

# Q&A WITH SUMMIT GLOBAL INVESTMENTS

**Q Summit Global Investments (SGI) has long been a mutual fund and separately managed account (SMA) manager serving institutions, RIAs, family offices and individual investors using your “Managed Risk Approach.” What led to the decision to enter the active ETF market in 2023? <sup>TM</sup>**

**A** As an investment manager we strongly felt that now is the right time to have a core ETF that incorporates downside risk management for investors. The best vehicle to allow investors this core exposure and actively managed investments we also feel is an ETF. ETFs provide the opportunity to have greater **Cost Efficiency, Liquidity and Flexibility** (ETFs trade throughout the trading day – providing investors with flexibility to enter or exit positions quickly, unlike mutual funds that are typically priced and traded once per day) and **Tax Efficiency** (ETFs have a unique creation and redemption process, which helps minimize capital gains distributions and may reduce tax liabilities). In addition, ETFs are easily **Accessible** through brokerage accounts, making them quickly accessible to investors.

While separately managed accounts (SMAs) and mutual funds have their own advantages, we believe launching our **Active Semi-Transparent ETFs** helps investors have the best of both worlds.

**Q SGI is unique in offering active ETFs that allow an asset manager the flexibility to protect their valued research perspectives. Why did you choose to license both the NYSE Active Proxy Structure and the Blue Tractor Shielded Alpha ETF wrapper?**

**A** Both wrappers have several advantages and disadvantages. Understanding these helps us put the best strategy in the most effective structure/wrapper. With both, we seek to provide the liquidity, transparency to the ETF community that further benefits investors with small bid/ask spreads and trading efficiency coupled with hedging investors through our unique managed risk approach to investing. Knowing both the Blue Tractor and NYSE wrapper/structure we are able to align the investments and tailor them to the expectations and advantages of each while minimizing or eliminating the disadvantages.

**Q As an asset manager, what benefits and/or nuances come with operating an active ETF product line-up compared to other investment wrappers (i.e., mutual funds, CITs, etc.)?**

**A** ETFs provide the opportunity to have greater **Cost Efficiency, Liquidity and Flexibility** (ETFs trade throughout the trading day – providing investors with flexibility to enter or exit positions quickly, unlike mutual funds that are typically priced and traded once per day) and **Tax Efficiency** (ETFs have a unique creation and redemption process, which helps minimize capital gains distributions and may reduce tax liabilities). In addition, ETFs are easily **Accessible** through brokerage accounts, making them quickly accessible to investors.

**Q What are the key considerations that investors should contemplate when considering actively managed ETFs?**

**A** Investors may want to consider several factors when researching an actively managed ETF. Beyond whether the style, strategy and risk the ETF may provide and how the specific strategy incorporates into an investor's objectives, goals and risk tolerance, other factors may include how the philosophy and ability of the manager intertwine with those of the investor. Does the investor care about long-term over short-term or up markets versus down market protection? Does the investment managers approach make sense, or is it clear to an investor and lastly, how the approach resonates or is incorporated by the investor.

**Q Lastly, what guidance would you provide sponsors as they consider expanding their product offerings to include actively managed ETFs?**

**A** ETFs have various phases and connection points. Behind the scenes makes a difference. Partnerships make a difference. The Liquidity of the ETF and Spread (the variable between the bid and ask each investor will have to 'hurdle' or substrate from any potential gain). These factors and others that must and do occur within the connection points of the 'day in the life' of an ETF make it critical that ETF investment managers partner with the best, and use principles of diversification when considering, wrappers, structures, APs, Market Makers, traders, etc. (the ETF community) as possible in an effort to help ensure investors win.

---

### Important Risk Information

This ETF is different from traditional ETFs. Traditional ETFs tell the public what assets they hold each day. This ETF will not. This may create additional risks for your investment. For example: You may have to pay more money to trade an ETF's shares. This ETF will provide less information to traders, who tend to charge more for trades when they have less information. The price you pay to buy ETF shares on an exchange may not match the value of the ETF's portfolio. The same is true when you sell shares. These price differences may be greater for this ETF compared to other ETFs because this ETF provides less information to traders. These additional risks may be even greater in bad or uncertain market conditions. The SGI U.S. Large Cap Core ETF will publish on its website each day a "Proxy Portfolio" designed to help trading in shares of the ETF. While the Proxy Portfolio includes some of the ETF's holdings, it is not the ETF's actual portfolio. The SGI Dynamic Tactical ETF will publish on its website each day a "Portfolio Reference Basket" designed to help trading in shares of the ETF. While the Portfolio Reference Basket includes all the names of the ETF's holdings, it is not the ETF's actual portfolio. The differences between this ETF and other ETFs may also have advantages. By keeping certain information about an ETF portfolio secret, this ETF may face less risk that other traders can predict or copy its investment strategy. This may improve the ETF's performance. If other traders are able to copy or predict an ETF's investment strategy, however, this may hurt the ETF's performance. For additional information regarding the unique attributes and risks of this ETF, see the Prospectus.

*Carefully consider the Fund's investment objectives, risk factors, charges, and expenses before investing. This and additional information can be found in The SGI U.S. Large Cap Core ETF's prospectus. Read the prospectus carefully before investing.*

Diversification does not eliminate the risk of experiencing investment loss.

Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the funds. Brokerage commissions will reduce returns.

**Investing involves risk, including possible loss of principal.**

Distributed by Quasar Distributors, LLC.