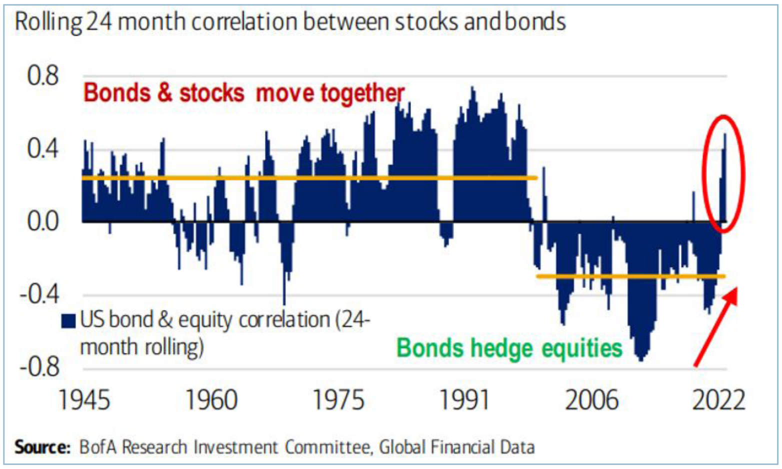
Diversification is Changing

The relationship between bond and equity returns is one of the fundamental building blocks of modern financial portfolios. Typically, when stocks decline, we see investors rushing to buy US Treasury bonds as a safe haven. This tendency of bonds to rally when stocks drop - the negative correlation between bonds & equities - is the basis for a conventional allocation of 60% to stocks and 40% to bonds (and other target allocation strategies).

However, the assumption that bonds hedge equities is only true over the past 30 years and mostly false over the previous 50 years.



Source: FofAML Global Research, Global Financial data; S&P 500 and 30-year Treasury Total Returns

Over the last 30 years, the world was in a deflationary environment during which government bonds and equities were inversely correlated over the short-term, but with similar total returns over the long run. Therefore, the automatic rebalancing of buy-and-hold traditional asset classes were good enough and diversification wasn't hard to come by. These portfolios outperformed and advisors piled into passive stock & bond target strategies. We find that these high returns have given rise to a feeling amongst investors "what has worked will continue to work"—a possible behavioral misstep known as recency bias.

Today, we believe the relationship is changing and the longest period of negative correlation is over. Therefore, we don't believe most investors will be fully diversified over the next 5-10 years. The major catalyst for this regime change is the threat of persistent inflation and unanchored inflation expectations. With the U.S. Federal Reserve Board (Fed) behind the curve, they will shift their focus to their inflation mandate (something they have not had to worry about during the quantitative easing[1] era). There is already evidence of this regime change, with both equities and bonds down year to date. (chart)

1: Quantitative easing (QE) is a monetary policy strategy used by central banks wherein the central bank purchases securities in an attempt to reduce interest rates, increase the supply of money and drive more lending to consumers and businesses.

U.S. Equities and U.S. Treasuries have both made negative returns in 2022

Asset Class	2022 YTD (as of 12/31/2022)
S&P 500 Index	-18.13%
Bloomberg US Aggregate Bond Index	-13.01%

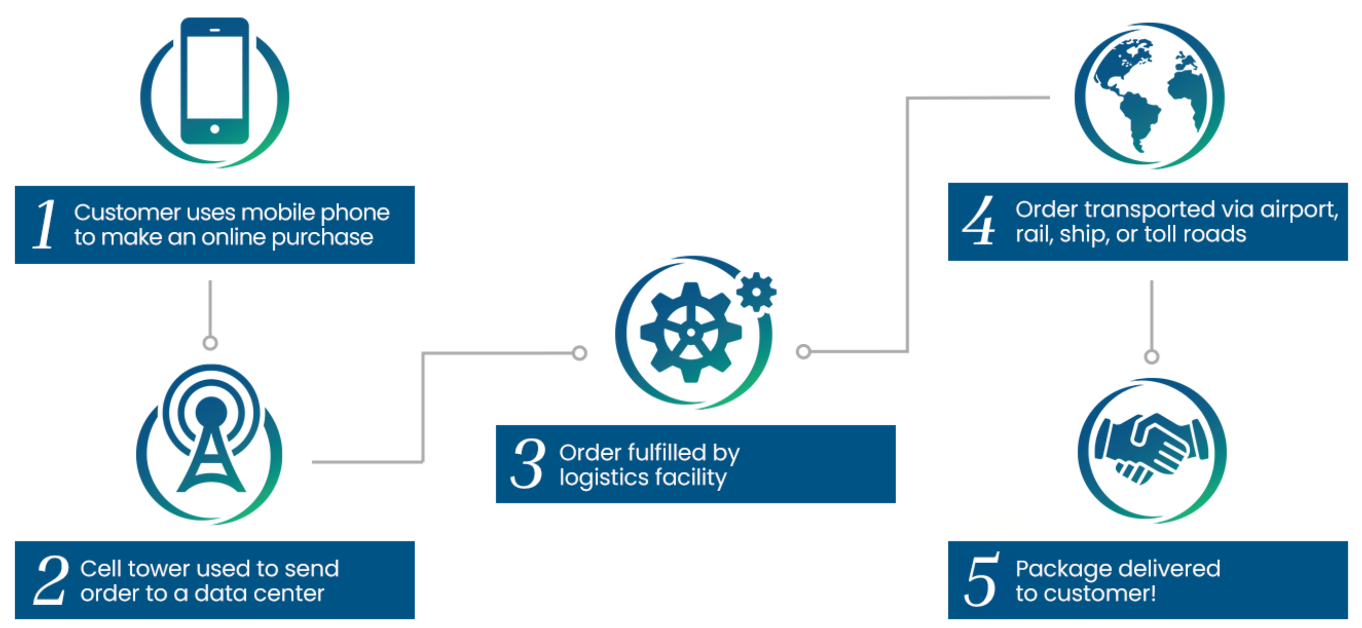
Given this environment, we believe real assets have become a core allocation to complement traditional investments in portfolios and we have designed a product that provides exposure to this asset category.

What are Real Assets?

The industry term "real assets" is subjective and often clumsily defined. In our view, a real asset is a tangible asset you can touch—like a bridge, or a building, or metals. These assets have intrinsic value that can be exchanged for other goods and services and in that sense are more "real" than traditional financial paper investments.

We expand our definition to include the equity of companies that derive their earnings from building, producing, and/or facilitating these real assets; like Real Estate Investment Trusts (REITS), Infrastructure, Oil & Gas Master Limited Partnerships (MLPs), Commodities, & Natural Resources. This approach creates a liquid investment universe for an inherently illiquid asset class, while providing the same exposure. As you can see below, real asset companies play an important role supporting today's modern economy.

Below is an example of an online order, from purchase to delivery.



Entire transaction powered by traditional and renewable energy providers.

Why Invest in Real Assets?

We believe that real assets offer the potential for high total returns and higher risk adjusted returns in today's challenging environment.

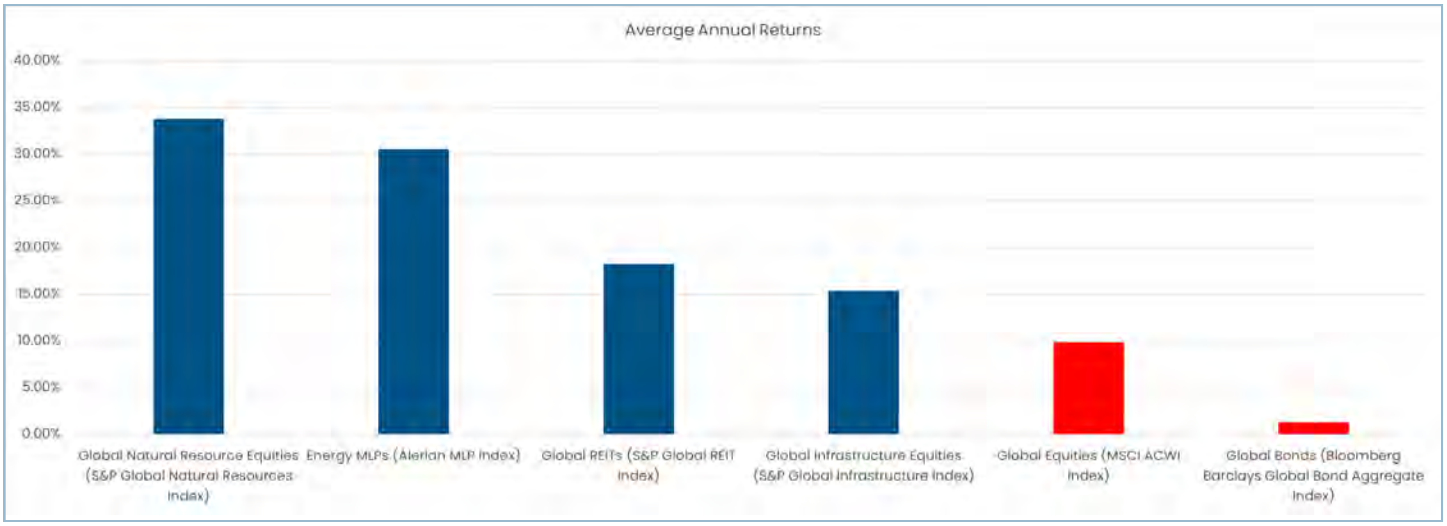
REAL ASSETS BRING THREE KEY ELEMENTS TO A PORTFOLIO:

1 Diversification

Real Assets have historically had a low correlation to the other traditional assets. Adding Real Assets to a portfolio is a way to help diversify exposure and obtain access to an underrepresented asset category. Including real assets as part of a diversified portfolio of stocks, bonds and alternatives allows investors to minimize losses during market downturns, while maintaining exposure to market upside during bull markets. Further, real assets provide investors exposure to a different stage of the economic cycle.

2 Inflation Hedging

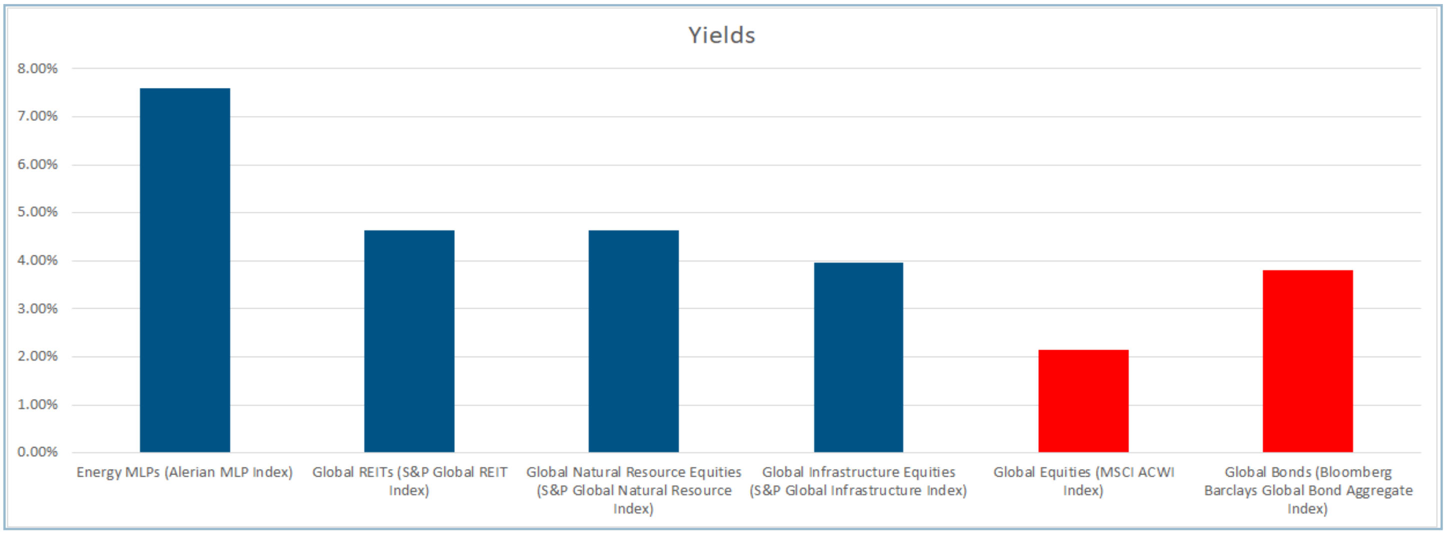
Real assets have historically exhibited greater ability to hedge inflation than the broader equity and fixed income markets and have historically outperformed during periods of elevated inflation. Real assets are inputs into many end consumer products. The price that one can sell real assets, or in the case of income producing real assets, the income generated from leasing/operating these assets, typically rise prior to prices on consumer products rising.



Proxy indices represented are: S&P Global Natural Resources index (comprised of 90 of the largest U.S. and foreign publicly traded companies, based on market capitalization, in natural resources and commodities businesses that meet certain investability requirements); Alerian MLP index (the leading gauge of energy infrastructure Master Limited Partnerships [MLPs]); S&P Global REIT index (benchmark of publicly traded equity REITs listed in both developed and emerging markets); S&P global infrastructure index (comprised of 75 of the largest publicly listed infrastructure companies that meet specific investability requitements); MSC ACWI index (designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 25 emerging markets); Bloomberg global aggregate bond index (flagship measure of global investment grade debt from 24 local currency markets — this multi-currency benchmark includes treasury, covernment-related, corporate, and securitized fixed-rate bonds from both developed and emerging market issuers). Source: Donoghue Forlines. **Bloomberg. 12/01/2002 – 1/2023. High inflation periods are when U.S. CPI > 2.5%. The figures shown relate to past performance. Past performance is not a reliable indicator of current or future results.**

3 Income Potential

Real Asset yields are well above broader equity and bond yields and offer cash flows to investors. With yields on traditional investments currently near historic lows, income from real assets become even more attractive.



Source: Bloomberg, as of 7/18/2023. Proxy indices represented are: S&P Global Natural Resources index (comprised of 90 of the largest U.S. and foreign publicly traded companies, based on market capitalization, in natural resources and commodities businesses that meet certain investability requirements); Alerian MLP index (the leading gauge of energy infrastructure Master Limited Partnerships [MLPs]); S&P Global REIT index (benchmark of publicly traded equity REITs listed in both developed and emerging markets); S&P global infrastructure index (comprised of 75 of the largest publicly listed infrastructure companies that meet specific investability requitements); MSC ACWI index (designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 25 emerging markets); Bloomberg global aggregate bond index (flagship measure of global investment grade debt from 24 local currency markets — this multi-currency benchmark includes treasury, covernment-related, corporate, and securitized fixed-rate bonds from both developed and emerging market issuers). Source: Donoghue Forlines. **Past performance does not guarantee future results; Bonds Represent Yield to Worst; Equity indices represent 12m trailing yield.**

Donoghue Forlines Yield Enhanced Real Asset ETF (DFRA)

In order to capture the positive attributions real assets have to offer, we launched the Donoghue Forlines Yield Enhanced Real Asset ETF on December 13th, 2021.

Our Fund takes a unique approach to real asset investing. Its holdings aren't technically "real assets." Instead, they are equity based, as we defined above.

DFRA holds companies that we believe benefit from owning and operating real assets; like REITS, MLPs, Commodities, and Natural Resources.

We believe an equity-based approach to real assets provides diversified risk exposures, income, and liquidity of the Fund's holdings. This helps us deliver the asset class's potential benefits, while also helping to avoid its potential drawbacks, such as illiquidity and accessibility.

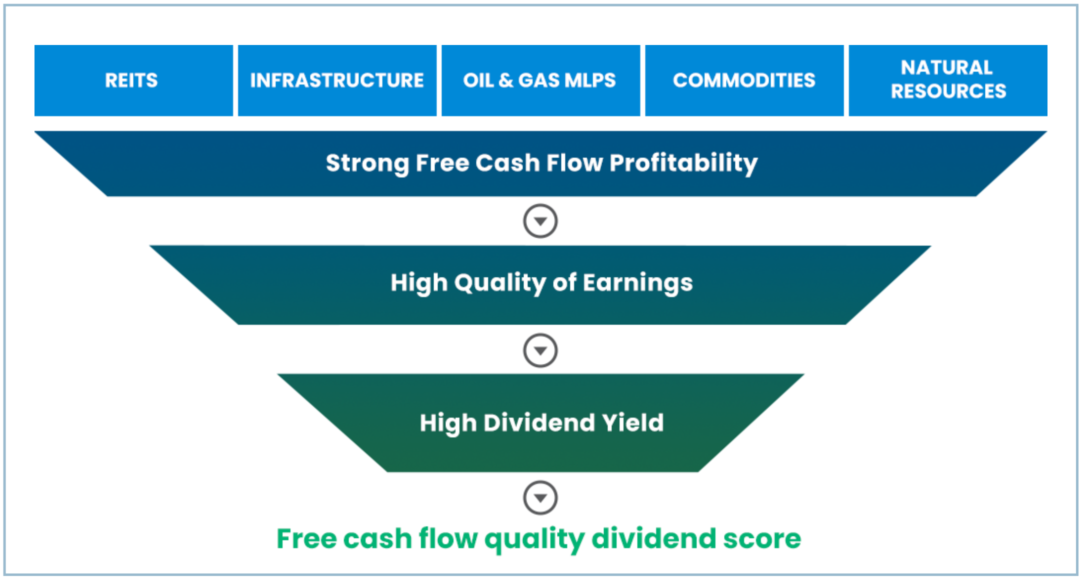
We use a quantitative approach to build DFRA, with an emphasis on quality, and the goal to produce alpha.[2] Quality is an important factor because of the cyclicality of many real asset companies.

2 Alpha refers to the excess returns earned on an investment above the benchmark return.

HOW DOES IT WORK?

We carefully selected industries that exhibit the positive qualities that real assets provide to create our initial universe. From there, a proprietary stock selection algorithm is employed to calculate the Free Cash Flow Quality Dividend Score for all companies in the eligible universe. The Score is based on the following aspects of a company:

1. Strong Free Cash Flow Profitability
2. High Quality of Earnings
3. High Dividend Yield



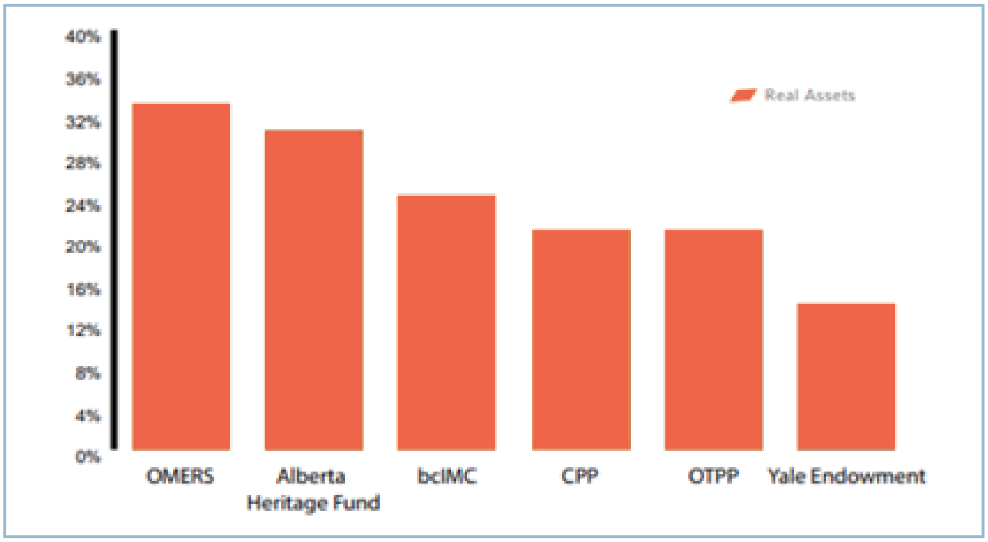
After we produce this score, candidates are sequentially weighted, and the fund typically owns 75 companies.

WHERE DOES IT FIT IN YOUR PORTFOLIO?

The Donoghue Forlines Yield Enhanced Real Asset ETF is a strategic allocation to investor portfolios that fits outside of traditional investments in portfolio construction. This ETF can be an alternative position to traditional investments of stocks and bonds as part of an overall asset allocation.

Institutional investors, like large endowments and pensions, have continued to add real assets to their portfolios for diversification. With DFRA individual investors may allocate to real assets within their brokerage account.

Many institutional investors have added real assets to their portfolios over the past decade to help improve diversification and reduce overall portfolio volatility.



Source: Russell Investments; Allocations based on the following: Canada Pension Plan (CPP) May 2021 Update alberta Heritage Fund 2021 AR, British Columbia Investment Management Corp. (bcIMC) 2021 AR, Yale Endowment based on 2021 fiscal year target. Ontario Teachers Pension Plan (OTPP) Midyear 2021 Update, Ontario Municipal Employees Retirement system (OMERS) Mid-year 2021 Update. Numbers may not sum to 100% due to rounding. Allocations are subject to change. *Alternatives include strategies such as private equity, venture capital, and leveraged buyout. The asset mixes shown above are for illustrative purposes only. Please consult with your financial advisor before make any asset allocation change.

RETURNS AS OF 6/30/2023

	1 Year	Since DFRA Inception 12/13/2021 - 6/30/2023
FCF Yield Enhanced Real Asset NR USD	20.16	11.01%
FCF Yield Enhanced Real Asset NAV	20.70	18.50%
FCF Yield Enhanced Real Asset Index	20.16	17.63%
S&P Real Assets Equity NR USD	-0.12	-4.67%
S&P 500 TR USD	19.59	-1.44%
Bloomberg US Agg Bond TR USD	-0.94	-7.52%

The performance data quoted represents past performance. Past performance does not guarantee future results. The 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 and current performance may be lower or higher than the performance quoted. Performance current to the most recent month-end can be obtained by calling (toll free 800-617-0004).

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectuses contains this and other important information about the investment company, and it may be obtained by calling 1-800-617-0004. Read it carefully before investing.

There is no guarantee that DFRA will achieve its investment objective. Investing involves risk, including the possible loss of principal.

Regards,

John A. Forlines, III
Chief Investment Officer
Portfolio Manager

Jeffrey R. Thompson
Chief Executive Officer
Portfolio Manager

Investments in the Fund include risks associated with small-and mid-cap securities, which involve limited liquidity and greater volatility than large-cap securities. Because the Fund invests in ETFs, an investor will indirectly bear the principal risks of the underlying funds, including liquidity, and an investment in the Fund will entail more costs and expenses than a direct investment in the Underlying ETFs. Passive funds that seek to track an index may hold the component securities of the underlying index regardless of the current or projected performance of a specific security or relevant market as a whole, which could cause the Fund returns to be lower than if the Fund employed an active strategy. The performance of the Fund may diverge from that of its Index.

REITs Risk. A REIT is a company that pools investor funds to invest primarily in income producing real estate or real estate related loans or interests. The Fund may be subject to certain risks associated with direct investments in REITs. REITs may be affected by changes in their underlying properties and by defaults by borrowers or tenants. MLP Risk. An MLP is a publicly traded partnership primarily engaged in the transportation, storage, processing, refining, marketing, exploration, production, and mining of minerals and natural resources. Small and Medium Capitalization Company Risk. Investing in securities of small and medium capitalization companies involves greater risk than customarily is associated with investing in larger, more established companies. Concentration Risk. A fund concentrated in an industry or group of industries is likely to present more risks than a fund that is broadly diversified over several industries or groups of industries. Derivatives Risk. A derivative instrument derives its value from an underlying security, currency, commodity, interest rate, index or other asset (collectively, “underlying asset”). The Fund’s investments in derivatives may pose risks in addition to and greater than those associated with investing directly in the underlying assets, including counterparty, leverage and liquidity risks. Active and Frequent Trading Risk. Active and frequent trading of portfolio securities may result in increased transaction costs to the Fund, including brokerage commissions, dealer mark-ups and other transaction costs on the sale of the securities and on reinvestment in other securities, and may also result in higher taxes if Shares are held in a taxable account. Index Correlation Risk. While the Sub-Adviser seeks to track the performance of the Underlying Index closely (i.e., to achieve a high degree of correlation with the Underlying Index), the Fund’s returns may not match or achieve a high degree of correlation with the returns of the Underlying Index due to operating expenses, transaction costs, cash flows, regulatory requirements and/or operational inefficiencies

Opinions expressed are subject to change at any time, are not guaranteed, and should not be considered investment advice.

The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities. According to our Annual Survey of Assets, an estimated USD 13.5 trillion is indexed or benchmarked to the index, with indexed assets comprising approximately USD 5.4 trillion of this total (as of Dec. 31, 2020). The index includes 500 leading companies and covers approximately 80% of available market capitalization. The S&P Real Assets Equity Index is a static weighted return of investable and liquid equity indexed components that measures the performance of real return strategies that invest in listed global property, infrastructure, natural resources, and timber and forestry companies. The Bloomberg US Aggregate Bond Index, or the Agg, is a broad base, market capitalization-weighted bond market index representing intermediate term investment grade bonds traded in the United States.

Shares of any ETF are bought and sold at market price (the current price at which shares are bought and sold, not NAV (the dollar value of a single share, based on the value of the underlying assets of the fund minus its liabilities, divided by the number of shares outstanding). They may trade at a discount or premium to NAV, are not individually redeemed from the Fund, and brokerage commissions will reduce returns.

The FCF Free Cash Flow Yield Enhanced Real Asset Index is designed to track the investment result of a rules-based strategy that aims to provide exposure to global “real assets” equities. The Index intends to provide high quality alternative exposure, inflation hedge enhanced quality income and alpha generation.

FCF Advisors, LLC is the Fund’s investment adviser and Donaghue Forlines, LLC is the Fund’s sub-adviser.

The Donoghue Forlines ETFs are distributed by Quasar Distributors, LLC.