

ABSOLUTE CORE STRATEGY ETF [ABEQ]

FUND INTRODUCTION

Past performance does not guarantee future results. The Fund's net asset value and investment return will fluctuate based upon changes in the value of its portfolio securities. There is no assurance that the Fund will achieve its investment objective, and an investment in the Fund is not by itself a complete or balanced investment program. For a complete description of the Fund's principal investment risks please refer to the prospectus.

ABEQ Investment Objective: The Absolute Core Strategy ETF (the "Fund") seeks positive absolute returns. Equity securities may fluctuate in value in response to the activities of individual companies and general market and economic conditions. While the shares of ETFs are tradable on secondary markets, they may not readily trade in all market conditions and may trade at significant discounts in periods of market stress. ETFs trade like stocks, are subject to investment risk, fluctuate in market value and may trade at prices above or below the ETFs net asset value. Brokerage commissions and ETF expenses will reduce returns. There is no guarantee that the Fund will achieve its objective.

The Fund is distributed by Northern Lights Distributors, LLC, member FINRA / SIPC. Absolute Advisers and Northern Lights Distributors, LLC are not affiliated companies.

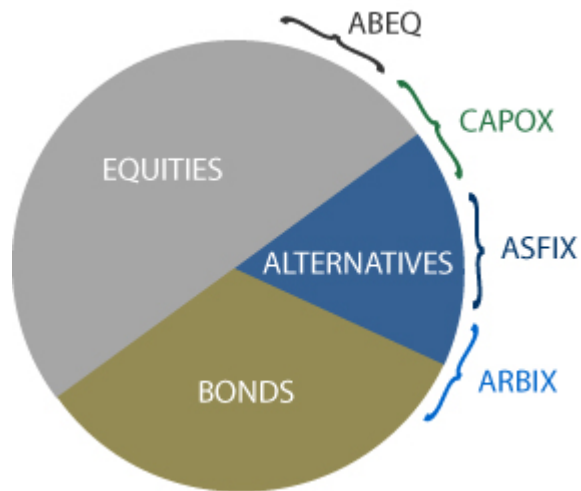
Investors should carefully consider the Fund's investment objectives, risks, charges and expenses before investing. This and other information is in the prospectus, a copy of which may be obtained by calling (888) 992-2765 or by [clicking here](#). Please read the prospectus carefully before you invest.

Absolute Investment Advisers LLC was formed in 2004 with the goal of helping disciplined investors diversify portfolios and manage risk. Absolute is a small, independent firm whose founders come from various parts of the hedge fund, mutual fund and financial advisory businesses.

Absolute’s investment philosophy centers on a belief that long-term risk-adjusted performance is best achieved by utilizing independent money managers who focus on preservation of capital and asymmetric return opportunities.

Absolute manages 3 open-ended mutual funds and 1 ETF:

- Absolute Strategies Fund (ASFIX)
- Absolute Convertible Arbitrage Fund (ARBIX)
- Absolute Capital Opportunities Fund (CAPOX)
- Absolute Core Strategy ETF (ABEQ)



Hypothetical asset allocation including the ABSOLUTE FUNDS

St. James Investment Company is a boutique investment firm located in Dallas, TX. The firm has focused specifically on its Core Equity strategy since founding in 1999. St. James manages over \$962 million in assets (as of March 2021) in the strategy, primarily in separately managed accounts.

Portfolio Manager

Robert J. Mark is the cofounder and Managing Member of St. James. He serves as portfolio manager for the firm's Core Equity strategy. Robert formerly worked in the Private Client Group at Goldman Sachs in Houston after graduating from the University of Texas at Austin where he received his MBA in Finance. Robert graduated in 1989 from the United States Military Academy at West Point with a BS in Engineering.

St. James and Absolute Advisers share a fundamental value approach to investing and have been working together since 2010, when St. James began running a sleeve in Absolute's multi-strategy mutual fund.

ABEQ: Active Equity ETF

The Absolute Core Strategy ETF (ABEQ) mirrors the investment approach and portfolio that St. James has been running in their Core Equity strategy in separate accounts since 1999.

- **Actively Managed:** Not an index fund or closet index fund. Individual positions will change over time in relation to risk & opportunities.
- **Flexibility:** Sector agnostic. Market-cap agnostic. The portfolio's cash position also can increase or decrease based on opportunity set.
- **High Conviction:** A concentrated equity portfolio of the manager's best ideas.
- **ETF Structure:** Easy to use vehicle providing liquidity and transparency.



This is an actively managed dynamic portfolio. There is no guarantee that any investment will achieve its objectives, goals, generate positive returns, or avoid losses.

ABSOLUTE RETURN MINDSET

As patient investors, out of favor stocks often offer great bargains. In contrast, relative return investors buy popular stocks, which are typically expensive and invite unforeseen risks.

CONCENTRATED PORTFOLIO

A concentrated number of meaningful positions distinguish the portfolio from indexes, as we invest only in our best ideas.



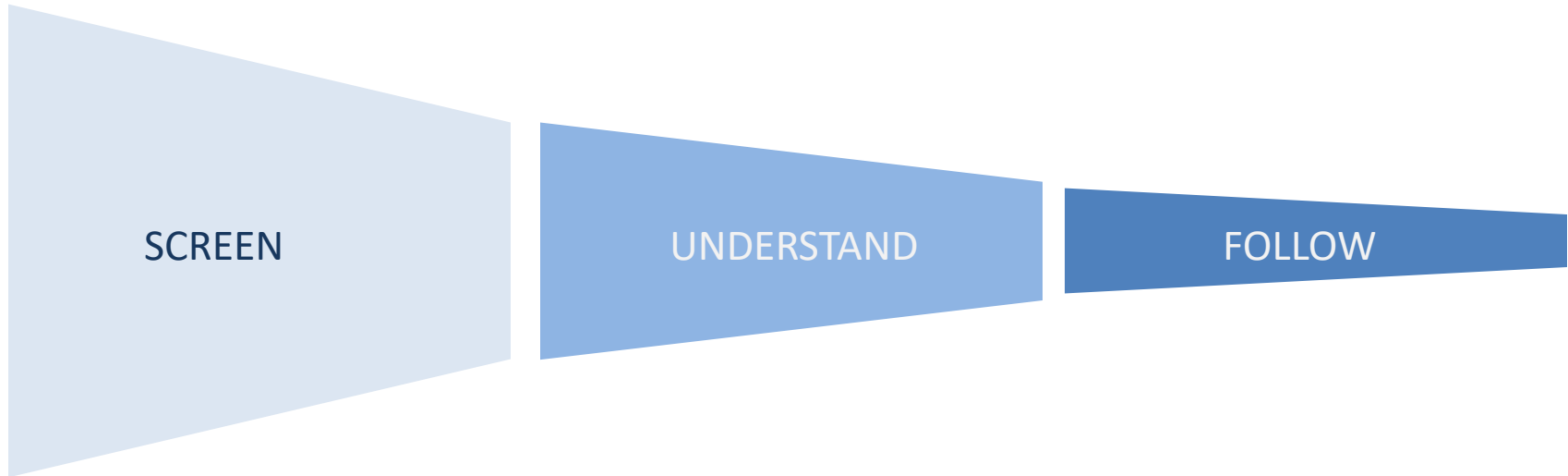
WILLINGNESS TO HOLD CASH

Downside risks are potentially limited by refusing to overpay for stocks, while the “optionality” of cash permits for entry price discipline.

INDEPENDENT RESEARCH

We avoid the herd mentality and focus on the long-term value of portfolio holdings without Wall Street conflicts of interest.

Stage 1: Qualification



SCREEN

UNDERSTAND

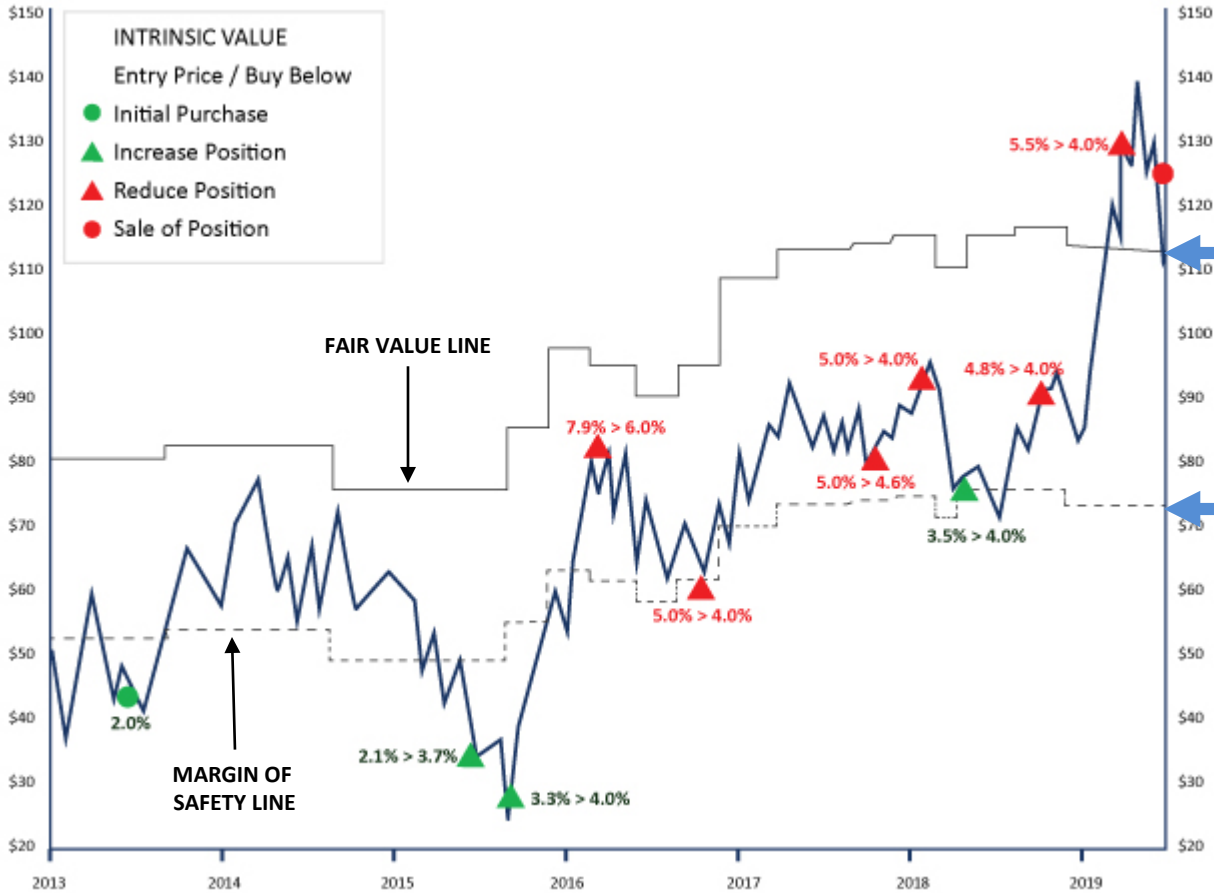
FOLLOW

Value Line Index screen with emphasis on a proven business model, strong balance sheet and long track record of high return on invested capital.

Is the business easily understandable? Are there short-term head winds that are cyclical and not secular, potentially offering an attractive entry price?

Followed opportunities are collection of high-quality companies suitable for long-term investment at the right price.

Stage 2 & 3: Determination of Fair Value and Margin of Safety (Hypothetical Example)



Fair value is typically calculated utilizing a 10% discount rate to our conservative projection of future cash flows. This estimate of fair value is revisited quarterly when the company files results. We will trim or sell a portfolio position as its price approaches / exceeds fair value.

Determining an appropriate **Margin of Safety** is a qualitative process, assessing the risk of an investment and the corresponding potential of projected cash flows. We will buy or add to a portfolio position when the price is near or below the required Margin of Safety.



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Stage 4: Portfolio Construction

POSITION SIZING – The sizing of a position is a reflection of our conviction - a result of our risk assessment and the corresponding margin of safety vs. our conservative estimate of fair value.

RISK CONTROL – We define “risk” as the probability of the permanent loss of capital—not price volatility. As a result, potential permanent impairment of our cash flow estimates is a key consideration.

PORTFOLIO CONCENTRATION – Targeting approximately 20 holdings permits for ample diversification while our best ideas have the greatest positive impact on performance. The maximum position size is 8% (at cost) and no industry group accounts for more than 20% of the portfolio's value.

CASH – Our patient approach to portfolio construction often necessitates we hold cash. In our mind, this is not ideal, as our goal is a fully-invested portfolio of world-class investments at the right price. However, as entry price is a key determinant of return, we wait for special opportunities.



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Stage 5: Sell Discipline

PRICE APPRECIATION – Ideally, we will trim or sell a security when the price reaches our conservative appraisal of fair value and no margin of safety remains.

ERODING FUNDAMENTALS – We exit quickly if the future earnings power of the company becomes severely impaired by competitive threats, balance sheet deterioration, or poor capital allocation.

RISK / REWARD OPPORTUNITIES ELSEWHERE – We will sell if we believe we can improve our risk/return profile substantially. For example, we will replace a business selling at 90% of its worth with an equally attractive company trading at 50% of its value.

LOSS OF CONFIDENCE IN MANAGEMENT - We sell when we no longer believe management can build shareholder value and efforts to find new corporate leadership would be unsuccessful or too costly.



Absolute Core Strategy ETF [ABEQ] – Total Returns

TOTAL RETURNS (Periods Ending March 31, 2021)	Inception (1/21/20) To Date
Absolute Core Strategy ETF (NAV)	4.63%
Absolute Core Strategy ETF (Market)	4.67%
S&P 500 Net Total Return Index*	18.32%

*Historical Performance of the sub-adviser's private accounts going back to 1999 is available on page 12 of the [ABEQ Prospectus](#) (available at www.absoluteadvisers.com) or **for financial professionals only upon (email) request.***

The performance data quoted here represents past performance. Current performance may be lower or higher than the performance data quoted above. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that investor's shares, when redeemed, may be worth more or less than their original cost. For performance information current to the most recent month-end, please call toll-free 888-992-2765. Absolute Core Strategy ETF's shares are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Brokerage commissions will reduce returns. Beginning November 2, 2020, market price returns are calculated using the closing price and account for distributions from the funds. Prior to November 2, 2020, market price returns were calculated using the midpoint price and accounted for distributions from the fund. The midpoint is the average of the bid-ask prices at 4:00 PM ET (when NAV is normally determined for most funds).

As stated in the prospectus, the Absolute Core Strategy ETF's Annual Operating Expense ratio (gross) is 1.87% and the net expense ratio is 0.88%. However, the Fund's adviser contractually has agreed to waive its management fee and/or reimburse expenses so that total annual Fund operating expenses, excluding portfolio transaction and other investment-related costs (including brokerage fees and commissions), taxes, borrowing costs acquired fund fees and expenses, and other expenses that the Trustees agree have not been incurred in the ordinary course of the Fund's business, do not exceed 0.85% through July 31, 2023.

*The S&P 500 Index is an unmanaged index generally representing the performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

ABSOLUTE INVESTMENT TEAM:

- **Jay Compson**, Portfolio Manager | Principal & Founder Absolute Investment Advisers
- **Nathan Houser**, Vice President, Portfolio Management
- **David Faherty**, General Counsel | Chief Compliance Officer
- **Neil Kristian**, Vice President, Operations and Administration

FEATURES & BENEFITS:

- Daily Pricing
- Daily Liquidity
- 1099 Tax Reporting (No limited partnership agreements or K-1)

FUND SERVICE PROVIDERS:

- Independent administration through Ulitimus Fund Solutions LLC:
Accounting, Pricing, Administration, Independent Chief Compliance Officer and Independent Board Of Trustees
- *Brown Brothers Harriman & Co, Bank Custody of Assets*
- *Cohen & Company Ltd., Auditor*
- *Thompson Hines LLP, Fund Counsel*
- *Northern Lights Distributors, LLC, Fund Distributor*

For additional information on St. James and their Core Equity Strategy, including performance and portfolio commentary, visit www.stjic.com

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