

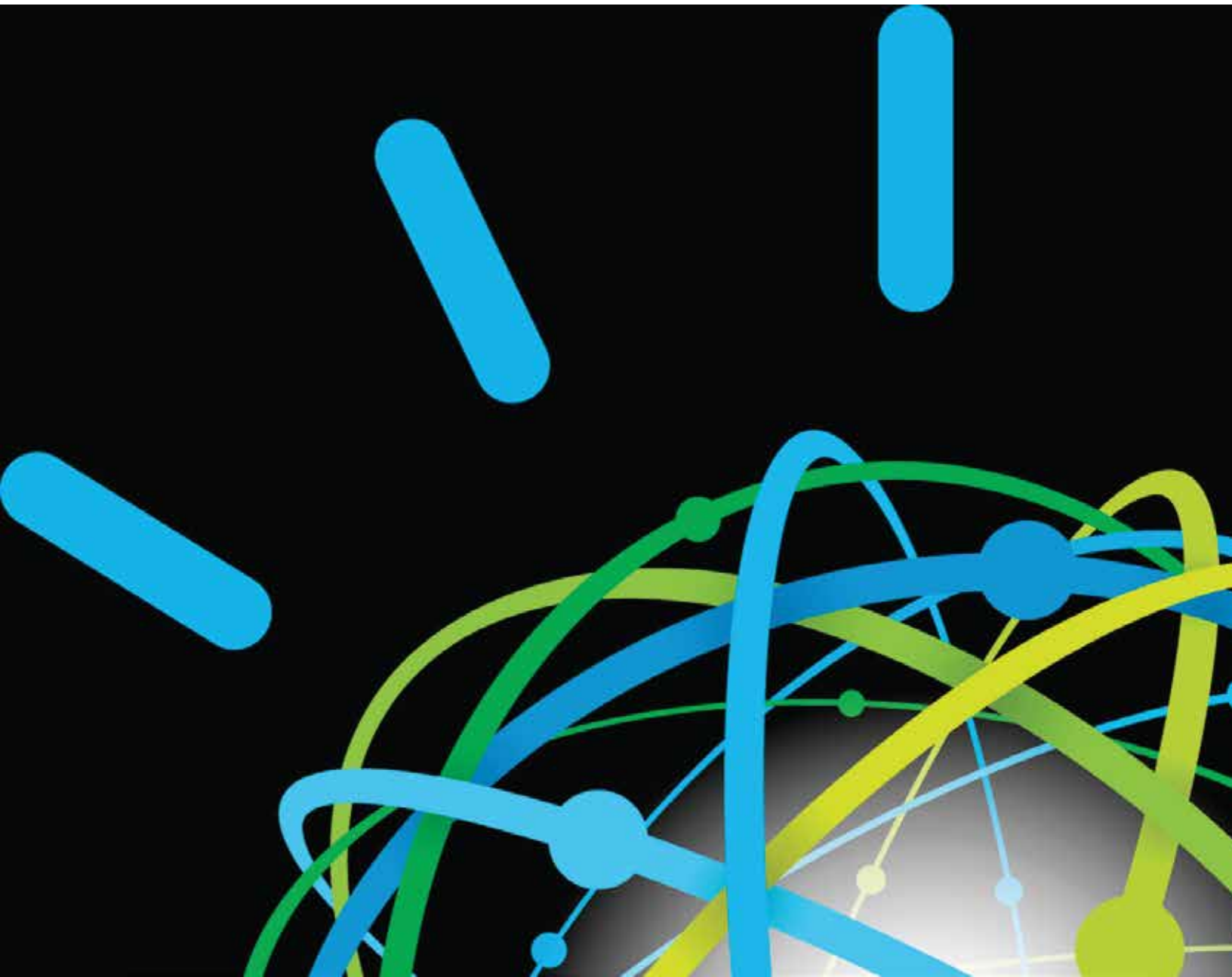
AIEQ | Investment CASE

INTRO

From virtual assistants and voice recognition, to self-driving cars and ridesharing technologies, artificial intelligence (AI) is a unique and effectual method of completing everyday tasks. In contrast to natural intelligence displayed by humans, AI can process data in less time and gather more information over time to steadily increase its efficiency. AI uses computer systems to do tasks that typically only humans have been able to complete, using inputs and outputs such as text or voice commands. While classic science fiction often portrays AI as robots with human-like characteristics, AI can encompass anything from Google's search algorithms to IBM's Watson.

We are in the midst of an "AI awakening" as technologies can now match or exceed humans in essential skills. Artificial intelligence is a \$15 billion industry that shows continued global growth. With more than 2,600 companies developing intelligent technology, the value of AI is expected to rise to more than \$70 billion by 2020.

Previously, AI technologies were only available to hedge funds and professional trading firms. The AI Powered Equity ETF is the first and only actively managed and prepackaged solution ETF to fully utilize artificial intelligence as a method for stock selection. Harnessing the power of IBM Watson, the system mimics a team of 1,000 research analysts working around the clock to analyze millions of data points each day.²



THE POWER OF IBM WATSON

IBM's Watson Artificial Intelligence is a cognitive computing platform capable of answering natural language questions by connecting large amounts of data, both structured (e.g., spreadsheets) and unstructured (e.g., news articles), and learning from each analysis it conducts to produce a more accurate answer with each subsequent question. Watson represents a new era in computing called 'cognitive computing,' where systems understand the world the way humans do: through intuition, learning, and experience. Watson continuously learns, gaining in value and knowledge over time from previous interactions.

EquBot, an RIA based in San Francisco, under the leadership of a former intel engineer, has applied proprietary quantitative algorithms to IBM Watson to analyze and identify which U.S. publicly traded companies, out of thousands, have the best potential to deliver returns. The fund's software analyzes information for thousands of U.S. listed stocks, and makes determinations based on news articles, social media posts, and other financial metrics.²

Facts & Figures

1

Companies believe AI is going to be fundamental in the future and 72% called it a “business advantage.”³

2

Consumers use more AI than they realize. While only 33% think they use AI-enabled technology, 77% actually use an AI-powered service or device.⁴

3

When asked about expectations for marketing technology providers to have native AI capabilities, more than 50% of respondents said it was important or a must-have.⁵



AI MYTHS DEBUNKED

1

Only tech companies use AI. AI technology is multifaceted, but that doesn't mean only technology giants use it. Smartphones and home assistants that employ AI to collect information and respond to requests is all a result of AI activity.⁶

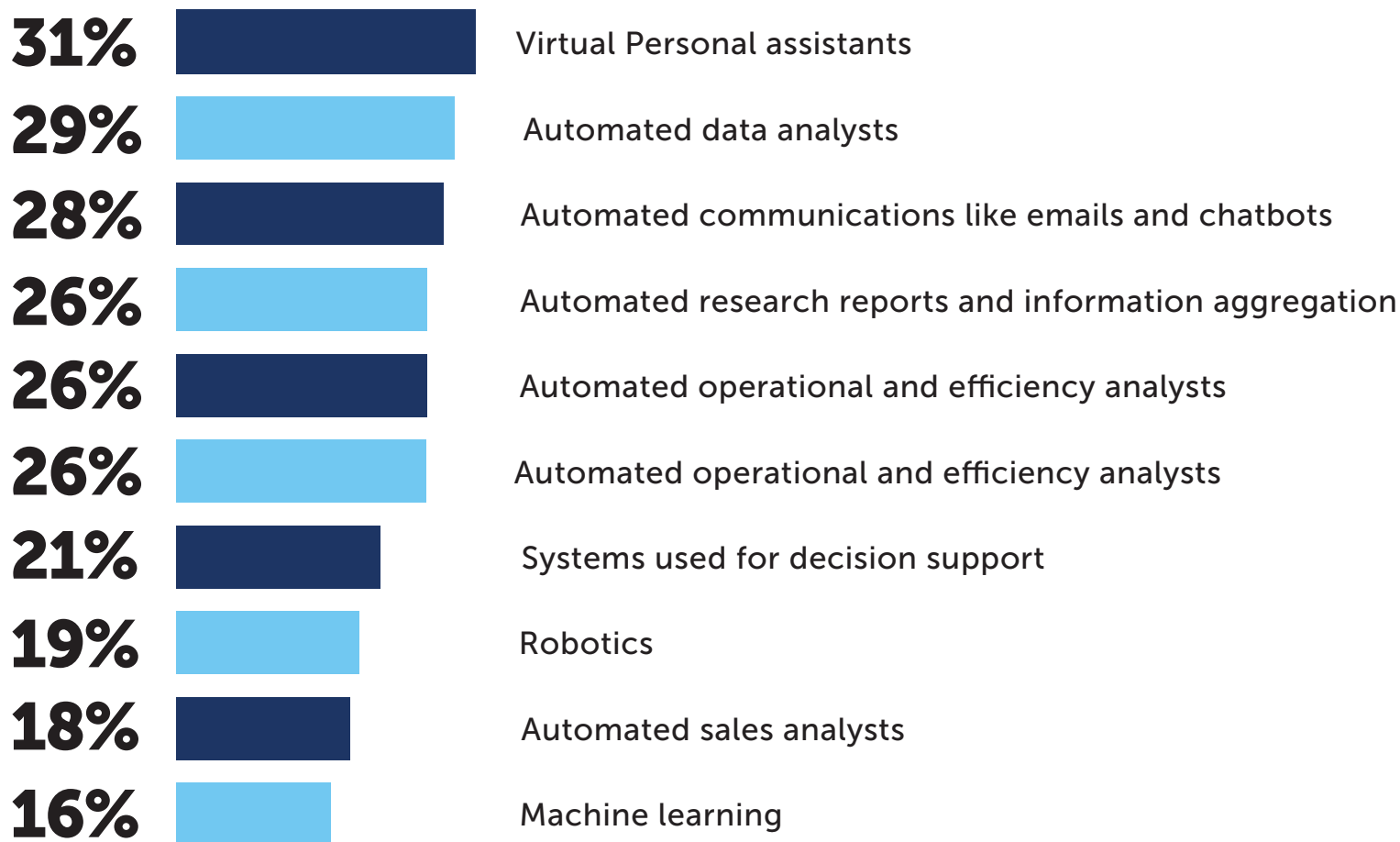
2

AI will take away jobs. Increased levels of computerization and increased cost effectiveness of AI application is beneficial for companies. However, the current state of AI does not allow for a complete takeover of workers. Rather, it is built for enhancing people's efforts.⁷

3

AI is self-sufficient. As AI technology advances, and programs become more widespread in their capabilities, AI still will not be able to run on its own. In fact, some work in AI still requires the human touch.⁶

What AI-powered solutions do you imagine having the largest impact on your business?



CONCLUSION

AI has experienced rapid growth over the past few years across various industries. As technology continues to advance, AI increasingly transforms the way businesses and societies operate. Down to its core, AI is the next frontier and is being used across sectors to improve efficiency, reduce costs, increase revenues, and expand consumer experiences.

Carefully consider the Fund's investment objectives, risk factors, charges, and expenses before investing. This and additional information can be found in the Fund's prospectus, which may be obtained by calling 1-844-ETF-MGRS (1-844-383-6477), or by visiting www.aieqetf.com. Read the prospectus carefully before investing.

Investing involves risk, including the possible loss of principal. Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. Narrowly focused investments typically exhibit higher volatility. The equity securities held in the Fund's portfolio may experience sudden, unpredictable drops in value or long periods of decline in value. This may occur because of factors that affect securities markets generally or factors affecting specific issuers, industries, or sectors in which the Fund invests such as political, market and economic developments, as well as events that impact specific issuers.

The Fund issues and redeems shares on a continuous basis, at NAV, only in blocks of 25,000 shares ("Creation Units"), principally in-kind for securities included in the Fund's portfolio, and only Authorized Participants (typically, broker-dealers) may purchase or redeem Creation Units.

The Fund is actively-managed and may not meet its investment objective based on the success or failure of the Equibot Model to identify investment opportunities.

The portfolio managers may actively and frequently trade securities or other instruments in the Fund's portfolio to carry out its investment strategies. A high portfolio turnover rate increases transaction costs, which may increase the Fund's expenses.

Some of the models used by the Adviser for the Fund are predictive in nature. The use of predictive models has inherent risks. When Models and Data prove to be incorrect or incomplete, any decisions made in reliance thereon expose the Fund to potential risks. For example, by relying on Models and Data, the Adviser may be induced to buy certain investments at prices that are too high, to sell certain other investments at prices that are too low, or to miss favorable opportunities altogether. Similarly, any hedging based on faulty Models and Data may prove to be unsuccessful.

The Fund is distributed by ETFMG Financial LLC, which is not affiliated with Equibot. ETF Managers Group LLC and ETFMG Financial LLC are wholly owned subsidiaries of Exchange Traded Managers Group LLC (collectively, "ETFMG").

Sources:

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