An investor may lose money by investing in the Fund. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the FDIC or any government agency.

**Momentum Risk:** Investing in or having exposure to securities with the highest relative momentum entails investing in securities that have had above-average recent returns. These securities may be more volatile than a broad cross-section of securities. Returns on securities that have previously exhibited momentum may be less than returns on other styles of investing or the overall stock market. Momentum can turn quickly and cause significant variation from other types of investments, and stocks that previously exhibited high momentum may not experience continued highest relative momentum. In addition, there may be periods when the momentum style is out of favor, and during which the investment performance of the Fund using a momentum strategy may suffer.

**Periodic Reallocation Risk.** Because the Sub-Adviser will generally reallocate the Fund's portfolio only on a monthly basis, (i) the Fund's market exposure may be affected by significant market movements promptly following the monthly reconstitution that are not predictive of the market's performance for the subsequent monthly period and (ii) changes to the Fund's market exposure may lag a significant change in the market's direction (up or down) by as long as a month if such changes first take effect promptly following the monthly reconstitution. Such lags between market performance and changes to the Fund's exposure may result in significant underperformance relative to the broader equity or fixed income market.

**Non-Diversification Risk.** Because the Fund is non-diversified, it may be more sensitive to economic, business, political or other changes affecting individual issuers or investments than a diversified fund, which may result in greater fluctuation in the value of the Shares and greater risk of loss.

**Equity Investing Risk.** Equity securities, such as common stocks, are subject to market, economic and business risks that may cause their prices to fluctuate.

**Sector Risk.** Companies with similar characteristics may be grouped together into broad categories called sectors. A certain sector may underperform other sectors or the market as a whole. As the Sub-Adviser allocates more of the Fund's portfolio holdings to a particular sector, the Fund's performance will be more susceptible to any economic, business or other developments which generally affect that sector.

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

**New Fund Risk.** The Fund is a recently organized investment company with no operating history. As a result, prospective investors have no track record or history on which to base their investment decision. There can be no assurance that the Fund will grow to or maintain an economically viable size.

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