

**TFA TACTICAL INCOME FUND**

**CLASS A SHARES: TFALX**

**CLASS I SHARES: TFAZX**

**TACTICAL MODERATE ALLOCATION FUND**

**CLASS A SHARES: TFAMX**

**CLASS I SHARES: TFAUX**

**TACTICAL GROWTH ALLOCATION FUND**

**CLASS A SHARES: TFAEX**

**CLASS I SHARES: TFAFX**

**TFA QUANTITATIVE FUND**

**CLASS A SHARES\***

**CLASS I SHARES: TFAQX**

**TFA MULTIDIMENSIONAL TACTICAL FUND**

**CLASS A SHARES\***

**CLASS I SHARES: TFADX**

**TFA ALPHA GEN GROWTH FUND**

**CLASS A SHARES\***

**CLASS I SHARES: T FAGX**

**STATEMENT OF ADDITIONAL INFORMATION**

**April 29, 2022**

This Statement of Additional Information (“SAI”) is not a prospectus. It should be read in conjunction with the Prospectus dated April 29, 2022. This SAI is incorporated by reference in its entirety into the Prospectus. The Funds’ Prospectus or Annual Report can be obtained at no charge by writing the transfer agent M3Sixty Fund Administration, LLC, at 4300 Shawnee Mission Parkway, Fairway, Kansas 66205, or by calling (833) 974-3787.

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## DESCRIPTION OF THE TRUST AND FUNDS

The TFA Tactical Income Fund (formerly Tactical Conservative Allocation Fund) (the “Income Fund”), Tactical Moderate Allocation Fund (the “Moderate Fund”), Tactical Growth Allocation Fund (the “Growth Fund” and collectively with the Moderate Fund (the “Allocation Funds”), TFA Quantitative Fund, TFA Multidimensional Tactical Fund, and TFA AlphaGen Growth Fund (each a “Fund” and together with the Allocation Funds, the “Funds”) are each a diversified series of the Tactical Investment Series Trust (the “Trust”). The Trust is an open-end investment company established under the laws of Delaware by an Agreement and Declaration of Trust dated January 13, 2021 (the “Trust Agreement”). The Trust Agreement permits the Board of Trustees (the “Board” or the “Trustees”) to authorize and issue an unlimited number of shares of beneficial interest of separate series without par value.

Pursuant to an Agreement and Plan of Reorganization (the “Reorganization”), each Fund listed below received all of the assets and liabilities of a corresponding series of the Collaborative Investment Series Trust, as identified below (each, a “Predecessor Fund”), as of the close of business on August 20, 2021:

<b>Predecessor Fund</b>	<b>Fund</b>
Tactical Conservative Allocation Fund	TFA Tactical Income Fund (formerly the Tactical Conservative Income Fund)
Tactical Moderate Allocation Fund	Tactical Moderate Allocation Fund
Tactical Growth Allocation Fund	Tactical Growth Allocation Fund
TFA Quantitative Fund	TFA Quantitative Fund
TFA Multidimensional Tactical Fund	TFA Multidimensional Tactical Fund
N/A*	TFA AlphaGen Growth Fund

\*The TFA AlphaGen Growth Fund did not launch until after the reorganization.

The shareholders of each Predecessor Fund received shares of the corresponding Fund with aggregate net asset values equal to the aggregate net asset value of their shares in the Predecessor Fund immediately before the Reorganization. Each Predecessor Fund has the same investment objective and a similar investment strategy and risks to those of the corresponding Fund, which did not operate before the Reorganization. For financial reporting purposes, each Predecessor Fund’s operating history before the Reorganization will be reflected in the financial statements and financial highlights. The Reorganization was treated as a tax-free reorganization for federal income tax purposes, and accordingly, the basis of the assets of each Fund reflects the historical basis of the assets of the corresponding Predecessor Fund as of the date of the Reorganization, August 20, 2021.

Each Fund offers two classes of shares: Class I and Class A. The Funds do not issue share certificates. All shares are held in non-certificated form registered on the books of the Fund and the transfer agent for the account of the shareholder. Each share of a series represents an equal proportionate interest in the assets and liabilities belonging to that series with each other share of that series and is entitled to such dividends and distributions out of income belonging to the series as are declared by the Trustees. The shares do not have cumulative voting rights or any preemptive or conversion rights, and the Trustees have the authority to divide or combine the shares of any series into a greater or lesser number of shares of that series so long as the proportionate beneficial interest in the assets belonging to that series and the rights of shares of any other series are in no way affected. In case of any liquidation of a series, the shareholders of the series being liquidated will be entitled to receive as a class a distribution out of the assets, net of the liabilities, belonging to that series. Expenses attributable to any series are borne by that series. Any general expenses of the Trust not readily identifiable as belonging to a particular series are allocated by or under the direction of the Trustees in such manner as the Trustees determine to be fair and equitable. No shareholder is liable to further calls or to assessment by the Trust without his or her express consent.

The Trust does not hold an annual meeting of shareholders. When matters are submitted to shareholders for a vote, each shareholder is entitled to one vote for each whole share he/she owns and fractional votes for fractional shares he/she owns. All shares of the Funds have equal voting rights and liquidation rights. The Agreement and Declaration of Trust can be amended by the Trustees, except that any amendment that adversely affects the rights of shareholders must be approved by the shareholders affected. All shares of the Funds are subject to involuntary redemption if the Trustees determine to liquidate the Funds. An involuntary redemption will create a capital gain or a capital loss, which may have tax consequences about which you should consult your tax adviser.

For information concerning the purchase and redemption of shares of the Funds, see “How to Purchase Shares” and “How to Redeem Shares” in the Prospectus. For a description of the methods used to determine the share price and value of the Fund’s assets, see “How Fund Shares are Priced” in the Prospectus and “Determination of Share Price” in this SAI.

Under the Trust’s Agreement and Declaration of Trust, each Trustee will continue in office until the termination of the Trust or his or her death, incapacity, resignation, or removal. Shareholders can remove a Trustee to the extent provided in the Investment Company Act of 1940, as amended (the “1940 Act”) and the rules and regulations promulgated thereunder. Vacancies may be filled by a majority of the remaining Trustees, except insofar as the 1940 Act may require the election by shareholders.

## **ADDITIONAL INFORMATION ABOUT THE FUNDS’ INVESTMENTS**

### **Investment Strategies and Risks**

All principal investment strategies and risks are discussed in the Prospectus. This section contains a more detailed discussion of some of the investments the Funds may make and some of the techniques they may use, as described in the Risk/Return Summary in the Prospectus. Additional non-principal strategies and risks also are discussed here.

### **Certificates of Deposit and Bankers’ Acceptances**

The Funds may invest in certificates of deposit and bankers’ acceptances, which are short-term money market instruments.

Certificates of deposit are receipts issued by a depository institution in exchange for the deposit of funds. The issuer agrees to pay the amount deposited plus interest to the bearer of the receipt on the date specified on the certificate. The certificate usually can be traded in the secondary market prior to maturity. Bankers’ acceptances typically arise from short-term credit arrangements designed to enable businesses to obtain funds to finance commercial transactions. Generally, an acceptance is a time draft drawn on a bank by an exporter or an importer to obtain a stated amount of funds to pay for specific merchandise. The draft is then “accepted” by a bank that, in effect, unconditionally guarantees to pay the face value of the instrument on its maturity date. The acceptance may then be held by the accepting bank as an earning asset or it may be sold in the secondary market at the going rate of discount for a specific maturity. Although maturities for acceptances can be up to 270 days, most acceptances have maturities of 180 days or less.

## **Closed-End Investment Companies**

The Funds may invest assets in closed-end investment companies (or “closed-end funds”), subject to the investment restrictions set forth below. Shares of closed-end funds are typically offered to the public in a one-time initial public offering by a group of underwriters who retain a spread or underwriting commission of between 4% or 6% of the initial public offering price. Such securities are then listed for trading on the New York Stock Exchange, the NYSE MKT LLC, the National Association of Securities Dealers Automated Quotation System (commonly known as “NASDAQ”) and, in some cases, may be traded in other over-the-counter markets. Because the shares of closed-end funds cannot be redeemed upon demand to the issuer like the shares of an open-end investment company (such as the Fund), investors seek to buy and sell shares of closed-end funds in the secondary market.

The Funds generally will purchase shares of closed-end funds only in the secondary market. The Funds will incur normal brokerage costs on such purchases similar to the expenses the Funds would incur for the purchase of securities of any other type of issuer in the secondary market. The Funds may, however, also purchase securities of a closed-end fund in an initial public offering when, in the opinion of the Adviser and/or Sub-Advisers, based on a consideration of the nature of the closed-end fund’s proposed investments, the prevailing market conditions and the level of demand for such securities, they represent an attractive opportunity for growth of capital. The initial offering price typically will include a dealer spread, which may be higher than the applicable brokerage cost if the Funds purchase such securities in the secondary market.

The shares of many closed-end funds, after their initial public offering, frequently trade at a price per share that is less than the net asset value per share, the difference representing the market discount of such shares. This market discount may be due in part to the investment objective of long-term appreciation, which is sought by many closed-end funds, as well as to the fact that the shares of closed-end funds are not redeemable by the holder upon demand to the issuer at the next determined net asset value, but rather, are subject to supply and demand in the secondary market. A relative lack of secondary market purchasers of closed-end fund shares also may contribute to such shares trading at a discount to their net asset value.

The Funds may invest in shares of closed-end funds that are trading at a discount to net asset value or at a premium to net asset value. There can be no assurance that the market discount on shares of any closed-end fund purchased by the Funds will ever decrease. In fact, it is possible that this market discount may increase and the Funds may suffer realized or unrealized capital losses due to further decline in the market price of the securities of such closed-end funds, thereby adversely affecting the net asset value of the Funds’ shares. Similarly, there can be no assurance that any shares of a closed-end fund purchased by the Funds at a premium will continue to trade at a premium or that the premium will not decrease subsequent to a purchase of such shares by the Funds.

Closed-end funds may issue senior securities (including preferred stock and debt obligations) for the purpose of leveraging the closed-end fund’s common shares in an attempt to enhance the current return to such closed-end fund’s common shareholders. The Funds’ investment in the common shares of closed-end funds that are financially leveraged may create an opportunity for greater total return on its investment, but at the same time may be expected to exhibit more volatility in market price and net asset value than an investment in shares of investment companies without a leveraged capital structure.

## **Commercial Paper**

The Funds may purchase commercial paper. Commercial paper consists of unsecured promissory notes, including Master Notes, issued by corporations. Issues of commercial paper normally have maturities of less than nine months and fixed rates of return. Master Notes, however, are obligations that provide for a periodic adjustment in the interest rate paid and permit daily changes in the amount borrowed.

Master Notes are governed by agreements between the issuer and the advisor acting as agent, for no additional fee, in its capacity as advisor to the Funds and as fiduciary for other clients for whom it exercises investment discretion. The monies loaned to the borrower come from accounts maintained with or managed by the advisor or its affiliates pursuant to arrangements with such accounts. Interest and principal payments are credited to such accounts. The advisor, acting as a fiduciary on behalf of its clients, has the right to increase or decrease the amount provided to the borrower under an obligation. The borrower has the right to pay without penalty all or any part of the principal amount then outstanding on an obligation together with interest to the date of payment. Since these obligations typically provide that the interest rate is tied to the Treasury bill auction rate, the rate on Master Notes is subject to change. Repayment of Master Notes to participating accounts depends on the ability of the borrower to pay the accrued interest and principal of the obligation on demand which is continuously monitored by the advisor. Master Notes typically are not rated by credit rating agencies.

The Funds may purchase commercial paper consisting of issues rated at the time of purchase within the three highest rating categories by a nationally recognized statistical rating organization (the "NRSRO"). The Funds may also invest in commercial paper that is not rated but is determined by the Adviser and/or Sub-Advisers, under guidelines established by the Board, to be of comparable quality.

### **Convertible Securities**

The Funds may invest in convertible securities. Convertible securities include fixed income securities that may be exchanged or converted into a predetermined number of shares of the issuer's underlying common stock at the option of the holder during a specified period. Convertible securities may take the form of convertible preferred stock, convertible bonds or debentures, units consisting of "usable" bonds and warrants or a combination of the features of several of these securities. Convertible securities are senior to common stocks in an issuer's capital structure, but are usually subordinated to similar non-convertible securities. While providing a fixed-income stream (generally higher in yield than the income derivable from common stock but lower than that afforded by a similar nonconvertible security), a convertible security also gives an investor the opportunity, through its conversion feature, to participate in the capital appreciation of the issuing company depending upon a market price advance in the convertible security's underlying common stock.

### **Corporate Debt**

Corporate debt securities are long and short-term debt obligations issued by companies (such as publicly issued and privately placed bonds, notes and commercial paper). The Adviser and/or Sub-Advisers consider corporate debt securities to be of investment grade quality if they are rated BBB- or higher by S&P or Baa3 or higher by Moody's, or if unrated, determined by the Adviser and/or Sub-Advisers to be of comparable quality. Investment grade debt securities generally have adequate to strong protection of principal and interest payments. In the lower end of this category, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal than in higher rated categories. The Funds may invest in both secured and unsecured corporate bonds. A secured bond is backed by collateral and an unsecured bond is not. Therefore an unsecured bond may have a lower recovery value than a secured bond in the event of a default by its issuer. The Adviser and/or Sub-Advisers may incorrectly analyze the risks inherent in corporate bonds, such as the issuer's ability to meet interest and principal payments, resulting in a loss to the Funds.

## **Depository Receipts**

The Funds may invest in sponsored and unsponsored American Depositary Receipts (“ADRs”), which are receipts issued by an American bank or trust company evidencing ownership of underlying securities issued by a foreign issuer. ADRs, in sponsored form, are designed for use in U.S. securities markets. A sponsoring company provides financial information to the bank and may subsidize administration of the ADR. Unsponsored ADRs may be created by a broker-dealer or depository bank without the participation of the foreign issuer. Holders of these ADRs generally bear all the costs of the ADR facility, whereas foreign issuers typically bear certain costs in a sponsored ADR. The bank or trust company depository of an unsponsored ADR may be under no obligation to distribute shareholder communications received from the foreign issuer or to pass through voting rights. Unsponsored ADRs may carry more risk than sponsored ADRs because of the absence of financial information provided by the underlying company. Many of the risks described below regarding foreign securities apply to investments in ADRs.

## **Emerging Markets Securities**

The Funds may purchase exchange traded funds (“ETFs”) and other closed end funds that invest in emerging market securities. Investing in emerging market securities imposes risks different from, or greater than, risks of investing in foreign developed countries. These risks include (i) the smaller market capitalization of securities markets, which may suffer periods of relative illiquidity, (ii) significant price volatility, (iii) restrictions on foreign investment, and (iv) possible repatriation of investment income and capital. In addition, foreign investors may be required to register the proceeds of sales, and future economic or political crises could lead to price controls, forced mergers, expropriation or confiscatory taxation, seizure, nationalization, or the creation of government monopolies. The currencies of emerging market countries may experience significant declines against the U.S. dollar, and devaluation may occur subsequent to investments in these currencies by the Funds. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging market countries.

Additional risks of emerging markets securities may include (i) greater social, economic and political uncertainty and instability, (ii) more substantial governmental involvement in the economy, (iii) less governmental supervision and regulation, (iv) the unavailability of currency hedging techniques, (v) companies that are newly organized and small, (vi) differences in auditing and financial reporting standards, which may result in unavailability of material information about issuers, and (vii) less developed legal systems. In addition, emerging securities markets may have different clearance and settlement procedures, which may be unable to keep pace with the volume of securities transactions or otherwise make it difficult to engage in such transactions. Settlement problems may cause the Fund to miss attractive investment opportunities, hold a portion of its assets in cash pending investment, or be delayed in disposing of a portfolio security. Such a delay could result in possible liability to a purchaser of the security.

## **Fixed Income Securities**

Fixed income securities include bonds and securities offered on a when-issued, delayed delivery, or forward commitment basis. Fixed income securities are subject to credit risk and interest rate risk. Credit risk is the risk that the Funds could lose money if an issuer of a fixed income security cannot meet its financial obligations or goes bankrupt. Interest rate risk is the risk that the Funds’ investments in fixed income securities may fall when interest rates rise.

Investments in high-yield bonds (aka junk bonds) are considered to be more speculative than higher quality fixed income securities. They are more susceptible to credit risk than investment-grade securities, especially during periods of economic uncertainty or economic downturns. The value of lower quality securities are subject to greater volatility and are generally more dependent on the ability of the issuer to meet interest and principal payments than higher quality securities. Issuers of high-yield securities may not be as strong financially as those issuing bonds with higher credit ratings.

## **Foreign Securities**

The Funds may gain exposure to foreign securities both directly and indirectly through underlying investment companies that invest in foreign securities or by trading in domestic markets through an ADR. Purchases of foreign equity securities entail certain risks. For example, there may be less information publicly available about a foreign company than about a U.S. company, and foreign companies generally are not subject to accounting, auditing and financial reporting standards and practices comparable to those in the U.S. Other risks associated with investments in foreign securities include changes in restrictions on foreign currency transactions and rates of exchange, changes in the administrations or economic and monetary policies of foreign governments, the imposition of exchange control regulations, the possibility of expropriation decrees and other adverse foreign governmental action, the imposition of foreign taxes, less liquid markets, less government supervision of exchanges, brokers and issuers, difficulty in enforcing contractual obligations, delays in settlement of securities transactions and greater price volatility. In addition, investing in foreign securities will generally result in higher commissions than investing in similar domestic securities.

## **High Yield Securities**

The Funds may invest in high yield securities as a non-principal investment strategy. High yield, high risk bonds are securities that are generally rated below investment grade by the primary rating agencies (BBB- or lower by S&P and Baa3 or lower by Moody's). Other terms used to describe such securities include "lower rated bonds," "non-investment grade bonds," "below investment grade bonds," and "junk bonds." These securities are considered to be high-risk investments.

## **Illiquid and Restricted Securities**

The Funds may invest in illiquid securities. Illiquid securities include securities subject to contractual or legal restrictions on resale (e.g., because they have not been registered under the Securities Act of 1933, as amended (the "Securities Act")) and securities that are otherwise not readily marketable (e.g., because trading in the security is suspended or because market makers do not exist or will not entertain bids or offers). Securities that have not been registered under the Securities Act are referred to as private placements or restricted securities and are purchased directly from the issuer or in the secondary market. Foreign securities that are freely tradable in their principal markets are not considered to be illiquid. The Funds may gain exposure to foreign securities through its investment in ADRs. Certain ADRs are not listed on an exchange and therefore may be considered to be illiquid.

Restricted and other illiquid securities may be subject to the potential for delays on resale and uncertainty in valuation. The Funds might be unable to dispose of illiquid securities promptly or at reasonable prices and might thereby experience difficulty in satisfying redemption requests from shareholders. The Funds might have to register restricted securities in order to dispose of them, resulting in additional expense and delay. Adverse market conditions could impede such a public offering of securities.

A large institutional market exists for certain securities that are not registered under the Securities Act, including foreign securities. The fact that there are contractual or legal restrictions on resale to the general public or to certain institutions may not be indicative of the liquidity of such investments. Rule 144A under the Securities Act allows such a broader institutional trading market for securities otherwise subject to restrictions on resale to the general public. Rule 144A establishes a "safe harbor" from the registration requirements of the Securities Act for resale of certain securities to qualified institutional buyers. Rule 144A has produced enhanced liquidity for many restricted securities, and market liquidity for such securities may continue to expand as a result of this regulation and the consequent existence of the PORTAL system, which is an automated system for the trading, clearance and settlement of unregistered securities of domestic and foreign issuers sponsored by the National Association of Securities Dealers, Inc., now known as the Financial Industry Regulatory Authority, Inc.



Under guidelines adopted by the Board, the Funds' Adviser and/or Sub-Adviser may determine that particular Rule 144A securities, and commercial paper issued in reliance on the private placement exemption from registration afforded by Section 4(a)(2) of the Securities Act, are liquid even though they are not registered. A determination of whether such a security is liquid or not is a question of fact. In making this determination, the Adviser and/or Sub-Advisers will consider, as it deems appropriate under the circumstances and among other factors: (i) the frequency of trades and quotes for the security; (ii) the number of dealers willing to purchase or sell the security; (iii) the number of other potential purchasers of the security; (iv) dealer undertakings to make a market in the security; (v) the nature of the security (e.g., debt or equity, date of maturity, terms of dividend or interest payments, and other material terms) and the nature of the marketplace trades (e.g., the time needed to dispose of the security, the method of soliciting offers, and the mechanics of transfer); and (vi) the rating of the security and the financial condition and prospects of the issuer. In the case of commercial paper, the Adviser and/or Sub-Advisers will also determine that the paper (i) is not traded flat or in default as to principal and interest, and (ii) is rated in one of the two highest rating categories by at least two NRSRO or, if only one NRSRO rates the security, by that NRSRO, or, if the security is unrated, the Adviser determines that it is of equivalent quality.

Rule 144A securities and Section 4(a)(2) commercial paper that have been deemed liquid as described above will continue to be monitored by the Adviser to determine if the security is no longer liquid as the result of changed conditions. Investing in Rule 144A securities or Section 4(a)(2) commercial paper could have the effect of increasing the amount of the Funds' assets invested in illiquid securities if institutional buyers are unwilling to purchase such securities.

### **Indexed Securities**

The Funds may purchase indexed securities consistent with their investment objectives. Indexed securities are those, the value of which varies positively or negatively in relation to the value of other securities, securities indices or other financial indicators. Indexed securities may be debt securities or deposits whose value at maturity or coupon rate is determined by reference to a specific instrument or statistic. Recent issuers of indexed securities have included banks, corporations and certain U.S. Government agencies.

The performance of indexed securities depends to a great extent on the performance of the security or other instrument to which they are indexed and also may be influenced by interest rate changes in the United States and abroad. Indexed securities are subject to the credit risks associated with the issuer of the security, and their values may decline substantially if the issuer's creditworthiness deteriorates. Indexed securities may be more volatile than the underlying instruments. Certain indexed securities that are not traded on an established market may be deemed illiquid.

### **Insured Bank Obligations**

The Funds may invest in insured bank obligations. The Federal Deposit Insurance Corporation ("FDIC") insures the deposits of federally insured banks and savings and loan associations (collectively referred to as "banks") up to \$250,000. The Funds may purchase bank obligations which are fully insured as to principal by the FDIC. Currently, to remain fully insured as to principal, these investments must be limited to \$250,000 per bank; if the principal amount and accrued interest together exceed \$250,000, the excess principal and accrued interest will not be insured. Insured bank obligations may have limited marketability.

## Investment Company Securities

The Funds may invest in the securities of other investment companies, including ETFs, to the extent that such an investment would be consistent with the requirements of the 1940 Act and the Funds' investment objectives. Investments in the securities of other investment companies may involve duplication of advisory fees and certain other expenses. By investing in another investment company, the Funds become a shareholder of that investment company. As a result, the Funds' shareholders indirectly will bear the Funds' proportionate share of the fees and expenses paid by shareholders of the other investment company, in addition to the fees and expenses the Funds' shareholders directly bear in connection with the Funds' own operations.

Under Section 12(d)(1) of the of the 1940 Act, the Funds may invest only up to 5% of its total assets in the securities of any one investment company (ETF or other mutual funds), but may not own more than 3% of the outstanding voting stock of any one investment company (the "3% Limitation") or invest more than 10% of its total assets in the securities of other investment companies. However, Section 12(d)(1)(F) of the of 1940 Act, as amended provides that the provisions of paragraph 12(d)(1) shall not apply to securities purchased or otherwise acquired by the Funds if (i) immediately after such purchase or acquisition not more than 3% of the total outstanding stock of such registered investment company is owned by the Funds and all affiliated persons of the Funds; and (ii) the Funds have not offered or sold after January 1, 1971, and is not proposing to offer or sell any security issued by it through a principal underwriter or otherwise at a public or offering price which includes a sales load of more than 1 ½% percent. An investment company that issues shares to the Funds pursuant to paragraph 12(d)(1)(F) shall not be required to redeem its shares in an amount exceeding 1% of such investment company's total outstanding shares in any period of less than thirty days. The Funds (or the Adviser and/or Sub-Advisers acting on behalf of the Funds) must comply with the following voting restrictions: when the Funds exercise voting rights, by proxy or otherwise, with respect to investment companies owned by the Funds, the Funds will either seek instruction from the Funds' shareholders with regard to the voting of all proxies and vote in accordance with such instructions, or vote the shares held by the Funds in the same proportion as the vote of all other holders of such security. Because other investment companies employ an investment adviser, such investments by the Funds may cause shareholders to bear duplicate fees.

In addition, the Funds are subject to the 3% Limitation unless (i) the ETF or the Funds have received an order for exemptive relief from the 3% limitation from the SEC that is applicable to the Funds; and (ii) the ETF and the Funds take appropriate steps to comply with any conditions in such order.

ETFs are investment companies whose shares are bought and sold on a securities exchange. Most ETFs are passively-managed, meaning they invest in a portfolio of securities designed to track a particular market segment or index. ETFs, like mutual funds, have expenses associated with their operation, including advisory fees. Such ETF expenses may make owning shares of the ETF more costly than owning the underlying securities directly. ETFs are managed by professionals and provide the investor with diversification, cost and tax efficiency, liquidity, marginability, are useful for hedging, can go long and short, and some provide quarterly dividends. Additionally, some ETFs are unit investment trusts, which are unmanaged portfolios overseen by trustees. ETFs generally have two markets. The primary market is where institutions swap "creation units" in block-multiples of 50,000 shares for in-kind securities and cash in the form of dividends. The secondary market is where individual investors can trade as little as a single share during trading hours on the exchange. This is different from open-ended mutual funds that are traded after hours once the NAV is calculated. The risks of owning shares of a passively-managed ETF generally reflect the risks of owning the underlying securities the ETF is designed to track, although lack of liquidity in an ETF could result in its value being more volatile than the underlying portfolio of securities.

There is a risk that an ETF in which a Fund invests may terminate due to extraordinary events that may cause any of the service providers to the ETFs, such as the trustee or sponsor, to close or otherwise fail to perform their obligations to the ETF. Also, because the ETFs in which a Fund intends to principally invest may be granted licenses by agreement to use the indices as a basis for determining their compositions and/or otherwise to use certain trade names, the ETFs may terminate if such license agreements are terminated. In addition, an ETF may terminate if its entire net asset value falls below a certain amount. Although a Fund believes that, in the event of the termination of an underlying ETF, it will be able to invest instead in shares of an alternate ETF tracking the same market index or another market index with the same general market, there is no guarantee that shares of an alternate ETF would be available for investment at that time. To the extent a Fund invests in a sector product, the Fund is subject to the risks associated with that sector.

The Funds may invest in ETFs and other investment companies that invest directly in equity and fixed-income securities, commodities, options, and other asset classes. By investing in ETFs and other investment companies, the Fund's will be exposed to the risks associated with these other asset classes. Leveraged ETFs contain all the risks that non-leveraged ETFs present. Additionally, to the extent the Fund invests in ETFs that achieve leveraged exposure to their underlying indexes using derivative instruments, the Fund will indirectly be subject to leverage risk, described below. Leveraged inverse ETFs seek to provide investment results that match a negative multiple of the performance of an underlying index. To the extent that a Fund invests in inverse ETFs (including leveraged inverse ETFs), the Fund will indirectly be subject to the risk that the performance of such ETF will fall as the performance of that ETF's benchmark rises. Leveraged, inverse and leveraged inverse ETFs often "reset" daily, meaning that they are designed to achieve their stated objectives daily. Because of compounding, their performance over longer periods of time can differ significantly from the performance (or inverse of the performance) of their underlying index or benchmark during the same period of time. These investment vehicles may be extremely volatile and can potentially expose an Underlying SEI Fund to complete loss of its investment.

### **Exchange-Traded Products (“ETPs”)**

The Funds may directly purchase shares of or interests in ETPs. The risks of owning interests of an ETP, such as an ETF, exchange-traded note (“ETN”), or exchange-traded commodity pool, generally reflect the same risks as owning the underlying securities or other instruments that the ETP is designed to track. The shares of certain ETPs may trade at a premium or discount to their intrinsic value (i.e., the market value may differ from the NAV of an ETP's shares). For example, supply and demand for shares of an ETF or market disruptions may cause the market price of the ETF to deviate from the value of the ETF's investments, which may be emphasized in less liquid markets. The value of an ETN may also differ from the value of its reference market or instrument due to changes in the issuer's credit rating. By investing in an ETP, an Underlying SEI Fund indirectly bears the proportionate share of any fees and expenses of the ETP in addition to the fees and expenses that the Underlying SEI Fund and its shareholders directly bear in connection with the Underlying SEI Fund's operations. Because certain ETPs may have a significant portion of their assets exposed directly or indirectly to commodities or commodity-linked securities, developments affecting commodities may have a disproportionate impact on such ETPs and may subject the ETPs to greater volatility than investments in traditional securities.

Generally, ETNs are structured as senior, unsecured notes in which an issuer, such as a bank, agrees to pay a return based on a target index or other reference instrument less any fees. ETNs allow individual investors to have access to derivatives linked to commodities and other assets such as oil, currencies and foreign stock indexes. ETNs combine certain aspects of bonds and ETFs. Similar to ETFs, ETNs are traded on a major exchange (e.g., the New York Stock Exchange) during normal trading hours. However, investors can also hold an ETN until maturity. At maturity, the issuer pays to the investor a cash amount equal to principal amount, subject to the day's index factor. ETN returns are based upon the performance of a market index minus applicable fees. The value of an ETN may be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in underlying commodities markets, changes in the applicable interest rates, changes in the issuer's credit rating, and economic, legal, political or geographic events that affect the referenced commodity. The value of an ETN may drop due to a downgrade in the issuer's credit rating, even if the underlying index remains unchanged. Investments in ETNs are subject to the risks facing income securities in general, including the risk that a counterparty will fail to make payments when due or default.

## **Preferred Stock**

Preferred stocks are securities that have characteristics of both common stocks and corporate bonds. Preferred stocks may receive dividends but payment is not guaranteed as with a bond. These securities may be undervalued because of a lack of analyst coverage resulting in a high dividend yield or yield to maturity. The risks of preferred stocks are a lack of voting rights and the Adviser and/or Sub-Advisers may incorrectly analyze the security, resulting in a loss to the Funds. Furthermore, preferred stock dividends are not guaranteed and management can elect to forego the preferred dividend, resulting in a loss to the Funds.

## **Real Estate Investment Trusts (“REITs”)**

REITs are pooled investment vehicles which invest primarily in income producing real estate or real estate related loans or interest. REITs are generally classified as equity REITs, mortgage REITs or a combination of equity and mortgage REITs. Equity REITs invest the majority of their assets directly in real property and derive income primarily from the collection of rents. Equity REITs can also realize capital gains by selling property that has appreciated in value. Mortgage REITs invest the majority of their assets in real estate mortgages and derive income from the collection of interest payments. The real property and mortgages serving as investment vehicles for REITs may be either residential or commercial in nature and may include healthcare facilities. Similar to investment companies, REITs are not taxed on income distributed to shareholders provided they comply with several requirements of the Code. Such tax requirements limit a REIT’s ability to respond to changes in the commercial real estate market.

Investments in REITs are subject to the same risks as direct investments in real estate. Real estate values rise and fall in response to many factors, including local, regional and national economic conditions, the demand for rental property, and interest rates. In addition, REITs may have limited financial resources, may trade less frequently and in limited volume and may be more volatile than other securities.

## **Repurchase Agreements**

The Funds may invest in fully collateralized repurchase agreements. A repurchase agreement is a short term investment in which the purchaser (i.e., the Funds) acquires ownership of a security and the seller agrees to repurchase the obligation at a future time at a set price, thereby determining the yield during the purchaser’s holding period (usually not more than 7 days from the date of purchase). Any repurchase transaction in which the Funds engage will require full collateralization of the seller’s obligation during the entire term of the repurchase agreement. In the event of a bankruptcy or other default of the seller, the Funds could experience both delays in liquidating the underlying security and losses in value. However, the Funds intend to enter into repurchase agreements only with its custodian, other banks with assets of \$1 billion or more and registered securities dealers determined by the Adviser to be creditworthy. The Adviser monitors the creditworthiness of the banks and securities dealers with which the Funds engage in repurchase transactions. The Funds may not enter into a repurchase agreement with a term of more than seven days if, as a result, more than 15% of the value of its net assets would then be invested in such repurchase agreements and other illiquid investments. To the extent the Funds enter into a repurchase agreements, the Adviser is the only authorized party to enter into such agreements.

## **Reverse Repurchase Transactions**

The Funds may enter into reverse repurchase transactions. In a reverse repurchase transaction, the Funds concurrently agrees to sell portfolio securities to financial institutions such as banks and broker-dealers, and to repurchase the same securities at a later date at a mutually agreed upon price. The repurchase price generally is equal to the original sales price plus interest. The Funds retain record ownership of the securities and the right to receive interest and principal payments. The Funds will enter into a reverse repurchase transaction in order to obtain funds to pursue additional investment opportunities with a return in excess of the cost of the reverse repurchase transaction. Such transactions may increase fluctuations in the market value of Funds assets and may be viewed as a form of leverage. Reverse purchase transactions also involve the risk that the market value of the securities sold by the Funds may decline below the price at which the Funds are obligated to repurchase the securities. In the event of bankruptcy or other default by the purchaser, the Funds could experience both delays in repurchasing the portfolio securities and losses. The Funds will enter into reverse purchase transactions only with parties whose creditworthiness has been reviewed and found satisfactory by the Adviser.

Reverse purchase transactions are considered by the SEC to be borrowings by the Funds under the 1940 Act. At the time the Funds enter into a reverse purchase transaction, it will direct its custodian to place in a segregated account assets (such as cash or liquid securities consistent with the Funds' investment restrictions) having a value equal to the repurchase price (including accrued interest). The Funds will monitor the account to ensure that the market value of the account equals the amount of the Funds' commitments to repurchase securities. To the extent the Funds enter into a reverse repurchase transactions, the Adviser is the only authorized party to enter into such agreements.

## **Rights**

Rights are usually granted to existing shareholders of a corporation to subscribe to shares of a new issue of common stock before it is issued to the public. The right entitles its holder to buy common stock at a specified price. Rights have similar features to warrants, except that the life of a right is typically much shorter, usually a few weeks. The Adviser and/or Sub-Advisers believe rights may become underpriced if they are sold without regard to value and if analysts do not include them in their research. The risk in investing in rights is that the Adviser and/or Sub-Adviser might miscalculate their value resulting in a loss to the Funds. Another risk is the underlying common stock may not reach the Adviser's and/or Sub-Advisers' anticipated price within the life of the right.

## **Separate Trading of Registered Interest and Principal of Securities**

The Federal Reserve creates STRIPS (Separate Trading of Registered Interest and Principal of Securities) by separating the coupon payments and the principal payment from an outstanding Treasury security and selling them as individual securities. To the extent the Funds purchase the principal portion of the STRIP, the Funds will not receive regular interest payments. Instead they are sold at a deep discount from their face value. The Funds will accrue income on such STRIPS for tax and accounting purposes, in accordance with applicable law, which income is distributable to shareholders. Because no cash is received at the time such income is accrued, the Funds may be required to liquidate other securities to satisfy its distribution obligations. Because the principal portion of the STRIP does not pay current income, its price can be very volatile when interest rates change. In calculating its dividend, the Funds take into account as income a portion of the difference between the principal portion of the STRIP's purchase price and its face value.

## **U.S. Government Securities**

The Funds may invest in U.S. government securities. These securities may be backed by the credit of the government as a whole or only by the issuing agency. U.S. Treasury bonds, notes, and bills and some agency securities, such as those issued by the Federal Housing Administration and the Government National Mortgage Association (Ginnie Mae), are backed by the full faith and credit of the U.S. government as to payment of principal and interest and are the highest quality government securities. Other securities issued by U.S. government agencies or instrumentalities, such as securities issued by the Federal Home Loan Banks and the Federal Home Loan Mortgage Corporation (Freddie Mac), are supported only by the credit of the agency that issued them, and not by the U.S. government. Securities issued by the Federal Farm Credit System, the Federal Land Banks, and the Federal National Mortgage Association (Fannie Mae) are supported by the agency's right to borrow money from the U.S. Treasury under certain circumstances, but are not backed by the full faith and credit of the U.S. government.

The Funds' investments in U.S. Government securities may include agency step-up obligations. These obligations are structured with a coupon rate that "steps-up" periodically over the life of the obligation. Step-up obligations typically contain a call option, permitting the issuer to buy back the obligation upon exercise of the option. Step-up obligations are designed for investors who are unwilling to invest in a long-term security in a low interest rate environment. Step-up obligations are used in an attempt to reduce the risk of a price decline should interest rates rise significantly at any time during the life of the obligation. However, step-up obligations also carry the risk that market interest rates may be significantly below the new, stepped-up coupon rate. If this occurs, the issuer of the obligation likely will exercise the call option, leaving investors with cash to reinvest. As a result, these obligations may expose the Funds to the risk that proceeds from a called security may be reinvested in another security paying a lower rate of interest.

## **Warrants**

Warrants are securities that are usually issued with a bond or preferred stock but may trade separately in the market. A warrant allows its holder to purchase a specified amount of common stock at a specified price for a specified time. The risk in investing in warrants is the Adviser and/or Sub-Advisers might miscalculate their value, resulting in a loss to the Funds. Another risk is the warrants will not realize their value because the underlying common stock does not reach the Adviser's and/or Sub-Advisers' anticipated price within the life of the warrant.

## **Investment Restrictions**

Fundamental Investment Limitations. The investment limitations described below have been adopted by the Trust with respect to the Funds and are fundamental ("Fundamental Restrictions"), meaning they may not be changed without the affirmative vote of a majority of the outstanding shares of the Funds. As used in the Prospectus and the Statement of Additional Information, the term "majority" of the outstanding shares of the Funds means the lesser of: (i) 67% or more of the outstanding shares of the Funds present at a meeting, if the holders of more than 50% of the outstanding shares of the Funds are present or represented at such meeting; or (ii) more than 50% of the outstanding shares of the Funds. Other investment practices, which may be changed by the Board without the approval of shareholders to the extent permitted by applicable law, regulation, or regulatory policy, are considered non-fundamental ("Non-Fundamental"). When implementing the Funds' investment goals and strategies, each Fund will look through its investments in underlying investment companies. Except as discussed below, the Funds will consider the concentration of underlying investment companies when determining compliance with its own policy.

1. Borrowing Money. Each Fund may, subject to the restrictions of the 1940 Act, borrow money from banks as a temporary measure. For example, a Fund may borrow money to meet redemption requests or for extraordinary or emergency purposes. This limitation does not preclude the Funds from entering into reverse repurchase transactions, provided that the Funds have the asset coverage required under the 1940 Act for all borrowings and repurchase commitments of the Funds. To the extent the Fund enters into borrowing agreements to include repurchase agreements and reverse repurchase transactions, the Adviser is the only authorized party to enter into such agreements.
2. Senior Securities. The Funds will not issue senior securities, except as permitted by the 1940 Act, the rules and regulations promulgated thereunder or interpretations of the SEC or its staff.
3. Underwriting. The Funds will not act as underwriter, except to the extent that, in connection with the disposition of portfolio securities (including restricted securities), a Fund may be deemed an underwriter under certain federal securities laws or in connection with investments in other investment companies.
4. Real Estate. The Funds will not directly purchase or sell real estate. This limitation is not applicable to investments in marketable securities that are secured by or represent interests in real estate. This limitation does not preclude the Funds from investing in mortgage-related securities or investing in companies engaged in the real estate business or that have a significant portion of their assets in real estate (including real estate investment trusts).
5. Commodities. The Funds will not purchase or sell commodities unless acquired because of ownership of securities or other investments. This limitation does not preclude the Funds from purchasing or selling options or futures contracts, from investing in securities or other instruments backed by commodities or from investing in companies, which are engaged in a commodities business or have a significant portion of their assets in commodities.
6. Loans. The Funds will not make loans to other persons, except: (i) by loaning portfolio securities; (ii) by engaging in repurchase agreements; or (iii) by purchasing non-publicly offered debt securities. For purposes of this limitation, investment in U.S. Government obligations, short-term commercial paper, certificates of deposit, banker's acceptances, repurchase agreements and any other lending arrangement permitted by the 1940 Act, any rules and regulations promulgated thereunder or interpretations of the SEC or its staff shall not be deemed to be the making of a "loan"; nor shall the term "loans" include the purchase of a portion of an issue of publicly distributed bonds, debentures or other securities.
7. Concentration. The Funds will not invest 25% or more of its total assets in a particular industry or group of industries. This limitation is not applicable to investments in obligations issued or guaranteed by the U.S. government and its agencies and instrumentalities, state or municipal governments and their political subdivisions (other than revenue bonds issued in connection with an identifiable industry; e.g., healthcare or education), or repurchase agreements with respect thereto, or investments in registered investment companies.
8. Diversification. The Funds will invest in the securities of any issuer only if, immediately after such investment, at least 75% of the value of the total assets of the Funds will be invested in cash and cash items (including receivables), government securities, securities of other investment companies, and other securities for the purposes of this calculation limited in respect of any one issuer to an amount (determined immediately after the latest acquisition of securities of the issuer) not greater in value than 5% of the value of the total assets of the Funds and to not more than 10% of the outstanding voting securities of such issuer.

With respect to the percentages adopted by the Trust as maximum limitations on its investment policies and limitations, an excess above the fixed percentage will not be a violation of the policy or limitation unless the excess results immediately and directly from the acquisition of any security or the action taken. This paragraph does not apply to the borrowing policy set forth in paragraph 1 above.

The 1940 Act limits the Funds' ability to borrow money, prohibiting the Funds from issuing senior securities, except the Funds may borrow from any bank provided that immediately after any such borrowing there is an asset coverage of at least 300% for all borrowings by the Funds and provided further, that in the event that such asset coverage shall at any time fall below 300%, the Funds shall, within three days thereafter or such longer period as the SEC may prescribe by rules and regulations, reduce the amount of its borrowings to such an extent that the asset coverage of such borrowing shall be at least 300%. Notwithstanding any of the foregoing limitations, any investment company, whether organized as a trust, association or corporation, or a personal holding company, may be merged or consolidated with or acquired by the Trust, provided that if such merger, consolidation or acquisition results in an investment in the securities of any issuer prohibited by said paragraphs, the Trust shall, within ninety days after the consummation of such merger, consolidation or acquisition, dispose of all of the securities of such issuer so acquired or such portion thereof as shall bring the total investment therein within the limitations imposed by said paragraphs above as of the date of consummation.

## **MANAGEMENT OF THE FUNDS**

The Board supervises the business activities of the Trust and appoints the officers. Each Trustee serves as a trustee until the termination of the Trust unless the Trustee dies, resigns, retires, or is removed. The Board generally meets four times a year to review the progress and status of the Funds.

### **Board Leadership Structure**

The Trust is led by Richard C. Curry, who has served as the Chairman of the Board since inception. The Board is comprised three Trustees, neither of whom is an interested person ("Independent Trustees"). Additionally, under certain 1940 Act governance guidelines that apply to the Trust, the Independent Trustees will meet in executive session, at least quarterly. Under the Trust's Agreement and Declaration of Trust and By-Laws, the Chairman of the Board is responsible for presiding at board meetings, calling special meetings on an as-needed basis. Generally, the Trust believes it best to have a single leader who is seen by shareholders, business partners and other stakeholders as providing strong leadership. The Trust believes that its Chairman together with the standing committees and the full Board, provide effective leadership that is in the best interests of the Trust and the Funds' shareholders because of the Board's collective business acumen and understanding of the regulatory framework under which investment companies must operate.

### **Board Risk Oversight**

The Board is comprised three Independent Trustees with a standing independent Audit Committee, Nominating and Corporate Governance Committee, Valuation Committee, and Qualified Legal Compliance Committee. The Board is responsible for overseeing risk management, and the full Board regularly engages in discussions of risk management and receives compliance reports that inform its oversight of risk management from its Chief Compliance Officer at quarterly meetings and on an ad hoc basis, when and if necessary.



The Audit Committee considers financial and reporting risk within its area of responsibilities. Generally, the Board believes that its oversight of material risks is adequately maintained through the compliance-reporting chain where the Chief Compliance Officer is the primary recipient and communicator of such risk-related information, and the Audit Committee's communications with the independent registered public accounting firm. The Audit Committee operates pursuant to an Audit Committee Charter and meets periodically as necessary. Messrs. Curry, Peter Baden, and Matthew Brennan serve on the Audit Committee, which met twice during the most recent fiscal year ending December 31.

The Nominating and Corporate Governance ("NCG") Committee oversees the nomination of trustees, governance procedures, and trustee compensation. In selecting and nominating persons to serve as Independent Trustees, the Nominating Committee will not consider nominees recommended by shareholders of the Trust unless required by law. The NCG Committee operates pursuant to an NCG Committee Charter and meets periodically as necessary. Messrs. Curry, Baden, and Brennan serve on the NCG Committee, which met once during the most recent fiscal year ending December 31.

The Valuation Oversight Committee is responsible for overseeing determination of the fair value of the Funds' portfolio securities and other assets on behalf of the Board in accordance with the Funds' valuation procedures. The Valuation Committee shall monitor the material aspects of the Funds' valuation procedures as adopted and revised from time to time by the Board, as well as the Fund's compliance with respect to the valuation of its assets under the 1940 Act. The Valuation Committee operates pursuant to an Valuation Committee Charter and meets periodically as necessary. Mr. Baden is the Chairperson of the Valuation Committee and presides at its meetings. Messrs. Curry, Baden, and Brennan serve on the Valuation Committee, which did not meet during the most recent fiscal year ending December 31.

The Qualified Legal Compliance ("QLC") Committee receives, investigates, and makes recommendations as to the appropriate remedial action in connection with any report of evidence of a material violation of the securities laws or breach of fiduciary duty or similar violation by the Trust, its officers, Trustees, or agents. The QLC Committee operates pursuant to an QLC Committee Charter and meets periodically as necessary. Messrs. Curry, Baden, and Brennan serve on the QLC Committee, which met four times during the most recent fiscal year ending December 31.

#### **Trustee Qualifications**

Generally, the Trust believes that each Trustee is competent to serve because of their individual overall merits including: (i) experience, (ii) qualifications, (iii) attributes and (iv) skills.

Matthew Brennan – **Independent Trustee** – Mr. Brennan has over 35 years of accounting, business strategy, and executive management experience. He started his accounting career at Deloitte & Touche before serving as a Vice president of a real estate development group. In 1996, Mr. Brennan founded his own excavating and paving company. In 2019, he founded his own full-service aircraft management company.

Richard Curry – **Independent Trustee** – Mr. Curry has over 20 years of experience in the securities industry, having previously served as a securities dealer at McDonald and Company, college professor of investments, and president and director of registered investment companies. He currently serves as an Adjunct Professor of Investments at the University of Cincinnati Lindner College of Business and is a risk management advisor at Curry Moore & Associates.

Peter Baden – **Independent Trustee** – Mr. Baden has over 20 years in the financial services industry and nearly ten years as a systems analyst for private and municipal entities. Since 2005, Mr. Baden has served as the Chief Investment Officer for two registered investment advisers. At his current firm, Genoa Asset Management, he serves as the portfolio manager to the taxable total return strategy.

Each of the Independent Trustees possesses a strong understanding of the regulatory framework under which investment companies must operate. The Trust does not believe any one factor is determinative in assessing a Trustee’s qualifications, but that the collective experience of each Trustee makes the Board highly effective.

The following tables provide information about Board and the senior officers of the Trust. Information about each Trustee is provided below and includes each person’s: name, address, age (as of the date of the Funds’ most recent fiscal year end), present position(s) held with the Trust, principal occupations for the past five years. Unless otherwise noted, the business address of each person listed below is c/o M3Sixty Fund Administration, LLC is 4300 Shawnee Mission Parkway, Fairway, Kansas 66205. Unless otherwise noted, each officer is elected annually by the Board.

The following table provides information regarding each Trustee who is not an “interested person” of the Trust, as defined in the 1940 Act.

<b>Name Address and Year of Birth</b>	<b>Position(s) Held with the Fund</b>	<b>Term of Office/Length of Time Served</b>	<b>Principal Occupation(s) During Past 5 Years</b>	<b>Number of Portfolios in Fund Complex<sup>1</sup> Overseen by Trustee</b>	<b>Other Directorships Held by Trustee During Past 5 Years</b>
Matthew Brennan Birth Year: 1961	Trustee	Indefinite/ February 2021 - present	Chief Executive Officer and Managing Member, Ohio Heavy Equipment Leasing, LLC, d/b/a Loveland Excavating and Paving, Inc. (1996 - present); Owner, SkyFly Aviation Services, LLC (2019 – present)	6	None
Richard M. Curry Birth Year: 1939	Trustee	Indefinite/ February 2021 - present	Independent Life and Health Insurance Adviser, Curry Moore & Associates (2014 – present); Adjunct Professor of Investments, The University of Cincinnati (2005 – present)	6	None
Peter Baden Birth Year: 1964	Trustee	Indefinite/ February 2021 – present	Chief Investment Officer, Genoa Asset Management (2020 – present); Chief Investment Officer, Ross Sinclair Asset Management (2005 – 2020)	6	None

<sup>1</sup> The “Fund Complex” consists of the Tactical Investment Series Trust.

The following table provides information regarding each officer of the Trust.

<b>Name, Address and Year of Birth</b>	<b>Position(s) Held with the Fund</b>	<b>Term of Office/ Length of Time Served</b>	<b>Principal Occupation(s) During Past 5 Years</b>	<b>Other Directorships Held by Trustee During Past 5 Years</b>
Drew K. Horter <sup>2</sup> Birth Year: 1955	President  Interested Trustee	January 2021 - present  January 2021 – November 2021	President, Tactical Fund Advisors, LLC (2019 – present); President and Chief Investment Strategist, Horter Investment Management, LLC (1991 – present)	None
Bo J. Howell Birth Year: 1981	Secretary	Since February 2022	Managing Member, FinTech Law, LLC (2022—present); Shareholder, Strauss Troy Co., LPA (2020-2022); CEO of CCO Technology, LLC (d/b/a Joot) (2018-present); Partner, Practus LLP (2018-2020); Director of Fund Administration, M3Sixty Fund Solutions, LLC (2014-2018) M3Sixty	None
Larry Beaver Birth Year: 1969	Treasurer	Since February 2022	Fund Accounting, Administration and Tax Officer, M3Sixty Administration, LLC (2017-Present); Director of Fund Accounting & Administration, M3Sixty Administration, LLC (2005-2017); Assistant Treasurer, 360 Funds (2017-2021); Chief Accounting Officer, Amidex Funds, Inc. (2003-2020); Assistant Treasurer, Capital Management Investment Trust (July 2017-July 2018); Assistant Treasurer, M3Sixty Funds Trust (July 2017-Present); Assistant Treasurer, WP Funds Trust (2017-2021).M3Sixty	None
Leslie Green Birth Year: 1988	Chief Compliance Officer	Since November 2021	Chief Compliance Officer, Calfee Halter & Griswold (since 2021); Chief Compliance Officer, Eagle Realty Group (2017-2021); Senior Compliance Manager, Touchstone Investments (2012 - 2017).	None
Tony DeMarino Birth Year: 1970	Anti-Money Laundering Compliance Officer	Since February 2022	Principal Executive Officer, Matrix 360 Distributors, LLC (2022-present); Partner, Primark Capital (2020-2022); Head of Distribution, Cognios Capital, LLC (2016-2020).	None

<sup>1</sup> The “Fund Complex” consists of the Tactical Investment Series Trust.

As of December 31, 2021, the Trustees beneficially owned the following amounts in the Funds:

Name of Trustee	Name of Fund	Dollar Range of Equity Securities in the Fund	Aggregate Dollar Range of Equity Securities in the Trust
<b>Independent Trustees</b>			
Matthew Brennan	TFA Tactical Income Fund	None	None
	Tactical Moderate Allocation Fund	None	
	Tactical Growth Allocation Fund	None	
	TFA Quantitative Fund	None	
	TFA Multidimensional Tactical Fund	None	
	TFA AlphaGen Growth Fund	None	
Richard Curry	TFA Tactical Income Fund	None	None
	Tactical Moderate Allocation Fund	None	
	Tactical Growth Allocation Fund	None	
	TFA Quantitative Fund	None	
	TFA Multidimensional Tactical Fund	None	
	TFA AlphaGen Growth Fund	None	
Peter Baden	TFA Tactical Income Fund	None	None
	Tactical Moderate Allocation Fund	None	
	Tactical Growth Allocation Fund	None	
	TFA Quantitative Fund	None	
	TFA Multidimensional Tactical Fund	None	
	TFA AlphaGen Growth Fund	None	

**Compensation.** Officers of the Trust and Trustees who are “interested persons” of the Trust or the adviser/sub-advisers will receive no salary or fees from the Trust. Officers of the Trust and interested Trustees do receive compensation directly from certain service providers to the Trust, including M3Sixty Fund Solutions, LLC. Effective September 1, 2021, each Trustee who is not an “interested person” receives an annual retainer of \$20,000, paid quarterly, plus a fee of \$2,500 per special Board meeting, special Committee meeting, any regularly scheduled quarterly Board meeting at which the approval of an advisory or sub-advisory agreement is considered, or other meeting attended. Before September 1, 2021, each Trustee who is not an “interested person” received a fee of \$500 per quarterly meeting attended and additional compensation of up to \$500 for each special meeting attended.

The following table describes the compensation estimated to be paid to the Trustees for the Trust’s initial fiscal year.

Name	Aggregate Compensation from the Funds	Pension or Retirement Benefits Accrued As Part of Fund Expenses	Estimated Annual Benefits Upon Retirement	Total Compensation from Trust
<b>Independent Trustees</b>				
Matthew Brennan	\$21,500	None	None	\$21,500
Richard Curry	\$21,500	None	None	\$21,500
Peter Baden	\$21,500	None	None	\$21,500

### CODE OF ETHICS

Pursuant to the requirements of rule 17j-1 under 1940 Act, and in order to protect against certain unlawful acts, practices and courses of business by certain individuals or entities related to the Funds, the Funds, the Adviser, the Sub-Advisers and the Distributor have each adopted a Code of Ethics and procedures for implementing the provisions of the Code. The personnel of the Funds, the Adviser, the Sub-Advisers and the Distributor are subject to the code of ethics when investing in securities that may be purchased, sold or held by the Funds.

### DISTRIBUTION PLAN

The Funds have adopted a plan pursuant to Rule 12b-1 under the 1940 Act, (the “Plan”). The Plan permits the Funds to pay Matrix 360 Distributors, LLC (the “Distributor”) for certain distribution and promotion expenses related to marketing Class A shares of the Funds. The amount payable annually by the Funds is 0.25% of the average daily net assets of the Class A shares. The Plan is a compensation style plan which means the Funds accrue expenses and pay the Distributor based upon the percentage described above rather than on actual expenses incurred by the Distributor.

Under the Plan, the Trust may engage in any activities related to the distribution of Funds shares, including without limitation the following: (i) payments, including incentive compensation, to securities dealers or other financial intermediaries, financial institutions, investment advisers and others that are engaged in the sale of shares of the Funds, or that may be advising shareholders of the Trust regarding the purchase, sale or retention of shares of the Funds; (ii) expenses of maintaining personnel (including personnel of organizations with which the Trust has entered into agreements related to this Plan) who engage in or support distribution of shares of the Funds; (iii) costs of preparing, printing and distributing prospectuses and statements of additional information and reports of the Funds for recipients other than existing shareholders of the Funds; (iv) costs of formulating and implementing marketing and promotional activities, including, but not limited to, sales seminars, direct mail promotions and television, radio, newspaper, magazine and other mass media advertising; (v) costs of preparing, printing and distributing sales literature; (vi) costs of obtaining such information, analyses and reports with respect to marketing and promotional activities as the Trust may, from time to time, deem advisable; and (vii) costs of implementing and operating this Plan.

The Trustees expect that the Plan could significantly enhance the Funds’ ability to expand distribution of shares of the Funds. It is also anticipated that an increase in the size of the Funds will produce economies of scale that benefit the shareholders, facilitate more efficient portfolio management, and assist the Funds in seeking to achieve its investment objective.

The Plan has been approved by the Board, including a majority of the Trustees who are not “interested persons” of the Trust and who have no direct or indirect financial interest in the Plan or any related agreement, by a vote cast in person. Continuation of the Plan and the related agreements must be approved by the Trustees annually, in the same manner, and the Plan or any related agreement may be terminated at any time without penalty by a majority of such independent Trustees or by a majority of the outstanding shares of the Funds. Any amendment increasing the maximum percentage payable under the Plan or other material change must be approved by a majority of the outstanding shares of the Funds, and all other material amendments to the Plan or any related agreement must be approved by a majority of the independent Trustees.

The following tables set forth the total compensation received by the Distributor (including its predecessor Arbor Court Capital, LLC) from the Funds and the Predecessor Funds. The TFA Quantitative Fund, TFA Multidimensional Tactical Fund, and TFA AlphaGen Growth Fund Class A Shares have not yet commenced operations.

<b>Actual 12b-1 Expenditures Paid by each Fund’s Class A Shares During the Fiscal Period Ended December 31, 2021</b>			
	<b>Income Fund</b>	<b>Moderate Fund</b>	<b>Aggressive Fund</b>
Payment to distributor	\$65	\$4	\$6
<b>Total</b>	\$65	\$4	\$6

### SHAREHOLDER SERVICES PLAN

The Funds have adopted a Shareholder Services Plan on behalf of each Fund’s Class A and I shares to pay for shareholder support services from the Fund’s assets pursuant to a shareholder services agreement in an amount not to exceed 0.15% of average daily net assets of the Fund attributable to the Class A or I shares. Under the plan, a Fund may pay shareholder servicing fees to shareholder servicing agents who have entered into written shareholder servicing agreements with the Fund and perform shareholder servicing functions and maintenance of shareholder accounts on behalf of the Class A or I shareholders. Such services include: (1) establishing and maintaining accounts and records relating to shareholders who invest in the class; (2) aggregating and processing purchase and redemption requests and transmitting such orders to the transfer agent; (3) providing shareholders with a service that invests the assets of their accounts in shares of the Fund pursuant to specific or pre-authorized instructions; (4) processing dividend and distribution payments from the Fund on behalf of shareholders; (5) providing information periodically to shareholders as to their ownership of shares or about other aspects of the operations of the Fund; (6) responding to shareholder inquiries concerning their investment; (7) providing sub-accounting with respect to shares of the Fund beneficially owned by shareholders or the information necessary for sub-accounting; (8) forwarding shareholder communications (such as proxies, shareholder reports, annual and semi-annual financial statements and dividend, distribution and tax notices); and (9) providing similar services as may reasonably be requested. Retail Shares are not currently offered.

## CONTROL PERSONS AND PRINCIPAL HOLDERS OF SECURITIES

### Control Persons

Shareholders owning more than 25% of the shares of the Funds are considered to “control” the Fund as that term is defined under the 1940 Act. Persons controlling the Funds can determine the outcome of any proposal submitted to the shareholders for approval, including changes to the Funds’ fundamental policies or the terms of the management agreement with the Adviser. As of April 4, 2022, the following shareholders owned of record or beneficially 5% or more of the Funds:

#### AlphaGen Growth – Class I Shares

<u>Name and Address of Principal Holder</u>	<u>Percentage Owned of Record</u>
Ameritrade Inc. PO Box 2226 Omaha, NE 68103	93.25%
E*Trade Savings Bank PO Box 6503 Englewood, CO 80155	6.75%

#### Income Fund - Class A Shares

<u>Name and Address of Principal Holder</u>	<u>Percentage Owned of Record</u>
Ameritrade Inc. PO Box 2226 Omaha, NE 68103	95.75%

#### Income Fund – Class I Shares

<u>Name and Address of Principal Holder</u>	<u>Percentage Owned of Record</u>
Ameritrade Inc. PO Box 2226 Omaha, NE 68103	90.24%
E*Trade Savings Bank PO Box 6503 Englewood, CO 80155	9.35%

#### Moderate Allocation Fund - Class A Shares

<u>Name and Address of Principal Holder</u>	<u>Percentage Owned of Record</u>
Horter Investment Management Retirement Plan 11726 Seven Gables Road Cincinnati, OH 45249	100%

Moderate Allocation Fund – Class I Shares

<u>Name and Address of Principal Holder</u>	<u>Percentage Owned of Record</u>
Ameritrade Inc. PO Box 2226 Omaha, NE 68103	93.38%
E*Trade Savings Bank PO Box 6503 Englewood, CO 80155	6.34%

Growth Allocation Fund - Class A Shares

<u>Name and Address of Principal Holder</u>	<u>Percentage Owned of Record</u>
Horter Investment Management Retirement Plan 11726 Seven Gables Road Cincinnati, OH 45249	100%

Growth Allocation Fund – Class I Shares

<u>Name and Address of Principal Holder</u>	<u>Percentage Owned of Record</u>
Ameritrade Inc. PO Box 2226 Omaha, NE 68103	93.99%
E*Trade Savings Bank PO Box 6503 Englewood, CO 80155	5.63%

Quantitative Fund – Class I Shares

<u>Name and Address of Principal Holder</u>	<u>Percentage Owned of Record</u>
Ameritrade Inc. PO Box 2226 Omaha, NE 68103	92.94%
E*Trade Savings Bank PO Box 6503 Englewood, CO 80155	6.59%

Multidimensional Tactical Fund – Class I Shares

<u>Name and Address of Principal Holder</u>	<u>Percentage Owned of Record</u>
Ameritrade Inc. PO Box 2226 Omaha, NE 68103	91.23%
E*Trade Savings Bank PO Box 6503 Englewood, CO 80155	8.37%



## Management Ownership

As of December 31, 2021, the Trustees and officers, as a group, owned less than 1.00% of the Predecessor Funds' outstanding shares.

## INVESTMENT ADVISORY SERVICES

### Investment Adviser

Tactical Fund Advisors, LLC, located at 11726 Seven Gables Road, Cincinnati, Ohio 45249, is the adviser to the Funds. Under the terms of the management agreement (the "Agreement"), the Adviser, subject to the oversight of the Board, provides or arranges to be provided to the Funds such investment advice as it deems advisable and will furnish or arrange to be furnished a continuous investment program for the Funds consistent with the Funds' investment objective and policies. As compensation for its management services, the Funds are obligated to pay the Adviser a fee computed and accrued daily and paid monthly at an annual rate of 1.30% of the average daily net assets of the Funds. Each Predecessor Fund paid the following advisory fees to the Adviser pursuant to the prior investment advisory agreement, of which the Adviser waived or recouped the amounts set forth in the table below:

	Advisory Fee	Recoupment (Waiver)	Expense Reimbursement	Advisory Fee After Waiver
<b>TFA Tactical Income Fund</b>				
December 31, 2020	\$451,673	\$(90,908)	\$0	\$360,765
December 31, 2021	\$379,943	\$(57,508)	\$0	\$322,435
<b>Tactical Moderate Allocation Fund</b>				
December 31, 2020	\$581,548	\$(107,059)	\$0	\$474,489
December 31, 2021	\$468,904	\$(40,525)	\$0	\$428,379
<b>Tactical Growth Allocation Fund</b>				
December 31, 2020	\$632,141	\$(65,684)	\$0	\$566,457
December 31, 2021	\$764,912	\$29,493	\$0	\$794,405
<b>TFA Quantitative Fund</b>				
December 31, 2020	\$288,083	\$0	\$0	\$288,083
December 31, 2021	\$588,938	\$1,943	\$0	\$590,881
<b>TFA Multidimensional Tactical Fund</b>				
December 31, 2020	\$343,679	\$0	\$0	\$343,679
December 31, 2021	\$687,281	\$2,674	\$0	\$689,955
<b>TFA AlphaGen Growth Fund</b>				
December 31, 2021	\$294,000	\$0	\$0	\$294,000

The Agreement continues for an initial term of two years and is renewed annually thereafter, if continuance is approved at least annually by specific approval of the Board or by vote of the holders of a majority of the outstanding voting securities of the Funds. In either event, it must also be approved by a majority of the Trustees who are neither parties to the agreement nor interested persons as defined in the 1940 Act, at a meeting called for the purpose of voting on such approval. The Agreement may be terminated at any time without the payment of any penalty by the Board or by vote of a majority of the outstanding voting securities of the Funds on not more than 60 days' written notice to the Adviser. In the event of its assignment, the Agreement will terminate automatically.

The Adviser has contractually agreed to reduce its fees and to reimburse expenses, at least through April 30, 2023 to ensure that total annual Funds operating expenses after fee waiver and reimbursement (exclusive of any front-end or contingent deferred loads, interest, borrowing expenses, distribution fees pursuant to Rule 12b-1 Plans, shareholder service fees pursuant to a Shareholder Service Plan, taxes, acquired fund fees and expenses, brokerage fees and commissions, dividend expenses on short sales, litigation expenses, expenditures which are capitalized in accordance with generally accepted accounting principles and, other extraordinary expenses not incurred in the ordinary course of such Fund's business) will not exceed the percentages, shown in the table below, of average daily net assets (the "Expense Limitation Agreement"). These fee waivers and expense reimbursements are subject to possible recoupment from the Fund within three years of the date on which the waiver or reimbursement occurs, if such recoupment can be achieved within the lesser of the foregoing expense limits and the expense limits in place at the time of recoupment. The Expense Limitation Agreement may be terminated only by the Funds' Board, on 60 days' written notice to the Adviser.

<b>Fund</b>	<b>Expense Limitation</b>
Tactical Growth Allocation Fund	Class A 2.14% Class I 1.89%
Tactical Moderate Allocation Fund	Class A 2.14% Class I 1.89%
TFA Tactical Income Fund	Class A 2.14% Class I 1.89%
TFA Quantitative Fund	Class A 2.14% Class I 1.89%
TFA Multidimensional Tactical	Class A 2.14% Class I 1.89%
TFA AlphaGen Growth Fund	Class A 2.14% Class I 1.89%

A discussion regarding the basis for the Board's approval of the Agreement is available in the Funds' annual report dated December 31, 2021.

As of December 31, 2021, the Portfolio Managers were responsible for the management of the following types of accounts in addition to the Funds:

Portfolio Manager	Account Type	Performance-Based Fees		Non-Performance-Based Fees	
		Number of Accounts	Total Assets	Number of Accounts	Total Assets
Drew K. Horter (All Funds)	Registered Investment Company	0	\$0	0	\$0
	Other Pooled Investment Vehicles	0	\$0	0	\$0
	Other Accounts	0	\$0	111	\$10,311,865
Joseph Halpern (Allocation Funds)	Registered Investment Company	0	\$0	4	\$107,000,000
	Other Pooled Investment Vehicles	0	\$0	0	\$0
	Other Accounts	0	\$0	0	\$0
Joe Maas (Allocation Funds)	Registered Investment Company	0	\$0	0	\$0
	Other Pooled Investment Vehicles	0	\$0	0	\$0
	Other Accounts	25	\$20,000,000	0	\$0
David Moenning (Allocation Funds and TFA AlphaGen Growth Fund)	Registered Investment Company	0	\$0	0	\$0
	Other Pooled Investment Vehicles	0	\$0	0	\$0
	Other Accounts	0	\$0	3	\$646,528,846
Jeff Pietsch (Allocation Funds and TFA AlphaGen Growth Fund)	Registered Investment Company	0	\$0	0	\$0
	Other Pooled Investment Vehicles	0	\$0	0	\$0
	Other Accounts	0	\$0	153	\$56,009,000

Portfolio Manager	Account Type	Performance-Based Fees		Non-Performance-Based Fees	
		Number of Accounts	Total Assets	Number of Accounts	Total Assets
Theodore Doremus (TFA Multidimensional Tactical Fund)	Registered Investment Company	0	\$0	0	\$0
	Other Pooled Investment Vehicles	1	\$20,000,000	1	\$2,255,000
	Other Accounts	0	\$0	75	\$141,168,000
Vance Howard (Moderate Fund and Growth Fund)	Registered Investment Company	0	\$0	3	\$2,312,637,637
	Other Pooled Investment Vehicles	0	\$0	0	\$0
	Other Accounts	0	\$0	11,459	\$1,401,839,116

In general, when a portfolio manager has responsibility for managing more than one account, potential conflicts of interest may arise. Those conflicts could include preferential treatment of one account over others in terms of allocation of resources or of investment opportunities. For instance, the Adviser may receive fees from certain accounts that are higher than the fee it receives from the Funds, or it could receive a performance-based fee on certain accounts. The procedures to address conflicts of interest, if any, are described below.

The Adviser and/or Sub-Advisers attempt to avoid conflicts of interest that may arise as a result of the management of multiple client accounts. From time to time, the Adviser and/or Sub-Advisers may recommend or cause a client to invest in a security in which another client of the Adviser and/or Sub-Advisers have an ownership position. The Adviser and/or Sub-Advisers have each adopted certain procedures intended to treat all client accounts in a fair and equitable manner. To the extent that the Adviser and/or Sub-Advisers seek to purchase or sell the same security for multiple client accounts, the Adviser and/or Sub-Advisers may aggregate, or bunch, these orders where it deems this to be appropriate and consistent with applicable regulatory requirements. When a bunched order is filled in its entirety, each participating client account will participate at the average share prices for the bunched order. When a bunched order is only partially filled, the securities purchased will be allocated on a pro-rata basis to each account participating in the bunched order based upon the initial amount requested for the account, subject to certain exceptions. Each participating account will receive the average share price for the bunched order on the same business day.

For services as a Portfolio Manager to the Funds, Mr. Horter receives a share of the Adviser's profits, if any. For services as a Portfolio Manager to the Funds, each other Portfolio Manager receives a share of the respective Sub-Advisers' profits, if any.

Ownership of Fund Shares. The table below shows the ranges of Fund equity securities beneficially owned by each portfolio manager as of the most recent fiscal year ended December 31, stated as one of the following ranges: A = None; B = \$1-\$10,000; C = \$10,001-\$50,000; D = \$50,001-\$100,000; E = \$100,001-\$500,000; F = \$500,001-\$1,000,000; and G = over \$1,000,000.

Name of Portfolio Manager	Dollar Range of Equity Securities in the Funds
Mr. Horter	TFA Tactical Income Fund - \$10,001 - \$50,000 Tactical Moderate Allocation Fund - \$10,001 - \$50,000 Tactical Growth Allocation Fund - \$500,001 - \$1,000,000 TFA Multidimensional Tactical Fund – Over \$1,000,000 TFA Quantitative Fund – Over \$1,000,000
Mr. Halpern	None
Mr. Maas	Tactical Growth Allocation Fund – Over \$1,000,000 Tactical Moderate Allocation Fund – Over \$1,000,000 TFA Tactical Income Fund – Over \$1,000,000
Mr. Moenning	TFA AlphaGen Growth Fund - \$10,001 - \$50,000
Mr. Pietsch	None
Mr. Doremus	TFA Multidimensional Tactical Fund - \$10,001 - \$50,000
Mr. Howard	None

### Sub-Advisers and Sub-Advisory Agreements

The Adviser has engaged the Sub-Advisers to serve as investment sub-advisers to the Funds pursuant to Investment Sub-Advisory Agreements (collective, the “Sub-Advisory Agreements”). The Sub-Advisers are responsible for selecting the Funds’ investments according to each Funds’ investment objectives, policies, and restrictions.

The Sub-Advisory Agreements continue in effect for two years initially and then yearly, provided it is renewed at least annually by a vote of the majority of the Trustees, who are not parties to the agreement or interested persons of any such party, cast in person at a meeting specifically called for the purpose of voting on such approval. The Sub-Advisory Agreements may be terminated without penalty at any time by the Adviser or the respective Sub-Adviser on 60 days’ written notice, and will automatically terminate in the event of its “assignment” (as that term is defined in the 1940 Act).

The Sub-Advisory Agreements provide that each Sub-Adviser will formulate and implement a continuous investment program for their respective Fund, in accordance with that Fund’s objectives, policies, and limitations and any investments guidelines established by the Adviser. The Sub-Advisers will, subject to the supervision and control of the Adviser, determine in its discretion which issuers and securities will be purchased, held, sold, or exchanged by each Fund, and will place orders with and give instruction to brokers and dealers to cause the execution of such transactions. The Sub-Advisers are required to furnish, at its own expense, all investment facilities necessary to perform its obligations under the Sub-Advisory Agreements. Pursuant to the Sub-Advisory Agreements between the Adviser and Sub-Advisers, the Sub-Advisers are entitled to receive an annual Sub-Advisory fee, which paid by the Adviser, not the Funds. Each Sub-Advisory Agreement provides that the Sub-Adviser shall not be protected against any liability to the Trust or its shareholders by reason of willful misfeasance, bad faith, or gross negligence on its part in the performance of its duties, or from reckless disregard of its obligations or duties thereunder.

For its services, each Sub-Adviser receives a fee from the Adviser. The Sub-Adviser’s fee is accrued daily and paid monthly, based on the Fund’s average net assets allocated to the Sub-Adviser during the current month. The compensation of any officer, director, or employee of the Sub-Adviser who is rendering services to the Fund is paid by the Sub-Adviser. The Adviser paid the Sub-Advisers the following aggregated sub-advisory fees pursuant to the Sub-Advisory Agreements for each Predecessor Fund:

	<b>Aggregate Sub-Advisory Fee (for all Sub-Advisers together)</b>
<b>TFA Tactical Income Fund</b>	
December 31, 2020	\$77,571
December 31, 2021	\$86,081
<b>Tactical Moderate Allocation Fund</b>	
December 31, 2020	\$98,659
December 31, 2021	\$97,351
<b>Tactical Growth Allocation Fund</b>	
December 31, 2020	\$108,474
December 31, 2021	\$167,952
<b>TFA Quantitative Fund</b>	
December 31, 2020	\$59,034
December 31, 2021	\$133,792
<b>TFA Multidimensional Tactical Fund</b>	
December 31, 2020	\$70,947
December 31, 2021	\$155,557
<b>TFA AlphaGen Growth Fund</b>	
December 31, 2021	\$65,456

#### **Custodian**

U.S. Bank, 425 Walnut Street, Cincinnati, Ohio 45202, serves as the Funds’ custodian (“Custodian”). The Custodian acts as the Funds’ depository, provides safekeeping of its portfolio securities, collects all income and other payments with respect thereto, disburses funds at the Funds’ request and maintains records in connection with its duties.

#### **Fund Administrator**

Tactical Fund Services, LLC (“TFS”), 11726 Seven Gables Road, Cincinnati, Ohio 45249, serves as the Funds’ administrator. TFS receives an annual fee from the Trust of 0.10% of each Fund’s average daily net assets. Before the Reorganization, Collaborative Fund Services, LLC (“CFS”) served as the Funds’ administrator and provided compliance services to the Funds.

The Predecessor Funds paid the following administrative services fees to CFS, and CFS voluntarily waived the following amounts, for the following fiscal periods:

	<b>Administrative Services Fee</b>	<b>Voluntary (Waiver)</b>	<b>Total Administrative Services Fee</b>
<b>TFA Tactical Income Fund*</b>			
December 31, 2020	\$121,495	\$(52,008)	\$69,487
December 31, 2021	\$63,665	\$(27,285)	\$36,380
<b>Tactical Moderate Allocation Fund</b>			
December 31, 2020	\$156,216	\$(66,747)	\$89,469
December 31, 2021	\$83,462	\$(35,769)	\$47,693
<b>Tactical Growth Allocation Fund</b>			
December 31, 2020	\$170,129	\$(72,876)	\$97,253
December 31, 2021	\$123,221	\$(52,809)	\$70,412
<b>TFA Quantitative Fund</b>			
December 31, 2020	\$78,864	\$(34,000)	\$44,864
December 31, 2021	\$101,026	\$(43,297)	\$57,729
<b>TFA Multidimensional Tactical Fund</b>			
December 31, 2020	\$93,471	\$(40,000)	\$53,471
December 31, 2021	\$132,336	\$(56,715)	\$75,621
<b>TFA Alpha Gen Growth Fund*</b>			

\* The Fund commenced operations on August 23, 2021.

#### Sub-Fund Administrator, Fund Accountant and Transfer Agent

TFS has entered into an agreement with M3Sixty Fund Administration, LLC is 4300 Shawnee Mission Parkway, Fairway, Kansas 66205M3SixtyM3Sixty, for sub-fund administration services. M3Sixty also serves as the Fund Accountant and Transfer Agent for the Funds pursuant to an agreement with the Trust, on behalf of the Funds. As Transfer Agent, M3Sixty maintains the records of the shareholder's account, answers shareholders' inquiries concerning their accounts, processes purchases and redemptions of the Fund's shares, acts as dividend and distribution disbursing agent and performs other transfer agent and shareholder service functions. Before the Reorganization, Mutual Shareholder Services, LLC ("MSS") provided the Funds with fund accounting services and served as the Funds' transfer agent. From August 23, 2021 until February 18, 2022, Ultimus Fund Solutions provided the Funds with fund accounting services and served as the Funds' transfer agent.

The Predecessor Funds paid the following fund accounting and transfer agent fees to MSS for the following fiscal periods ended:

	<b>December 31, 2020</b>
TFA Tactical Income Fund	\$46,389
Tactical Moderate Allocation Fund	\$47,804
Tactical Growth Allocation Fund	\$47,317
TFA Quantitative Fund*	\$27,557
TFA Multidimensional Tactical Fund*	\$26,647
TFA AlphaGen Growth Fund**	N/A

\* The Funds commenced operations on May 18, 2020.

\*\* The Fund commenced operations on August 23, 2021.

The Funds paid the following fund accounting and transfer agent fees to Ultimus for the following fiscal periods ended:

	<b>December 31, 2021</b>
TFA Tactical Income Fund	\$11,629
Tactical Moderate Allocation Fund	\$12,710
Tactical Growth Allocation Fund	\$25,053
TFA Quantitative Fund	\$17,340
TFA Multidimensional Tactical Fund	\$15,670
TFA AlphaGen Growth Fund*	\$24,614

\* The Fund commenced operations on August 23, 2021.

### **Independent Registered Public Accounting Firm**

The firm of BBD, LLP, located at 1835 Market Street, 3<sup>rd</sup> Floor, Philadelphia, PA 19103, was selected as independent registered public accounting firm for the Funds for the fiscal year ending December 31, 2022. BBD, LLP will perform an annual audit of the Funds' financial statements and provides financial, tax and accounting services as requested.

### **Legal Counsel**

FinTech Law, LLC, located at 6224 Turpin Hills Dr., Cincinnati, Ohio 45244, serves as the Trust's legal counsel.

### **Distributor**

The Trust selected Matrix 360 Distributors, LLC, located at 4300 Shawnee Mission Parkway, Fairway, Kansas 66205 as the Funds distributor. The Distributor serves as the principal underwriter and national distributor for the shares of the Funds pursuant to underwriting agreement with the Trust (the "Underwriting Agreement"). The Distributor is registered as broker-dealer under the Securities and Exchange Act of 1934 and each state's securities laws and is a member of FINRA. The offering of the Funds' shares are continuous. The Underwriting Agreement provides that the Distributor, as agent in connection with the distribution of the Funds' shares, will use reasonable efforts to facilitate the sale of the Funds' shares.

The Underwriting Agreement provides that, unless sooner terminated, it will continue in effect for two years initially and thereafter shall continue year to year, subject to annual approval by (a) the Board or a vote of the majority of the outstanding shares, and (b) by a majority of Trustees who are not interested persons of the Trust or of the Distributor by vote cast in person at a meeting called for the purpose of voting on such approval.

The Underwriting Agreement may be terminated by the Board at any time, without the payment of any penalty, by a vote of a majority of the entire Board or by a vote of a majority of the outstanding shares of the Funds on 60 days' written notice to the Distributor, or by the Distributor at any time, without any payment of any penalty, on 60 days' written notice to the Funds'. The Underwriting Agreement will automatically terminate in the event of its assignment.

### **BROKERAGE ALLOCATION AND OTHER PRACTICES**

Subject to policies established by the Board, the Adviser and/or Sub-Advisers, subject to the oversight of the Board, are responsible for the Funds' portfolio decisions and the placing of the Funds' portfolio transactions. In placing portfolio transactions, the Adviser and/or Sub-Advisers seek the best qualitative execution for the Funds, considering such factors as price (including the applicable brokerage commission or dealer spread), the execution capability, financial responsibility and responsiveness of the broker or dealer and the brokerage and research services provided by the broker or dealer. The Adviser and/or Sub-Advisers generally seek favorable prices and commission rates that are reasonable in relation to the benefits received.



The Adviser and/or Sub-Advisers are specifically authorized to select brokers or dealers who also provide brokerage and research services to the Funds and/or the other accounts over which the Adviser exercises investment discretion, and to pay such brokers or dealers a commission in excess of the commission another broker or dealer would charge if the Adviser and/or Sub-Advisers determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services provided. The determination may be viewed in terms of a particular transaction or the Adviser’s overall responsibilities with respect to the Trust and to other accounts over which it exercises investment discretion. The Adviser and/or Sub-Advisers may not consider sales of shares of the Trust as a factor in the selection of brokers and dealers to execute portfolio transactions. However, the Adviser and/or Sub-Advisers may place portfolio transactions with brokers or dealers that promote or sell the Funds’ shares so long as such placements are made pursuant to policies approved by the Board that are designed to ensure that the selection is based on the quality of the broker’s execution and not on its sales efforts.

Research services include supplemental research, securities and economic analyses, statistical services and information with respect to the availability of securities or purchasers or sellers of securities, and analyses of reports concerning performance of accounts. The research services and other information furnished by brokers through whom the Funds effect securities transactions may also be used by the Adviser and/or Sub-Advisers in servicing all its accounts. Similarly, research and information provided by brokers or dealers serving other clients may be useful to the Adviser and/or Sub-Advisers in connection with its services to the Funds. Although research services and other information are useful to the Funds and the Adviser, it is not possible to place a dollar value on the research and other information received. It is the opinion of the Board and the Adviser and/or Sub-Advisers that the review and study of the research and other information will not reduce the overall cost to the Adviser and/or Sub-Advisers of performing its duties to the Funds under the Agreement.

Over-the-counter transactions will be placed either directly with principal market makers or with broker-dealers, if the same or a better price, including commissions and executions, is available. Fixed income securities are normally purchased directly from the issuer, an underwriter, or a market maker. Purchases include a concession paid by the issuer to the underwriter and the purchase price paid to a market maker may include the spread between the bid and asked prices.

When the Funds and the Adviser’s and/or Sub-Advisers’ clients seek to purchase or sell the same security at or about the same time, the Adviser and/or Sub-Advisers may execute the transaction on a combined (“blocked”) basis. Blocked transactions can produce better execution for the Funds because of the increased volume of the transaction. If the entire blocked order is not filled, the Funds may not be able to acquire as large a position in such security as it desires or it may have to pay a higher price for the security. Similarly, the Funds may not be able to obtain as large an execution of an order to sell or as high a price for any particular portfolio security if the other client desires to sell the same portfolio security at the same time. In the event that the entire blocked order is not filled, the purchase or sale will normally be allocated on a pro rata basis. The Adviser and/or Sub-Advisers may adjust the allocation when, considering such factors as the size of the individual orders and transaction costs, the Adviser and/or Sub-Advisers believes an adjustment is reasonable. For the prior two fiscal years, the Funds paid the following brokerage commissions.

	<b>December 31, 2020</b>	<b>December 31, 2021</b>
TFA Tactical Income Fund	\$109,717.94	\$27,662.72
Tactical Moderate Allocation Fund	\$136,055.25	\$23,198.45
Tactical Growth Allocation Fund	\$164,256.74	\$36,594.23
TFA Quantitative Fund*	\$--	\$--
TFA Multidimensional Tactical Fund*	\$67,010.63	\$62,401.71
TFA AlphaGen Growth Fund**	N/A	\$18,537.44

\* The Funds commenced operations on May 18, 2020.

\*\* The Fund commenced operations on August 23, 2021.

## Portfolio Turnover

The portfolio turnover rates for the Funds are calculated by dividing the lesser of the Funds' purchases or sales of portfolio securities for the year by the monthly average value of the portfolio securities. The calculation excludes all securities whose remaining maturities at the time of acquisition were one year or less. The portfolio turnover rate may vary greatly from year to year as well as within a particular year, and may also be affected by cash requirements for redemptions of shares. High portfolio turnover rates will generally result in higher transaction costs, including brokerage commissions, to the Funds and may result in additional tax consequences to the Funds' Shareholders. The Funds' are not restricted by policy with regard to portfolio turnover and will make changes in its investment portfolio from time to time as business and economic conditions as well as market prices dictate. For the prior two fiscal years ended December 31, the Funds' had portfolio turnover rates as follows:

	2020	2021
TFA Tactical Income Fund	1316.84%	568.18%
Tactical Moderate Allocation Fund	1308.86%	346.41%
Tactical Growth Allocation Fund	1548.86%	381.43%
TFA Quantitative Fund*	963.53%	1,238.51%
TFA Multidimensional Tactical Fund*	934.35%	1,598.83%
TFA AlphaGen Growth Fund***	N/A	304.56%

\* The Fund commenced operations on May 18, 2020.

\*\* The Fund commenced operations on August 23, 2021.

## DISCLOSURE OF PORTFOLIO HOLDINGS

The Funds are required to include a schedule of portfolio holdings in its annual and semi-annual reports to shareholders, which is sent to shareholders within 60 days of the end of the second and fourth fiscal quarters and which is filed with the Securities and Exchange Commission (the "SEC") on Form N-CSR within 70 days of the end of the second and fourth fiscal quarters. The Funds also are required to file a schedule of portfolio holdings with the SEC on Form N-PORT within 60 days of the end of the first and third fiscal quarters. The Funds must provide a copy of the complete schedule of portfolio holdings as filed with the SEC to any shareholder of the Funds, upon request, free of charge. This policy is applied uniformly to all shareholders of the Funds without regard to the type of requesting shareholder (i.e., regardless of whether the shareholder is an individual or institutional investor). The Funds may enter into ongoing arrangements to release portfolio holdings to rating agencies, such as Morningstar or Lipper, in order for the agencies to assign a rating or ranking to the Funds. Portfolio holdings will be supplied to rating agencies no more frequently than quarterly and only after the Funds have filed a Form N-CSR or Form N-PORT with the SEC. The Funds currently do not have any ongoing arrangements to release portfolio holdings information to rating agencies.

Pursuant to policies and procedures adopted by the Board, the Funds have ongoing arrangements to release portfolio holdings information daily to the Adviser, the Sub-Advisers, Transfer Agent, the Funds Accounting Agent and Custodian and on an as needed basis to other third parties providing services to the Funds. The Adviser, the Sub-Advisers, Transfer Agent, Funds' Accounting Agent and Custodian receive portfolio holdings information daily in order to carry out the essential operations of the Fund. The Funds disclose portfolio holdings to its auditors, legal counsel, proxy voting services (if applicable), pricing services, printers, parties to merger and reorganization agreements and their agents, and prospective or newly hired investment advisers or sub-advisers. The lag between the date of the information and the date on which the information is disclosed will vary based on the identity of the party to whom the information is disclosed. For instance, the information may be provided to auditors within days of the end of an annual period, while the information may be given to legal counsel at any time.

Monthly, the Funds make publicly available an updated list of the Funds' top ten holdings, sector weightings and other Funds' characteristics. This information is made available on the Funds' website. The same information may also be included in printed marketing materials. The information is updated monthly and is usually available within 5 days of the month end. The Funds' Form N-CSR and Form N-PORT will contain the Funds' entire list of portfolio holdings as of the applicable quarter end.

The Funds, the Adviser, the Sub-Advisers, the Transfer Agent, the Fund Accountant, and the Custodian are prohibited from entering into any special or ad hoc arrangements with any person to make available information about the Funds' portfolio holdings without the specific approval of the Board. Any party wishing to release portfolio holdings information on an ad hoc or special basis must submit any proposed arrangement to the Board, which will review the arrangement to determine (i) whether the arrangement is in the best interests of the Funds' shareholders, (ii) the information will be kept confidential (based on the factors discussed below), (iii) whether sufficient protections are in place to guard against personal trading based on the information, and (iv) whether the disclosure presents a conflict of interest between the interests of Funds' shareholders and those of the Adviser and/or the Sub-Advisers, or any affiliated person of the Funds or the Adviser and/or Sub-Advisers. Additionally, the Adviser and/or the Sub-Advisers, and any affiliated persons of the Adviser and/or Sub-Advisers are prohibited from receiving compensation or other consideration, for themselves or on behalf of the Funds, because of disclosing the Funds' portfolio holdings.

Information disclosed to third parties, whether on an ongoing or ad hoc basis, is disclosed under conditions of confidentiality. "Conditions of confidentiality" include (i) confidentiality clauses in written agreements, (ii) confidentiality implied by the nature of the relationship (e.g., attorney-client relationship), (iii) confidentiality required by fiduciary or regulatory principles (e.g., custody relationships) or (iv) understandings or expectations between the parties that the information will be kept confidential. The agreements with the Funds' Adviser, the Sub-Advisers, Transfer Agent, Funds' Accounting Agent and Custodian contain confidentiality clauses, which the Board and these parties have determined extend to the disclosure of nonpublic information about the Fund's portfolio holding and the duty not to trade on the non-public information. The Funds believe, based upon its size and history, that these are reasonable procedures to protect the confidentiality of the Funds' portfolio holdings and will provide sufficient protection against personal trading based on the information.

#### **DETERMINATION OF SHARE PRICE**

The Funds' determine the price (net asset value) of their shares at the close of trading (normally 4:00 p.m., Eastern Time) on each day the New York Stock Exchange ("NYSE") is open for business. For a description of the methods used to determine the net asset value, see "How to Buy Shares – Purchasing Shares" in the prospectus.

Equity securities generally are valued by using market quotations, but may be valued on the basis of prices furnished by a pricing service when the Adviser and/or Sub-Advisers, as applicable, believes such prices accurately reflect the fair market value of such securities. Securities that are traded on any stock exchange or on the NASDAQ over-the-counter market are generally valued by the pricing service at the last quoted sale price. Lacking a last sale price, an equity security is generally valued by the pricing service at its last bid price. When market quotations are not readily available, when the Adviser and/or Sub-Advisers determine that the market quotation or the price provided by the pricing service does not accurately reflect the current market value, or when restricted or illiquid securities are being valued, such securities are valued as determined in good faith by the Adviser and/or Sub-Advisers, in conformity with guidelines adopted by and subject to review of the Board.

Fixed income securities generally are valued by using market quotations, but may be valued on the basis of prices furnished by a pricing service when the Adviser and/or Sub-Advisers believe such prices accurately reflect the fair market value of such securities. A pricing service utilizes electronic data processing techniques based on yield spreads relating to securities with similar characteristics to determine prices for normal institutional-size trading units of debt securities without regard to sale or bid prices. If the Adviser and/or Sub-Advisers decide that a price provided by the pricing service does not accurately reflect the fair market value of the securities, when prices are not readily available from a pricing service, or when restricted or illiquid securities are being valued, securities are valued at fair value as determined in good faith by the Adviser and/or Sub-Adviser, in conformity with guidelines adopted by and subject to review of the Board. Short term investments in fixed income securities with maturities of less than 60 days when acquired, or which subsequently are within 60 days of maturity, are valued by using the amortized cost method of valuation, which the Board has determined will represent fair value.

### **FAIR VALUE COMMITTEE AND VALUATION PROCESS**

The fair value committee is composed of one or more officers from each of the (i) Trust, (ii) Administrator, and (iii) Adviser and/or the Sub-Advisers. The applicable investments are valued collectively via inputs from each of these groups. For example, fair value determinations are required for the following securities: (i) securities for which market quotations are insufficient or not readily available on a particular business day (including securities for which there is a short and temporary lapse in the provision of a price by the regular pricing source), (ii) securities for which, in the judgment of the Adviser and/or the Sub-Advisers, the prices or values available do not represent the fair value of the instrument. Factors which may cause the Adviser and/or the Sub-Advisers to make such a judgment include, but are not limited to, the following: only a bid price or an asked price is available; the spread between bid and asked prices is substantial; the frequency of sales; the thinness of the market; the size of reported trades; and actions of the securities markets, such as the suspension or limitation of trading; (iii) securities determined to be illiquid; (iv) securities with respect to which an event that will affect the value thereof has occurred (a "significant event") since the closing prices were established on the principal exchange on which they are traded, but prior to the Funds' calculation of its net asset value. Specifically, interests in commodity pools or managed futures pools are valued on a daily basis by reference to the closing market prices of each futures contract or other asset held by a pool, as adjusted for pool expenses. Restricted or illiquid securities, such as private placements or non-traded securities are valued via inputs from the Adviser and/or the Sub-Advisers valuation based upon the current bid for the security from two or more independent dealers or other parties reasonably familiar with the facts and circumstances of the security (who should take into consideration all relevant factors as may be appropriate under the circumstances). If the Adviser and/or Sub-Advisers are unable to obtain a current bid from such independent dealers or other independent parties, the fair value committee shall determine the fair value of such security using the following factors:

- (i) the type of security;
- (ii) the cost at date of purchase;

- (iii) the size and nature of each Fund's holdings;
- (iv) the discount from market value of unrestricted securities of the same class at the time of purchase and subsequent thereto;
- (v) information as to any transactions or offers with respect to the security;
- (vi) the nature and duration of restrictions on disposition of the security and the existence of any registration rights;
- (vii) how the yield of the security compares to similar securities of companies of similar or equal creditworthiness;
- (viii) the level of recent trades of similar or comparable securities;
- (ix) the liquidity characteristics of the security;
- (x) current market conditions; and
- (xi) the market value of any securities into which the security is convertible or exchangeable.

As a general principle, the fair value of a security is the amount that the Funds might reasonably expect to realize upon its current sale. The Trust has adopted Financial Accounting Standards Board Statement of Financial Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures ("ASC 820"). In accordance with ASC 820, fair value is defined as the price that the Funds would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. ASC 820 establishes a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability, developed based on the best information available under the circumstances.

Various inputs are used in determining the value of the Funds' investments relating to ASC 820. These inputs are summarized in the three broad levels listed below.

- Level 1 – quoted prices in active markets for identical securities.
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Funds' own assumptions in determining the fair value of investments).

The fair value committee takes into account the relevant factors and surrounding circumstances, which may include: (i) the nature and pricing history (if any) of the security; (ii) whether any dealer quotations for the security are available; (iii) possible valuation methodologies that could be used to determine the fair value of the security; (iv) the recommendation of the portfolio manager of each Fund with respect to the valuation of the security; (v) whether the same or similar securities are held by other funds managed by the Adviser (and/or the Sub-Advisers) or other funds and the method used to price the security in those funds; (vi) the extent to which the fair value to be determined for the security will result from the use of data or formulae produced by independent third parties and (vii) the liquidity or illiquidity of the market for the security.

Board's Determination. The Board meets at least quarterly to consider the valuations provided by the fair value committee and to ratify the valuations made for the applicable securities. The Board considers the reports provided by the fair value committee, including follow up studies of subsequent market-provided prices when available, in reviewing and determining in good faith the fair value of the applicable portfolio securities.

The Trust expects that the NYSE will be closed on the following holidays: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

#### **COMPLIANCE WITH PORTFOLIO HOLDING DISCLOSURE PROCEDURES**

The Funds' Chief Compliance Officer will report periodically report to the Board with respect to compliance with the Funds' portfolio holdings disclosure procedures, and from time to time will provide the Board any updates to the portfolio holdings disclosure policies and procedures.

#### **REDEMPTION IN-KIND**

The Funds do not intend to redeem shares in any form except cash. The Funds reserve the right to honor requests for redemption or repurchase orders made by a shareholder during any 90-day period by making payment in whole or in part in portfolio securities ("redemption in kind") if the amount of such a request is large enough to affect operations (if the request is greater than the lesser of \$250,000 or 1% of the Funds' net assets at the beginning of the 90-day period) in order to protect the interests of remaining shareholders, or to accommodate a request by a particular shareholder. If an in-kind distribution is made, a shareholder may incur additional expenses, such as the payment of brokerage commissions, on the sale or other disposition of the securities received from the Funds.

#### **TAX CONSEQUENCES**

The Funds intend to qualify under Sub-Chapter M of the Internal Revenue Code. Under provisions of Sub-Chapter M of the Internal Revenue Code of 1986 as amended, the Funds, by paying out substantially all its investment income and realized capital gains, intends to be relieved of federal income tax on the amounts distributed to shareholders. To qualify as a "regulated investment company" under Sub-Chapter M, at least 90% of the Funds' income must be derived from dividends, interest and gains from securities transactions, and no more than 50% of the Funds' total assets may be in two or more securities that exceed 5% of the total assets of the Funds at the time of each security's purchase. Not qualifying under Sub-Chapter M of the Internal Revenue Code would cause the Funds to be considered a personal holding company subject to normal corporate income taxes. The Funds then would be liable for federal income tax on the capital gains and net investment income distributed to its shareholders, resulting in a second level of taxation that would substantially reduce net after-tax returns from the Funds. Any subsequent dividend distribution of the Funds' earnings after taxes would still be taxable as received by shareholders.

*Tax Distribution:* The Funds' distributions (capital gains and dividend income), whether received by shareholders in cash or reinvested in additional shares of the Funds, may be subject to federal income tax payable by shareholders. All income realized by the Funds including short-term capital gains, will be taxable to the shareholder as ordinary income. Dividends from net income will be made annually or more frequently at the discretion of the Board. Dividends received shortly after purchase of Funds' shares by an investor will have the effect of reducing the per share net asset value of his/her shares by the amount of such dividends or distributions. You should consult a tax adviser regarding the effect of federal, state, local, and foreign taxes on an investment in the Funds.

*Federal Withholding:* The Funds are required by federal law to withhold 31% of reportable payments (which may include dividends, capital gains, distributions, and redemptions) paid to shareholders who have not complied with IRS regulations. To avoid this withholding requirement, you must certify on a W-9 tax form supplied by the Funds that your Social Security or Taxpayer Identification Number provided are correct and that you are not currently subject to back-up withholding, or that you are exempt from back-up withholding.

*Medicare Tax:* An additional 3.8% Medicare tax generally will be imposed on certain net investment income (including ordinary dividends and capital gain distributions received from each Fund and net gains from redemptions or other taxable dispositions of each Fund's shares) of U.S. individuals, estates and trusts to the extent that any such person's "modified adjusted gross income" (in the case of an individual) or "adjusted gross income" (in the case of an estate or trust) exceeds certain threshold amounts. Shareholders should consult their tax advisors about the application of federal, state, local and foreign tax law considering their particular situation. Should additional series, or funds, be created by the Trustees, the Funds would be treated as a separate tax entity for federal tax purposes.

*Foreign Account Tax Compliance Act:* Payments to a shareholder that is either a foreign financial institution ("FFI") or a non-financial foreign entity ("NFFE") within the meaning of the Foreign Account Tax Compliance Act ("FATCA") may be subject to a generally nonrefundable 30% withholding tax on: (i) income dividends paid by each Fund and (ii) certain capital gain distributions and the proceeds arising from the sale of each Fund's shares paid by each Fund. FATCA withholding tax generally can be avoided: (i) by an FFI, subject to any applicable intergovernmental agreement or other exemption, if it enters into a valid agreement with the IRS to, among other requirements, report required information about certain direct and indirect ownership of foreign financial accounts held by U.S. persons with the FFI and (ii) by an NFFE, if it: (i) certifies that it has no substantial U.S. persons as owners or (ii) if it does have such owners, reports information relating to them. The Funds may disclose the information that it receives from its shareholders to the IRS, non-U.S. taxing authorities or other parties as necessary to comply with FATCA. Withholding also may be required if a foreign entity that is a shareholder of the Funds fails to provide the Funds with appropriate certifications or other documentation concerning its status under FATCA.

*Tax Loss Carryforward:* Under current tax law, net capital losses realized after October 31 and net ordinary losses incurred after December 31 may be deferred and treated as occurring on the first day of the following fiscal year. The Funds' carryforward losses, post-October losses and post December losses are determined only at the end of each fiscal year. Under the Regulated Investment Company Modernization Act of 2010, net capital losses recognized after December 31, 2010 may be carried forward indefinitely, and their character is retained as short-term and/or long-term. Although the Act provides several benefits, including the unlimited carryover of future capital losses, there may be a greater likelihood that all or a portion of the Funds' pre-enactment capital loss carryovers may expire without being utilized due to the fact that post-enactment capital losses get utilized before pre-enactment capital loss carryovers. For more information on the Funds' tax loss carryforwards, see the most recent annual report for the fiscal year ended December 31.

#### **ANTI-MONEY LAUNDERING PROGRAM**

The Trust has established an Anti-Money Laundering Compliance Program (the "Program") as required by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("USA PATRIOT Act"). To ensure compliance with this law, the Trust's Program provides for the development of internal practices, procedures and controls, designation of anti-money laundering compliance officers, an ongoing training program and an independent audit function to determine the effectiveness of the Program. The Trust's secretary serves as its Anti-Money Laundering Compliance Officer.

Procedures to implement the Program include, but are not limited to, determining that the Fund's Distributor and Transfer Agent have established proper anti-money laundering procedures, reporting suspicious and/or fraudulent activity and providing a complete and thorough review of all new opening account applications. The Trust will not transact business with any person or entity whose identity cannot be adequately verified under the provisions of the USA PATRIOT Act.

As a result of the Program, the Trust may be required to "freeze" the account of a shareholder if the shareholder appears to be involved in suspicious activity or if certain account information matches information on government lists of known terrorists or other suspicious persons, or the Trust may be required to transfer the account or proceeds of the account to a governmental agency.

#### **PROXY VOTING POLICIES AND PROCEDURES**

The Board has delegated responsibilities for decisions regarding proxy voting for securities held by the Funds to the Adviser and/or Sub-Advisers. A copy of the proxy voting policies of the Adviser and Sub-Advisers are attached hereto as Appendix A. The actual voting records relating to portfolio securities during the most recent 12-month period ended June 30 will be available without charge, upon request, by calling toll free, 833-974-3787. The information also will be available on the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, a copy of the Trust's proxy voting policies and procedures are also available by calling 833-974-3787 and will be sent within three business days of receipt of a request.



## Appendix A

### Adviser Proxy Voting Policy Background

Proxy voting is an important right of shareholders and reasonable care and diligence must be undertaken to ensure that such rights are properly and timely exercised.

Investment advisers registered with the SEC, and which exercise voting authority with respect to client securities, are required by Rule 206(4)-6 of the Advisers Act to (a) adopt and implement written policies and procedures that are reasonably designed to ensure that client securities are voted in the best interests of clients, which must include how an adviser addresses material conflicts that may arise between an adviser's interests and those of its clients; (b) to disclose to clients how they may obtain information from the adviser with respect to the voting of proxies for their securities; (c) to describe to clients a summary of its proxy voting policies and procedures and, upon request, furnish a copy to its clients; and (d) maintain certain records relating to the adviser's proxy voting activities when the adviser does have proxy voting authority.

### Policy

Tactical Fund Advisors, LLC (the "Adviser"), as a matter of policy and as a fiduciary to our clients, has responsibility for voting proxies for portfolio securities consistent with the best economic interests of the clients. Our Firm maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting and makes appropriate disclosures about our Firm's proxy policies and practices.

Our general policy is to refrain from voting proxies because we believe the time cost of voting a proxy typically outweighs the benefits to our clients in aggregate. From time-to-time we may elect to vote proxies when we believe the benefit outweighs these costs.

The Adviser's policy when managing accounts for investment companies is to determine how to vote proxies based on our reasonable judgment of that vote most likely to produce favorable financial results for the fund's shareholders. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders; proxy votes generally will be cast against proposals having the opposite effect. However, the Adviser will consider both sides of each proxy issue.

Our policy and practice includes the responsibility to receive and disclose any potential conflicts of interest and maintaining relevant and required records.

### Responsibility

The Designated Supervisor is responsible for implementing and monitoring the Adviser's proxy voting policy, practices, disclosures and record keeping, including outlining our voting guidelines in our procedures.

### Procedure

The Adviser has adopted procedures to implement the Firm's policy and reviews to monitor and ensure the Firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

## Procedures for Investment Company Clients

### *Voting Procedures*

Once proxy material has been received, it is then promptly reviewed by the Portfolio Manager. The Portfolio Manager is to evaluate the issues presented. The Portfolio Manager generally vote in a manner consistent with the following Voting Guidelines.

#### Voting Guidelines

A. From time to time, it is possible that one the Adviser's portfolio managers will decide (i) to vote shares held in client accounts he or she manages differently from the vote of another Adviser's portfolio manager whose client accounts hold the same security or (ii) to abstain from voting on behalf of client accounts he or she manages when another of the Adviser's portfolio manager is casting votes on behalf of other Adviser client accounts.

The CCO or CIO reviews all proxy votes collected from the Adviser's portfolio managers prior to such votes being cast. The CCO maintains a log of all votes. The CCO, or their designee, performs a quarterly review of all votes cast by the Adviser to confirm that any conflicting votes were properly handled.

B. There are many circumstances that might cause the Adviser to vote against an issuer's board of directors or "management" proposal. These would include, among others, excessive compensation, unusual management stock options, preferential voting and poison pills. The portfolio managers decide these issues on a case-by-case basis.

C. A portfolio manager may, determine to take no action on a proxy or a specific proxy item and not submit a vote when he or she concludes that the potential benefit of voting is outweighed by the cost, when it is not in the client account's best interest to vote.

### *Conflicts of Interest*

The Adviser will identify any conflicts that exist between the interests of the adviser and the client by reviewing the relationship of the Adviser with the issuer of each security to determine if the Adviser or any of its Supervised Persons has any financial, business or personal relationship with the issuer.

If a material conflict of interest exists, the CCO will determine whether it is appropriate to disclose the conflict to the affected clients, to give the clients an opportunity to vote the proxies themselves, or to address the voting issue through other objective means such as voting in a manner consistent with a predetermined voting policy or receiving an independent third party voting recommendation. The Adviser will maintain a record of the voting resolution of any conflict of interest.

### *Recordkeeping*

The Designated Supervisor shall retain the following proxy records in accordance with the SEC's five-year retention requirement.

- These policies and procedures and any amendments;
- A record of each vote that the Adviser casts;
- Any document the Adviser created that was material to making a decision how to vote proxies, or that memorializes that decision including periodic reports to CCO or proxy committee, if applicable.
- A copy of each written request from a client for information on how the Adviser voted such client's proxies, and a copy of any written response.