UNDERSTANDING THE "FLATION" (FLTN) ETF

FLTN is a first-of-its-kind fixed income ETF that seeks to provide investors protection from either an inflationary or deflationary environment.

THE PROBLEM WITH THE TRADITIONAL APPROACH TO FIGHTING INFLATION

Treasury Inflation-Protected Securities (TIPS) are sought after when inflation is expected to rise. However, TIPS have rarely delivered returns more than a few percent above traditional US Treasuries during bouts of above-trend inflation. Also, we believe TIPS are not always the most appropriate product to offset high inflation and may have negative returns during periods of well-above trend inflation.

THE PROBLEM WITH THE TRADITIONAL APPROACH TO FIGHTING DEFLATION

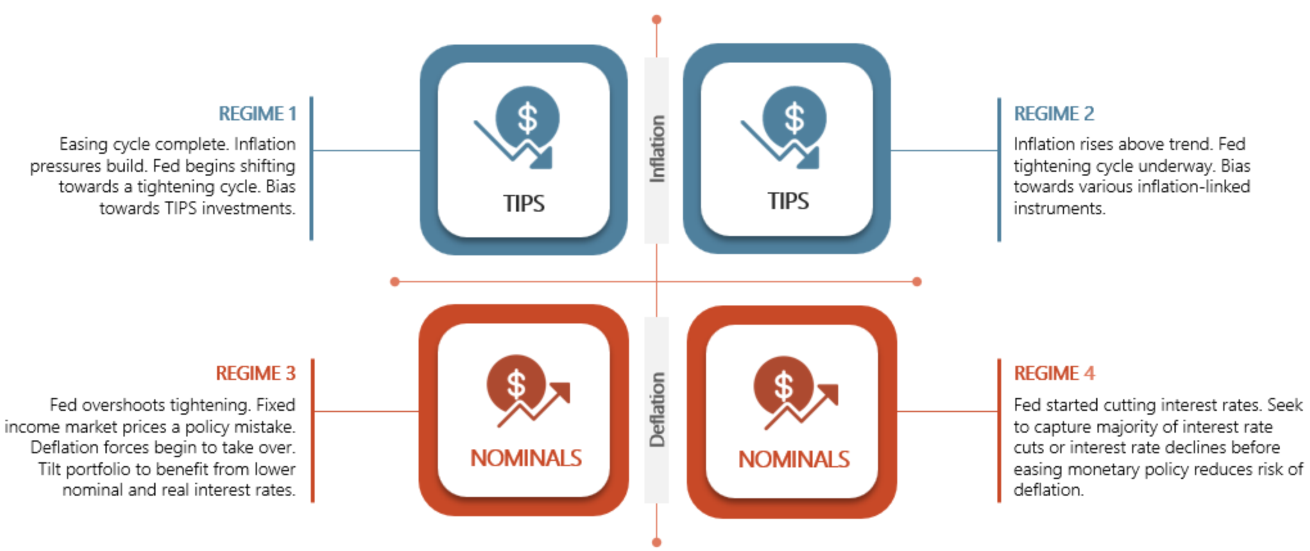
Longer-term US Treasuries are typically utilized as a portfolio ballast during periods of stock market stress. The average drawdown in the S&P 500 during sustained periods of below-trend inflation is 21% on a 12-month basis. Over that same period, long-term US Treasuries average a decline of 143 basis points. However, traditional core bonds are no longer delivering the yield relative to the duration risks in the past. The average core bond portfolio currently yields 1.78% and takes the most duration risk in history[1], significantly diminishing the ballast that the core bond portion of a 60/40 portfolio historically has offered.

OUR SOLUTION – ENTER FLTN

- **Enhancements Are Necessary**: We believe portfolio enhancements are necessary to protect purchasing power during periods of inflation and to provide ballast to stock holdings during periods of deflation.
- **Federal Reserve Cycle:** Identifying the early vs. late stages of a Federal Reserve tightening cycle are critical to maximizing TIPS and nominal bond performance.
- **Migration:** Transitioning strategically between regimes can potentially increase returns over a passive fixed income product.

INVESTMENT PROCESS

- **Cycle Identification**: There are four potential regimes in the inflation/deflation cycle, split evenly between inflation (TIPS) and deflation (Treasuries). Based on the historical relationship between inflation, central bank policy, and fixed income, the Adviser will utilize its proprietary interest rate model to determine the applicable fixed income position in the inflation/deflation cycle.
- **Overlay**: The Adviser will utilize its expertise in the fixed income cash or options market to potentially increase the Fund's returns in the event of a significant rise or decline in US Treasury interest rates.



OUR EXECUTION PROCESS

- **Model-Driven:** A proprietary interest rate model determines the applicable central bank regime and what it believes is the most advantageous outcomes to position in the fixed income market.

- **Instrument Selection – The Right Tools For The Job:** What makes FLTN distinct is its access to the full suite of interest rate products, both at the front-end and long-end of the yield curve or cash and derivative instruments. This access is key to FLTN's many applications and allows it to potentially benefit when the fixed income market shifts to a different regime.

- **Active Management**: Investment decisions are made by portfolio managers with extensive backgrounds investing in fixed income. The firm's expertise in the options markets allows us to construct portfolios that seek to enhance the return beyond a traditional passive fixed income strategy.

- **Dynamic Approach**: We believe most "active" fixed income strategies mirror a "portable alpha" product. That is, they seek to partially replicate the targeted market beta and focus on a single factor to potentially generate alpha (i.e., steepening yield curve, higher volatility, higher long-term US Treasury yields, etc.). Moreover, we believe their approach to alpha generation is static, not truly "active." Conversely, FLTN is agnostic regarding the factor that may generate alpha and dynamically positions accordingly with the applicable instruments to potentially achieve the most advantageous outcome in the current regime.

WHERE DOES FLTN FIT INTO AN INVESTOR'S PORTFOLIO?

- **Core Bond Replacement:** The Bloomberg Barclays Aggregate Bond Index, a passive proxy for the fixed income universe, does not contain TIPS or has the flexibility to manage duration risk. Adding FLTN is a potential diversifier.

- **Satellite Position:** May offer a compelling complement to core bond allocations (i.e., TIPS or Nominals) given its potential risk-adjusted return profile and low correlation to core bonds and equities.

- **Purchasing Power Hedge**: Rising inflation typically drives up interest rates and reduces purchasing power.

- **Deflation Hedge**: Periods of deflation are often associated with declining stock prices and falling interest rates. The Fund may benefit from its holdings in US Treasuries during a deflationary regime.

- **Flexibility**: In an uncertain environment where volatility has emerged, and fiscal deficits are expanding at a rapid pace, investors may want to consider a flexible bond strategy to diversify their fixed income risk.

THE END RESULT

- **Attractive Risk/Reward Profile:** FLTN seeks to protect purchasing power, mitigate inflation risk, provide a portfolio ballast during periods of market stress, and deliver returns above the inflation rate over a business cycle.

- **Allows for Innovative Strategies:** We believe the interest rate derivative market offers a level of customization and liquidity not available in any other publicly-traded market. The vast array of instruments allows for implementing of strategies with known downside risk and potentially asymmetric upside return potential for any scenario.

- **Alpha Generation**: Multiple opportunities to potentially generate alpha during regime shifts along the inflation/deflation cycle.

- **Yield**: May deliver sustainable income that increases as inflation increases.

- **Tax Efficiency**: Investors typically switch from short duration or inflation-protected securities in an inflation regime to long-duration US Treasuries in a deflation regime. A single ETF provides potential tax efficiency over the long term as the Fund migrates from one regime to another. Also, the underlying tax-friendly feature of an ETF potentially allows for fewer capital gains resulting from portfolio turnover.

Rareview Inflation/Deflation ETF (FLTN)
Investment Case

rareview capital

2022 Q1
As of 1.5.2022

INVESTMENT ADVISER

Rareview Capital LLC is a registered investment adviser and ETF sponsor focused on goals-based investment management strategies.

PORTFOLIO MANAGEMENT TEAM

Neil Azous	
Start Date with Fund	Inception
Industry Start Date	1997

Michael Sedacca	
Start Date with Fund	Inception
Industry Start Date	2011

STRONG PEDIGREE AND EXPERIENCE

- **Investment Adviser**: Rareview Capital has been managing publicly-traded funds since 2016, including successfully utilizing comparable derivative strategies.
- **Lead Portfolio Manager**: Neil Azous completed the Analyst and Associate programs at Goldman Sachs, widely considered the preeminent fixed income training programs for undergraduate and graduate students. Mr. Azous was one of the original members of the credit derivative trading desk. At UBS investment Bank, Mr. Azous was a senior member of the equity derivatives group where he traded listed and over-the-counter (OTC) options, ETF, futures and swaps. The trading desk included many former members of O'Connor, the derivatives specialist firm that pioneered options trading. Mr. Azous was instrumental in the development of customized portfolio swaps (CPS). This innovation in risk management accelerated the adoption of multi-factor from single-factor hedging and is now a cornerstone of portfolio construction.
- **Active Management**: This highlights the level of expertise that you are paying for as an investor in this actively managed ETF. That is, there is a set of capable and experienced hands watching over the fund. Secondly, having a strong options and derivative background has enabled us to monitor volatility in multiple dimensions. This allows us to identify and implement appropriate strategies to potentially take advantage of opportunities to enhance performance.

IMPORTANT RISK CONSIDERATIONS

More detailed information regarding these risks can be found in the Fund's prospectus.

Investing involves risk, including possible loss of principal. There can be no assurance that a Fund will achieve its stated objectives. An investment in the Fund may be subject to risks which include, among others, market, interest rate, tax, liquidity, leverage, non-diversified, investment restrictions, operational, authorized participant concentration, no guarantee of active trading market, trading issues, active management, fund shares trading, premium/discount and liquidity of fund shares and concentration risks, all of which may adversely affect the Fund. Diversification does not ensure profits or prevent losses. **Exchange-Traded Funds (ETFs)** trade like stocks, are subject to investment risk, and will fluctuate in market value. Unlike mutual funds, ETF shares are not individually redeemable directly with the Fund and are bought and sold on the secondary market at market price, which may be higher or lower than the ETF's net asset value (NAV). Transactions in shares of ETFs will result in brokerage commissions, which will reduce returns.

TIPS Risk. TIPS are debt instruments issued by the by the United States Department of the Treasury. The principal of TIPS increases with inflation and decreases with deflation, as measured by the Consumer Price Index. **Fixed Income Securities Risk**. The market value of fixed income securities adjusts with interest rates and the securities are subject to issuer default. **Derivatives Risk**. Through its hedging strategies or through its investments in other funds, the Fund may be subject to the risks of investing in derivative securities. **Active Management Risk**. The Fund is actively managed using proprietary investment strategies and processes. There can be no guarantee that these strategies and processes will be successful. **Cash and Cash Equivalents Risk**. The Fund may hold cash or cash equivalents. Generally, such positions offer less potential for gain than other investments.

FINANCIAL TERMS

Yield Curve: A yield curve is a line that plots yields (interest rates) of bonds having equal credit quality but differing maturity dates. The slope of the yield curve gives an idea of future interest rate changes and economic activity. **Nominals**: A nominal bond (also referred to as a conventional bond) is a bond which makes payments of a fixed amount, rather than a fixed real (inflation-adjusted) value. Most bonds are nominal, so the term is normally used only when contrasting nominal bonds with real-return bonds such, as Inflation-Linked Bonds or TIPS. **TIPS** are U.S. government bonds (specifically, Treasury securities) whose principal amount increases with inflation, as measured by the Consumer Price Index ("CPI") and are designed to protect investors from inflation risk. The **Bloomberg Barclays US Aggregate Bond Index** (LBUSTRUU) is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency). **Duration** is a measure of the sensitivity of the price of a bond or other debt instrument to a change in interest rates. A **Portable Alpha** strategy seeks to generate outperformance over a specific index. Portable alpha strategies consist of a target index exposure, or "beta" component, and a separate source of excess returns, or "alpha" component. A **Drawdown** is a peak-to-trough decline during a specific period for an investment, trading account, or fund. **Basis points (BPS)** refers to a common unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%, or 0.01%, or 0.0001, and is used to denote the percentage change in a financial instrument. **Beta** is a measure used in fundamental analysis to determine the volatility of an asset or portfolio in relation to the overall market.

[1]As of 12/31/21. Based on the Bloomberg Barclays Aggregate Bond Index data. It is not possible to directly invest in an index.

Carefully consider the Fund's investment objectives, risk factors, charges and expenses before investing. This and additional information can be found in the Fund's full and summary prospectus, which may be obtained by visiting www.rareviewcapital.com. Read the prospectus carefully before investing.

Not insured by FDIC/NCUSIF or any federal government agency. No bank guarantee. Not a deposit. May lose value.

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