strategyshares

September 21, 2016

PROSPECTUS

ACTIVE ALTS CONTRARIAN ETF
NASDAQ Ticker: SQZZ

This Prospectus provides important information about the Fund that you should know before investing. Please read it carefully and keep it for future reference.

The Securities and Exchange Commission has not approved or disapproved these securities or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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FUND SUMMARY – ACTIVE ALTS CONTRARIAN ETF

Investment Objective: The investment objective of the Active Alts Contrarian ETF is to seek current income and capital appreciation.

Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. If you purchase or sell shares of the Fund in the secondary market through your financial institution, your financial institution may assess brokerage commissions or other charges to process the transactions.

Shareholder Fees (fees paid directly from your investment)	None

Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)	
Management Fee	1.55%
Distribution and/or Service Fee (12b-1) Fees	None
Other Expenses	1.86%
Total Annual Operating Expenses (1)	3.41%
Fee Waiver/Expense Reimbursement(2)	(1.46)%
Total Annual Fund Operating Expenses After Fee Waiver/Expense Reimbursement	1.95%

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(1) Estimated for the current fiscal year.

(2) Active Alts, Inc. ("Sub-Adviser") has contractually agreed to reduce its fees and/or reimburse the Fund's expenses (excluding interest, taxes, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses) in order to limit Total Annual Fund Operating Expenses After Fee Waiver/Expense Reimbursement to 1.95% of the Fund's average annual daily net assets ("Expense Cap"). The Expense Cap will remain in effect until at least August 31, 2018. The Expense Cap may be terminated earlier only upon the approval of the Board and upon the termination of the Sub-Advisory Agreement. The Sub-Adviser may recoup fees reduced or expenses reimbursed at any time within three years from the year such expenses were incurred, so long as the repayment does not exceed the expense limits in effect at the time of such reimbursement and any expense limits in place at the time of the recoupment.

Example: This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. The Example assumes that you invest $10,000 in the Fund for the time periods indicated. This Example does not reflect the effect of brokerage commissions or other transaction costs you pay in connection with the purchase or sale of Fund shares. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same and the expense reduction/reimbursement remains in place for the contractual period only. You would incur these hypothetical expenses whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	**3 Years**
$198	$912

Portfolio Turnover: The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the Example, affect the Fund's performance. Because the Fund has not commenced operations as of the date of this prospectus, the portfolio turnover rate for the last fiscal year is not available. In the future, the portfolio turnover rate for the most recent fiscal year will be provided here.

Principal Investment Strategies

The Fund seeks to achieve its investment objective by investing, directly or indirectly through other investment funds, in equity securities of domestic and foreign issuers traded on a U.S. exchange (including American Depository Receipts (“ADRs”)) that the Sub-Adviser believes may be subject to a “short squeeze”, and in cash and cash equivalents, including affiliated and unaffiliated money market funds and investment grade short term fixed income securities such as U.S. Treasury securities. The Fund defines investment grade fixed income securities as those that are rated, at the time purchased, in the top four categories by a rating agency such as Moody's Investors Service, Inc. ("Moody's") or Standard & Poor's Ratings Group ("S&P"), or, if unrated, determined by Sub-Adviser to be of comparable quality. A “short squeeze” occurs when investors who have sold short shares of an equity security seek to rapidly cover or buy back the short position due to actual or perceived appreciation in the security, which may occur because of positive news or events related to the company, its market sector or the market generally. Often, the additional buying momentum created by short sellers covering their short positions escalates the increase in the price of the shares. The Fund may also lend portfolio securities that the Sub-Adviser believes may become, based on its analysis, subject to a short squeeze.

In selecting securities for the Fund’s portfolio, the Sub-Adviser uses a proprietary investment process to identify equities that it believes have a higher potential for capital appreciation as a result of a short squeeze. The Sub-Adviser’s process for identifying short squeeze opportunities involves analysis of both fundamental factors (e.g., quality of earnings, fundamental stability of business, etc.) and technical factors (e.g., price and volume characteristics, relative strength, etc.). Using this analysis, the Sub-Adviser seeks to identify securities where, in the opinion of the Sub-Adviser, short interest is significant, is increasing or is expected to increase, but is unjustified based on the Sub-Adviser’s analysis. The Sub-Adviser may also determine to lend out portfolio securities that the Sub-Adviser believes to be strong candidates for a short squeeze to short sellers and other market participants. The Fund will receive premium income in exchange for the securities it lends.

The Fund’s portfolio may be more heavily focused in different sectors at different times depending on market conditions, and/or company, sector and industry outlooks. While the Fund is not limited with respect to its investments in any sector, the Fund limits investments in a single issuer to no more than five percent (5%) of the total assets of the Fund and to no more than five percent (5%) of the security’s public float. In addition, the Fund will limit its equity investments to companies with a market capitalization of $250 million or more.

In general, the Fund will acquire positions that the Sub-Adviser believes, based on its analysis of markets, companies and sectors, offer substantial potential for capital appreciation or the opportunity for income. Conversely, the Fund will generally sell positions when the Sub-Adviser believes the security has met its target price, the Sub-Adviser’s outlook for a market, company or sector has changed, or the Sub-Adviser believes better opportunities are available. To the extent that the Sub-Adviser has not identified equities suitable for investment, the Fund will be invested in cash or cash equivalents, such as money market funds, and at times the Fund’s investment in such investments may be significant. The Fund’s equity securities allocation and cash and cash equivalents allocations may range from 0% to 100% of the Fund’s portfolio, depending on the Sub-Adviser’s current assessment of market value and risk.

The Fund is an actively managed ETF and thus does not seek to replicate the performance of a specific index. Instead, the Fund uses an active investment strategy in an effort to meet its investment objective. As a result of its trading strategy, the Fund expects to engage in frequent portfolio transactions that will likely result in higher portfolio turnover than many investment companies. Portfolio turnover is a ratio that indicates how often the securities in an investment company’s portfolio change during a year. A higher portfolio turnover rate indicates a greater number of changes, and a lower portfolio turnover rate indicates a smaller number of changes. Under normal circumstances, the anticipated annual portfolio turnover rate for the Fund is expected to be greater than 100%.

Principal Risks of Investing in the Fund

All ETFs, including the Fund, take investment risks. Therefore, it is possible to lose money by investing in the Fund. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The primary factors that may reduce the Fund's net asset value per share ("NAV"), market price per share and returns include:

Acquired Fund Risk. Because the Fund may invest in other investment companies, the value of your investment will fluctuate in response to the performance of the acquired funds. Investing in acquired funds involves certain additional expenses and certain tax results that would not arise if you invested directly in the securities of the acquired funds.

ADR Risk. ADRs may be subject to some of the same risks as direct investment in foreign companies, which includes international trade, currency, political, regulatory and diplomatic risks. In a sponsored ADR arrangement, the foreign issuer assumes the obligation to pay some or all of the depositary's transaction fees. Under an unsponsored ADR arrangement, the foreign issuer assumes no obligations and the depositary's transaction fees are paid directly by the ADR holders. Because unsponsored ADR arrangements are organized independently and without the cooperation of the issuer of the underlying securities, available information concerning the foreign issuer may not be as current as for sponsored ADRs and voting rights with respect to the deposited securities are not passed through.

Affiliated Investment Company Risk. The Fund invests in affiliated money market funds (the "Affiliated Funds"), unaffiliated money market funds, or a combination of both. The Advisor, therefore, is subject to conflicts of interest in allocating the Fund's assets among the underlying funds. The Advisor will receive more revenue to the extent it selects an Affiliated Fund rather than an unaffiliated fund for inclusion in the Fund's portfolio.

Absence of Prior Active Market Risk. Although the Shares of the Fund are approved for listing on the NASDAQ Stock Market (the "Exchange"), there can be no assurance that an active trading market will develop and be maintained for the Shares of the Fund. As a new fund, there can be no assurance that the Fund will grow to or maintain an economically viable size, in which case the Fund may ultimately liquidate.

Cash or Cash Equivalents Risk. At any time, the Fund may have significant investments in cash or cash equivalents. When a substantial portion of a portfolio is held in cash or cash equivalents, there is the risk that the value of the cash account, including interest, will not keep pace with inflation, thus reducing purchasing power over time.

Costs of Buying or Selling Shares. Investors buying or selling Shares in the secondary market will pay brokerage commissions or other charges imposed by brokers as determined by that broker. Brokerage commissions are often a fixed amount and may be a significant proportional cost for investors seeking to buy or sell relatively small amounts of Shares. In addition, secondary market investors will also incur the cost of the difference between the price that an investor is willing to pay for Shares (the "bid" price) and the price at which an investor is willing to sell Shares (the "ask" price). Due to the costs of buying or selling Shares, including bid/ask spreads, frequent trading of Shares may significantly reduce investment results and an investment in Shares may not be advisable for investors who anticipate regularly making small investments.

Equity Risk. Holders of common stock, or common stock equivalents, of any given issuer, are generally exposed to greater risk than holders of preferred stocks and debt obligations of the issuer because preferred stocks and debt obligations are typically entitled to receive payments and distributions in advance of common stock.

ETF Risk. The NAV of the Fund, an actively managed ETF, can fluctuate up or down due to changes in the market value of the securities owned by the Fund. In addition, the Fund may be subject to the following additional risks: (1) the market price of the Fund's shares may trade above or below their NAV; (2) an active trading market for the Fund's shares may not develop or be maintained; (3) in a stressed market, Fund shares may become less liquid in response to decreasing liquidity in markets for its underlying portfolio holdings; and (4) trading of the Fund's shares may be halted if the Exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. There can be no assurance that the Fund will continue to satisfy the listing requirements of the Exchange or that the listing requirements will remain unchanged. Individual shares of the Fund are not redeemable. The purchase of Creation Units of the Fund may be costly and there may be brokerage costs associated with the assembly of a Creation Unit.The Fund has a limited number of financial institutions that act as authorized participants. To the extent that an authorized participant exits the business or is unable to process creation/redemption orders, and no other authorized participant can act to create/redeem shares, Fund shares may trade like closed end funds, trade at a discount, and/or face delisting.

Fixed Income Risk. The value of the Fund's investments in fixed income securities may decline when prevailing interest rates rise or increase when interest rates fall. The longer a security's maturity or duration, the greater its value will change in response to changes in interest rates. The interest earned on the Fund's investments in fixed income securities may decline when prevailing interest rates fall.

Fluctuation of NAV; Unit Premiums and Discounts. The NAV of the Fund's Shares will generally fluctuate with changes in the market value of the Fund's securities holdings. The market prices of Shares will generally fluctuate in accordance with changes in the Fund's NAV and supply and demand of Shares on Exchange or any other exchange on which Shares are traded. It cannot be predicted whether Shares will trade below, at or above their NAV. Price differences may be due, in large part, to the fact that supply and demand forces at work in the secondary trading market for Shares will be closely related to, but not identical to, the same forces influencing the prices of the securities of the Fund trading individually or in the aggregate at any point in time. The market prices of Shares may deviate significantly from the NAV of the Shares during periods of market volatility. While the creation/redemption feature is designed to make it likely that Shares normally will trade close to the Fund's NAV, disruptions to creations and redemptions and/or market volatility may result in trading prices that differ significantly from the Fund's NAV. If an investor purchases Shares at a time when the market price is at a premium to the NAV of the Shares or sells at a time when the market price is at a discount to the NAV of the Shares, then the investor may sustain losses that are in addition to any losses caused by a decrease in NAV.

Large Capitalization Companies Risk. The Fund may invest in large capitalization companies (defined by the Sub-Adviser as companies with more than $6 billion in capitalization). Large capitalization companies may be unable to respond quickly to new competitive challenges, such as changes in technology and consumer tastes, and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Limited Experience Risk. Although the executives and members of the Sub-Adviser have extensive experience in managing investments for clients including corporations, non-taxable entities, investment companies and other business and private accounts, the Sub-Adviser has not managed the Fund's investment strategy before, which may limit the Sub-Adviser's effectiveness.

Market Risk. The market value of the Fund's portfolio security may decline, sometimes rapidly and unpredictably. These fluctuations may cause a security to be worth less than the price the investor originally paid for it, or less than it was worth at an earlier time. Market risk may affect a single issuer, Sector or the market as a whole. This volatility may cause the value of your investment in a Fund to decline.

Management Risk. The Fund's ability to achieve its investment objectives depends on the Sub-Adviser's ability to successfully implement the Fund's investment strategies. The Sub-Adviser could be incorrect in its analysis of economic trends, sectors, individual companies and other investment related matters. As a result, the Fund could under perform other investment vehicles with similar investment objectives.

Medium Capitalization and Small Capitalization Companies Risk. The Fund may invest a significant portion of its assets in medium capitalization companies (which the Sub-Adviser defines as companies having a market capitalization of between $1 billion and $6 billion that are not in the top ten percent of the securities in their primary market when ranked in order of market capital) and also may invest a significant portion of its assets in small capitalization companies (which the Sub-Adviser defines as companies having a market capitalization of less than $1 billion). Investing in the securities of small and medium capitalization companies generally involves greater risk than investing in larger, more established companies. The securities of small and medium companies usually have more limited marketability and therefore may be more volatile and less liquid than securities of larger, more established companies or the market averages in general. Such companies also typically are subject to a greater degree of changes in earnings and prospects.

Money Market Risk. In order to maintain sufficient liquidity, to implement investment strategies or for temporary defensive purposes, the Fund may invest a significant portion of its assets in shares of one or more money market funds. Generally, money market mutual funds are registered investment companies that seek to earn income consistent with the preservation of capital and maintenance of liquidity by investing primarily in high quality money market instruments, including, without limitation, U.S. government obligations, bank obligations and high-grade corporate instruments. An investment in a money market mutual fund is not insured or guaranteed by the Federal Deposit Insurance Company or any other governmental agency, entity or person. While investor losses in money market mutual funds have been rare, they are possible. In addition, the Fund will incur additional indirect expenses due to acquired fund fees and other costs to the extent it invests in shares of money market mutual funds.

Risks Related to Investments in Significantly Shorted Stocks. The Fund's investment strategy seeks to invest in stocks in which a significant amount of market participants have taken short positions. Market participants take short positions in stocks when they believe the value of these stocks will decline in the future. If these market participants are correct, the value of stocks in which the Fund invests will decrease, and the Fund will lose money on its investments.

Risk of Securities Lending. There are certain risks associated with securities lending, including the risk that when lending portfolio securities, the securities may not be available to the Fund on a timely basis and the Fund may, therefore, lose the opportunity to sell the securities at a desirable price.

Risks Related to Portfolio Turnover. As a result of its trading strategy, the Fund may sell portfolio securities without regard to the length of time they have been held and will likely have a higher portfolio turnover rate than other registered investment companies. Since portfolio turnover may involve paying brokerage commissions and other transaction costs, higher turnover generally results in additional Fund expenses. High rates of portfolio turnover may lower the performance of the Fund due to these increased costs and may also result in the realization of short-term capital gains. If the Fund realizes capital gains when portfolio investments are sold, the Fund must generally distribute those gains to shareholders, increasing the Fund's taxable distributions. High rates of portfolio turnover in a given year would likely result in short-term capital gains that are taxed to shareholders at ordinary income tax rates. See "Federal Income Tax Matters".

Performance: Because the Fund is a new fund and does not yet have a full calendar year of investment operations, no performance information is presented for the Fund at this time. In the future, performance information will be presented in this section of this Prospectus. Updated performance information and daily NAV per share information will be available at no cost by calling (855) 4SS-ETFS or (855) 477-3837.

Adviser: Rational Advisers, Inc. is the Fund's investment adviser (the "Adviser").

Sub-Adviser: Active Alts Inc. is the Fund's investment sub-adviser (the "Sub-Adviser").

Portfolio Manager: Brad Lamensdorf, founder and President of the Sub-Adviser, serves as the Fund's portfolio manager and is primarily responsible for the day-to-day management of the Fund's portfolio. Mr. Lamensdorf has served as Portfolio Manager of the Fund since 2016.

Purchase and Sale of Shares: You may purchase and sell individual Fund shares on the Exchange through your financial institution on each day that the Exchange is open for business ("Business Day"). Because Fund shares trade at market prices rather than at their NAV, shares may trade at a price greater than NAV (premium) or less than NAV (discount).

The Fund only offers and redeems shares on a continuous basis at NAV in large blocks of shares, currently 25,000 shares ("Creation Unit"). Generally, Creation Units are offered and redeemed on an in-kind basis. Except under limited circumstances at the discretion of the Adviser, purchasers will be required to purchase Creation Units by making an in-kind deposit of specified instruments ("Deposit Instruments"), and shareholders redeeming Creation Units will receive an in-kind transfer of specified securities ("Redemption Instruments"). If there is a difference between the net asset value of a Creation Unit being purchased or redeemed and the Deposit Instruments or Redemption Instruments exchanged for the Creation Unit, the party conveying the instruments with the lower value will also pay to the other an amount in cash equal to that difference.

Tax Information: The Fund's distributions are taxable as ordinary income or capital gains, except when your investment is through a tax deferred account such as an Individual Retirement Account (IRA) or you are a tax-exempt investor.

Payments to Broker-Dealers and Other Financial Intermediaries: If you purchase the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

ADDITIONAL INFORMATION ABOUT THE FUND'S PRINCIPAL INVESTMENT STRATEGIES AND RELATED RISKS

Investment Objective: The investment objective of the Active Alts Contrarian ETF is to seek current income and capital appreciation. The investment objective is not fundamental and may be changed without the approval of the Fund's shareholders upon 60 days' prior written notice to shareholders.

Principal Investment Strategies

The Fund seeks to achieve its investment objective by investing, directly or indirectly through other investment funds, in equity securities of domestic and foreign issuers traded on a U.S. exchange (including ADRs) that the Sub-Adviser believes may be subject to a "short squeeze", and in cash and cash equivalents, including affiliated and unaffiliated money market funds and other high quality short term fixed income securities such as U.S. Treasury securities. A "short squeeze" occurs when investors who have sold short shares of an equity security seek to rapidly cover or buy back the short position due to actual or perceived appreciation in the security, which may occur because of positive news or events related to the company, its market sector or the market generally. Often, the additional buying momentum created by short sellers covering their short positions escalates the increase in the price of the shares. The Fund may also lend portfolio securities that the Sub-Adviser believes may become, based on its analysis, subject to a short squeeze.

In selecting securities for the Fund's portfolio, the Sub-Adviser uses a proprietary investment process to identify equities that it believes have a higher potential for capital appreciation as a result of a short squeeze. The Sub-Adviser's process for identifying short squeeze opportunities involves analysis of both fundamental factors (e.g., quality of earnings, fundamental stability of business, etc.) and technical factors (e.g., price and volume characteristics, relative strength, etc.). Using this analysis, the Sub-Adviser seeks to identify securities where, in the opinion of the Sub-Adviser, short interest is significant, is increasing or is expected to increase, but is unjustified based on the Sub-Adviser's analysis. The Sub-Adviser may also determine to lend out portfolio securities that the Sub-Adviser believes to be strong candidates for a short squeeze to short sellers and other market participants. The Fund will receive premium income in exchange for the securities it lends.

The Fund's portfolio may be more heavily focused in different sectors at different times depending on market conditions, and/or company, sector and industry outlooks. While the Fund is not limited with respect to its investments in any sector or industry, the Fund limits investments in a single issuer to no more than five percent (5%) of the total assets of the Fund and to no more than five percent (5%) of the security's public float. In addition, the Fund will limit its equity investments to companies with a market capitalization of $250 million or more.

In general, the Fund will acquire positions that the Sub-Adviser believes, based on its analysis of markets, companies and sectors, offer substantial potential for capital appreciation or the opportunity for income. Conversely, the Fund will generally sell positions when the Sub-Adviser believes the security has met its target price, the Sub-Adviser's outlook for a market, company or sector has changed, or the Sub-Adviser believes better opportunities are available. To the extent that the Sub-Adviser has not identified equities suitable for investment, the Fund will be invested in cash or cash equivalents, such as money market funds, and at times the Fund's investment in such investments may be significant. The Fund's equity securities allocation and cash and cash equivalents allocations may range from 0% to 100% of the Fund's portfolio, depending on the Sub-Adviser's current assessment of market value and risk.

The Fund is an actively managed ETF and thus does not seek to replicate the performance of a specific index. Instead, the Fund uses an active investment strategy in an effort to meet its investment objective. As a result of its trading strategy, the Fund expects to engage in frequent portfolio transactions that will likely result in higher portfolio turnover than many investment companies. Portfolio turnover is a ratio that indicates how often the securities in an investment company's portfolio change during a year. A higher portfolio turnover rate indicates a greater number of changes, and a lower portfolio turnover rate indicates a smaller number of changes. Under normal circumstances, the anticipated annual portfolio turnover rate for the Fund is expected to be greater than 100%.

Temporary Defensive Positions

From time to time, the Fund may take temporary defensive positions, which are inconsistent with the Fund's principal investment strategies, in attempting to respond to adverse market, economic, political, or other conditions. For example, the Fund may hold all or a portion of its assets in money market instruments, including cash, cash equivalents, U.S. government securities, other investment grade fixed income securities, certificates of deposit, bankers acceptances, commercial paper, money market funds and repurchase agreements. While the Fund is in a defensive position, the opportunity to achieve its investment objective will be limited. If the Fund invests in a money market fund, the shareholders of the Fund generally will be subject to duplicative management fees. Although the Fund would do this only in seeking to avoid losses, the Fund will be unable to pursue its investment objective during that time, and it could reduce the benefit from any upswing in the market.

Principal Investment Risks

Loss of money is a risk of investing in the Fund. In addition, investing in the Fund may be subject to the following additional risks.

Absence of Prior Active Market Risk. Although the Shares in the Fund are approved for listing on the Exchange, there can be no assurance that an active trading market will develop and be maintained for the Shares of the Fund. As a new fund, there can be no assurance that the Fund will grow to or maintain an economically viable size, in which case the Fund may ultimately liquidate.

Acquired Funds Risk. Because the Fund may invest in other investment companies, the value of your investment will fluctuate in response to the performance of the acquired funds. Investing in acquired funds involves certain additional expenses and certain tax results that would not arise if you invested directly in the acquired funds. By investing in acquired funds, you will bear not only your proportionate share of the Fund's expenses (including operating costs and investment advisory and administrative fees), but also, indirectly, similar expenses and charges of the acquired funds, including any contingent deferred sales charges and redemption charges. Finally, you may incur increased tax liabilities by investing in the Fund rather than directly in the acquired funds.

ADR Risk. ADRs are receipts typically issued by an American bank or trust company that evidence ownership of underlying securities issued by a foreign corporation. Generally, ADRs are designed for use in the U.S. securities markets. ADRs may be subject to some of the same risks as direct investment in foreign companies, which includes international trade, currency, political, regulatory and diplomatic risks. In a sponsored ADR arrangement, the foreign issuer assumes the obligation to pay some or all of the depositary's transaction fees. Under an unsponsored ADR arrangement, the foreign issuer assumes no obligations and the depositary's transaction fees are paid directly by the ADR holders. Because unsponsored ADR arrangements are organized independently and without the cooperation of the issuer of the underlying securities, available information concerning the foreign issuer may not be as current as for sponsored ADRs and voting rights with respect to the deposited securities are not passed through.

Investing in foreign (non-U.S.) securities through ADRs may result in the Fund experiencing more rapid and extreme changes in value than the Fund that invests exclusively in securities of U.S. companies, due to smaller markets, differing reporting, accounting and auditing standards, nationalization, expropriation or confiscatory taxation, currency blockages and political changes or diplomatic developments. The costs of investing in many foreign markets are higher than the U.S. and investments may be less liquid.

Affiliated Investment Company Risk. The Fund invests in Affiliated Funds, unaffiliated underlying funds, or a combination of both. The Advisor, therefore, is subject to conflicts of interest in allocating the Fund's assets among the underlying funds. The Advisor will receive more revenue to the extent it selects a Affiliated Fund rather than an unaffiliated fund for inclusion in the Fund's portfolio. In addition, the Advisor may have an incentive to allocate the Fund's assets to those Affiliated Funds for which the net advisory fees payable to the Advisor are higher than the fees payable by other Affiliated Funds.

Cash or Cash Equivalents Risk. At any time, the Fund may have significant investments in cash or cash equivalents. When a substantial portion of a portfolio is held in cash or cash equivalents, there is the risk that the value of the cash account, including interest, will not keep pace with inflation, thus reducing purchasing power over time and the Fund will be unable to pursue its investment objective, and could reduce or lose the benefit from any upswing in the market.

Costs of Buying or Selling Shares. Investors buying or selling Shares in the secondary market will pay brokerage commissions or other charges imposed by brokers as determined by that broker. Brokerage commissions are often a fixed amount and may be a significant proportional cost for investors seeking to buy or sell relatively small amounts of Shares. In addition, secondary market investors will also incur the cost of the difference between the price that an investor is willing to pay for Shares (the "bid" price) and the price at which an investor is willing to sell Shares (the "ask" price). Due to the costs of buying or selling Shares, including bid/ask spreads, frequent trading of Shares may significantly reduce investment results and an investment in Shares may not be advisable for investors who anticipate regularly making small investments.

Equity Risk. Holders of common stock, or common stock equivalents, of any given issuer, are generally exposed to greater risk than holders of preferred stocks and debt obligations of the issuer because preferred stocks and debt obligations are typically entitled to receive payments and distributions in advance of common stock.

ETF Risk. The NAV of the Fund, an actively managed ETF, can fluctuate up or down due to changes in the market value of the securities owned by the Fund. In addition, the Fund may be subject to the following additional risks: (1) the market price of the Fund's shares may trade above or below their NAV; (2) an active trading market for the Fund's shares may not develop or be maintained; (3) in a stressed market, Fund shares may become less liquid in response to decreasing liquidity in markets for its underlying portfolio holdings; and (4) trading of the Fund's shares may be halted if the Exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. There can be no assurance that the Fund will continue to satisfy the listing requirements of the Exchange or that the listing requirements will remain unchanged. Individual shares of the Fund are not redeemable. The purchase of Creation Units of the Fund may be costly and there may be brokerage costs associated with the assembly of a Creation Unit. The Fund has a limited number of financial institutions that act as authorized participants. To the extent that an authorized participant exits the business or is unable to process creation/redemption orders, and no other authorized participant can act to create/redeem shares, Fund shares may trade like closed end funds, trade at a discount, and/or face delisting.

Fixed Income Risk. When the Fund invests in fixed income securities, the value of your investment in the Fund will fluctuate with changes in interest rates. Typically, a rise in interest rates causes a decline in the value of fixed income securities owned by the Fund. In general, the market price of fixed income securities with longer maturities will increase or decrease more in response to changes in interest rates than shorter-term securities. Other risk factors include credit risk (the debtor may default) and prepayment risk (the debtor may pay its obligation early, reducing the amount of interest payments). These risks could affect the value of a particular investment by the Fund, possibly causing the Fund's share price and total return to be reduced and fluctuate more than other types of investments.

Fluctuation of NAV; Unit Premiums and Discounts. The NAV of the Fund's Shares will generally fluctuate with changes in the market value of the Fund's securities holdings. The market prices of Shares will generally fluctuate in accordance with changes in the Fund's NAV and supply and demand of Shares on the Exchange or any other exchange on which Shares are traded. It cannot be predicted whether Shares will trade below, at or above their NAV. If an investor purchases Shares at a time when the market price is at a premium to the NAV of the Shares or sells at a time when the market price is at a discount to the NAV of the Shares, then the investor may sustain losses that are in addition to any losses caused by a decrease in NAV.

Large Capitalization Companies Risk. The Fund may invest in large capitalization companies (defined by the Sub-Adviser as companies with more than $6 billion in capitalization). Large capitalization companies may be unable to respond quickly to new competitive challenges, such as changes in technology and consumer tastes, and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Limited Experience Risk. Although the executives and members of the Sub-Adviser have extensive experience in managing investments for clients including corporations, non-taxable entities, investment companies and other business and private accounts, the Sub-Adviser has not managed the Fund's investment strategy before, which may limit the Sub-Adviser's effectiveness.

Management Style Risk. The NAV of the Fund's Shares changes daily based on the performance of the securities in which it invests. The ability of the Fund to meet its investment objective is directly related to the ability of the Sub-Adviser to accurately evaluate portfolio investments, measure market risk and appropriately react to current and developing market trends. There is no guarantee that the Sub-Adviser's judgments about the attractiveness, value, and potential appreciation of particular investments in which the Fund invests will be correct or produce the desired results. If the Sub-Adviser fails to accurately evaluate portfolio investments, evaluate market risk or appropriately react to current and developing market conditions, the Fund's share price may be adversely affected.

Market Risk. Market risk refers to the risk that the value of securities in the Fund's portfolio may decline due to daily fluctuations in the securities markets that are generally beyond the Sub-Adviser's control, including economic conditions, adverse investor sentiment, poor management decisions, lower demand for a company's goods and services and general equity market conditions. In a declining stock market, stock prices for all companies (including those in the Fund's portfolio) may decline, regardless of their long-term prospects.

Stocks tend to move in cycles, with periods when stock prices generally rise and periods when they generally decline. Exogenous forces may affect the Fund in ways that the Sub-Adviser may not be able to anticipate and/or create a trading strategy that will protect the underlying principal of the Fund.

Medium Capitalization and Small Capitalization Companies Risk. The Fund may invest a significant portion of its assets in medium capitalization companies (which the Sub-Adviser defines as companies having a market capitalization of between $1 billion and $6 billion that are not in the top ten percent of the securities in their primary market when ranked in order of market capital) and also may invest a significant portion of its assets in small capitalization companies (which the Sub-Adviser defines as companies having a market capitalization of less than $1 billion). Investing in the securities of small and medium capitalization companies generally involves greater risk than investing in larger, more established companies. The securities of small and medium companies usually have more limited marketability and therefore may be more volatile and less liquid than securities of larger, more established companies or the market averages in general. Such companies also typically are subject to a greater degree of changes in earnings and prospects.

Money Market Risk. In order to maintain sufficient liquidity, to implement investment strategies or for temporary defensive purposes, the Fund may invest a significant portion of its assets in shares of one or more money market funds. Generally, money market mutual funds are registered investment companies that seek to earn income consistent with the preservation of capital and maintenance of liquidity by investing primarily in high quality money market instruments, including, without limitation, U.S. government obligations, bank obligations and high-grade corporate instruments. An investment in a money market mutual fund is not insured or guaranteed by the Federal Deposit Insurance Company or any other governmental agency, entity or person. While investor losses in money market mutual funds have been rare, they are possible. In addition, the Fund will incur additional indirect expenses due to acquired fund fees and other costs to the extent it invests in shares of money market mutual funds.

Risk of Securities Lending. When the Fund loans its portfolio securities, it will receive collateral consisting of cash or cash equivalents, securities issued or guaranteed by the U.S. Government or one of its agencies or instrumentalities, an irrevocable bank letter of credit, or any combination thereof. Nevertheless, the Fund risks a delay in the recovery of the loaned securities, or even the loss of rights in the collateral deposited by the borrower if the borrower should fail financially. In addition, if the Fund's securities are sold while out on loan and the securities are not returned timely by the borrower, there is a possibility that the sale transaction will not settle in the 10 usual manner and cause unintended market exposure and additional trade and other expenses to the Fund. As well, any investments made with the collateral received are subject to the risks associated with such investments. If such investments lose value, the Fund will have to cover the loss when repaying the collateral.

Risks Related to Investments in Significantly Shorted Stocks. The Fund's investment strategy seeks to invest in stocks in which a significant amount of market participants have taken short positions. Market participants take short positions in stocks when they believe the value of these stocks will decline in the future. If these market participants are correct, the value of stocks in which the Fund invests will decrease, and the Fund will lose money on its investments.

Risks Related to Portfolio Turnover. As a result of its trading strategy, the Fund may sell portfolio securities without regard to the length of time they have been held and will likely have a higher portfolio turnover rate than other registered investment companies. Since portfolio turnover may involve paying brokerage commissions and other transaction costs, higher turnover generally results in additional Fund expenses. High rates of portfolio turnover may lower the performance of the Fund due to these increased costs and may also result in the realization of short-term capital gains. If the Fund realizes capital gains when portfolio investments are sold, the Fund must generally distribute those gains to shareholders, increasing the Fund's taxable distributions. High rates of portfolio turnover in a given year would likely result in short-term capital gains that are taxed to shareholders at ordinary income tax rates. See “Federal Income Tax Matters”.

Additional Information Regarding the Fund’s Investment Risks.

In addition to the Fund’s principal investment risks, an investment in the Fund’s is also subject to the following risks:

Early Closing Risk. An unanticipated early closing of the Exchange may result in a shareholder’s inability to buy or sell a Fund’s Shares on that day.

ETF and other Investment Company Risk. Each Fund may invest in affiliated and unaffiliated actively managed or index-based ETFs or other investment companies. Through its positions in ETFs and other investment companies, a Fund will be subject to the risks associated with such vehicles’ investments, including the possibility that the value of the securities or instruments held by an ETF or other investment company could decrease (or increase). Investments in ETFs and other investment companies are also subject to the following additional risks:

Expenses. To the extent a Fund invests in ETFs or other investment companies, your cost of investing in the Fund will generally be higher than the cost of investing directly in ETFs or other investment companies, because you will indirectly bear fees and expenses charged by the underlying ETFs and investment companies in which the Fund invests in addition to the Fund’s direct fees and expenses. Furthermore, a Fund’s investments in ETFs or other investment companies could affect the timing, amount, and character of the Fund’s distributions and therefore may increase the amount of your tax liability.

Investment Limitation. Under the Investment Company Act of 1940 Act, as amended (“1940 Act”) a Fund may not acquire shares of an ETF or other investment company if, immediately after such acquisition, the Fund and its affiliated persons would hold more than 3% of the ETF’s or investment company’s total outstanding shares unless (i) the ETF or the Fund has received an order for exemptive relief from the 3% limitation from the Securities and Exchange Commission that is applicable to the Fund; and (ii) the ETF and the Fund take appropriate steps to comply with any conditions in such order. Accordingly, the 3% limitation may prevent a Fund from allocating its investments in the manner the Sub-Adviser considers optimal, or cause the Sub-Adviser to select an investment other than that which the Sub-Adviser considers optimal.

Liquidity Risk. Trading in Shares of a Fund may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Fund’s Shares inadvisable. In addition, trading in a Fund’s Shares is subject to trading halts caused by extraordinary market volatility pursuant to “circuit breaker” rules. There can be no assurance that the requirements necessary to maintain the listing of a Fund’s Shares will continue to be met or will remain unchanged. During stressed market conditions, the liquidity of Fund Shares may mirror the liquidity of the securities in a Fund’s portfolio, which may be significantly less than the liquidity of other ETFs.

Market Value Risk. The market value of an ETF’s shares may differ from its NAV. This difference in price may be due to the fact that the supply and demand in the market for ETF shares at any point in time is not always identical to the supply and demand in the market for the underlying basket of securities. Accordingly, there may be times when an ETF trades at a premium (creating the risk that a Fund pays more than NAV for an ETF when making a purchase) or discount (creating the risks that a Fund’s NAV is reduced for undervalued ETFs it holds, and that a Fund receives less than NAV when selling an ETF).

Redeeming Risk. Shares in a Fund may be redeemed only in Creation Units. Shares may not be redeemed in fractional Creation Units. Only certain large institutions that enter into agreements with the Distributor are authorized to transact in Creation Units with a Fund. These entities are referred to as “Authorized Participants”. All other persons or entities transacting in a Fund’s Shares must do so in the secondary market.

Sampling Risk. The index-based ETFs in which a Fund invests may utilize a representative sampling approach to track their respective underlying indices. ETFs that utilize a representative sampling approach are subject to an increased risk of tracking error because the securities selected for the ETF in the aggregate may vary from the investment profile of the underlying index. Additionally, if using a representative sampling approach, an ETF will typically hold a smaller number of securities than the underlying index, and as a result, an adverse development to an issuer of securities that the ETF holds could result in a greater decline in NAV than would be the case if the ETF held all of the securities in the underlying index.

Tracking Risk. Index-based ETFs and other investment companies in which a Fund invests may not be able to replicate exactly the performance of the indices they track because the total return generated by the securities will be reduced by transaction costs incurred in adjusting the actual balance of the securities. In addition, index-based ETFs and other investment companies in which a Fund invests may incur expenses not incurred by their applicable indices. Certain securities comprising the indices may, from time to time, temporarily be unavailable, which may further impede an ETF's or other investment company's ability to track its applicable index or match its performance.

Manager-of-Managers Order

An affiliate of the Adviser has received an exemptive order (the "Order") from the SEC that permits the Adviser, with the Trust's Board of Trustees' approval, to enter into or materially amend sub-advisory agreements with one or more sub-advisers who are not affiliated with the Adviser without obtaining shareholder approval. Shareholders will be notified if and when a new sub-adviser is employed by the Adviser within 90 days of such change.

Cybersecurity Risk

The Fund and its service providers, use computer systems, networks and devices to carry out routine business operations. These systems, networks and devices employ a variety of protections that are designed to prevent cyberattacks. Despite the various cyber protections utilized by the Fund and its service providers, its systems, networks, or devices could potentially be breached. The Fund and its shareholders could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact the Fund's business operations, potentially resulting in financial losses, interference with the Fund's ability to calculate their NAV, impediments to trading, the inability of the Fund, the Adviser, and other service providers to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs, as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which the Fund invests; counterparties with which the Fund engages in transactions; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions (including financial intermediaries and service providers for the Fund's shareholders); and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

The Fund cannot control the cybersecurity plans and systems put in place by its service providers or any other third parties whose operations may affect the Fund.

PURCHASING AND SELLING FUND SHARES

Purchasing and Selling Fund Shares on the Secondary Market

General. Most investors will buy and sell shares of the Fund in secondary market transactions through their financial institution. Shares of the Fund will be listed for trading in the secondary market on the Exchange. The Exchange is currently open for business each day other than weekends and the following national 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.

The Fund's shares trade on the Exchange under the following symbol:

Fund	Symbol
Active Alts Contrarian ETF	SQZZ

Shares of the Fund can be bought and sold throughout the trading day at their market price like other publicly traded equity securities. If you purchase shares of the Fund in the secondary market, there is no minimum investment. While shares of the Fund will typically be purchased and sold in the secondary market in "round lots" of 100 shares, your financial institution may permit you to purchase or sell shares in smaller "odd-lots" at no per-share price differential. When purchasing or selling Fund shares through your financial institution, you will pay customary brokerage commissions and charges, and you may pay some or all of the spread between the bid and offer price in the secondary market.

The market price of Fund shares may be below, at, or above their most recently calculated NAV and can be affected by market forces of supply and demand for the Fund's shares, the prices of the Fund's portfolio securities, economic conditions and other factors.

A market information provider shall disseminate the approximate value of the Fund's investment portfolio every 15 seconds. This approximate value should not be viewed as a "real-time" update of the Fund's NAV because the approximate value may not be calculated in the same manner as the NAV, which is computed once, generally at the end of the Business Day. No Fund is involved in, or responsible for, the calculation or dissemination of the approximate value of its shares and no Fund makes a warranty as to its accuracy.

Purchasing Shares from and Redeeming Shares with the Fund

General. On each Business Day, you may purchase shares directly from the Fund, and you may tender shares for redemption directly to the Fund in a Creation Unit or multiples thereof. Each Creation Unit is currently comprised of 25,000 shares. The number of shares comprising a Creation Unit may change over time. Once "created," shares of the Fund will generally trade in the secondary market in amounts less than a Creation Unit (see "Shareholder Information – Purchasing and Selling Fund Shares on the Secondary Market").

To purchase or redeem Creation Units of the Fund, you must be an Authorized Participant or you must purchase or redeem the shares through a financial institution that is an Authorized Participant. An "Authorized Participant" is a participant in the Continuous Net Settlement System of the National Securities Clearing Corporation or the Depository Trust Company ("DTC") and that has executed a Participant Agreement with the applicable Fund's distributor ("Distributor"). The Distributor will provide a list of Authorized Participants upon request.

An order to purchase Creation Units of the Fund must be transmitted to the Distributor on a Business Day and received in proper form no later than 3:00 p.m., Eastern Time, in order for the purchase order to be processed at the NAV of the Fund's shares calculated on the date of transmittal.

Except under certain limited circumstances at the discretion of the Fund, investors will be required to purchase Creation Units by making an in-kind deposit of Deposit Instruments, and shareholders redeeming Creation Units will receive an in-kind transfer of Redemption Instruments. On any given Business Day, the name and quantities of the instruments that constitute the Fund's Deposit Instruments and the names and quantities of the instruments that constitute the Fund's Redemption Instruments will be identical, and these instruments are referred to, in the case of either a purchase or a redemption, as the "Creation Basket." Generally, on a Business Day, the Fund's Creation Basket will correspond pro rata to the positions in the Fund's portfolio that will be used to calculate the Fund's NAV on that Business Day. If there is a difference between the net asset value attributable to a Creation Unit and the aggregate market value of the Creation Basket exchanged for the Creation Unit, the party conveying instruments with the lower value will also pay to the other an amount in cash equal to that difference.

The Fund generally does not offer or sell its shares outside of the U.S. Also, the Fund reserves the right to reject any purchase request at any time, for any reason, and without notice.

Additional information regarding the purchase and redemption of the Fund's Creation Units may be found in the "Purchase and Redemption of Creation Units" section of the SAI.

Shareholder Information

Continuous Offering. Because new shares may be created and issued on an ongoing basis during the life of the Fund, a "distribution," as such term is used in the Securities Act of 1933 ("1933 Act"), may be occurring. Broker-dealers and other persons are cautioned that some activities on their part may, depending on the circumstances, result in their being deemed participants in a distribution in a manner that could render them statutory underwriters and subject to the prospectus delivery and liability provisions of the 1933 Act. Any determination of whether one is an underwriter must take into account all the relevant facts and circumstances of each particular case.

Broker-dealers should also note that dealers who are not "underwriters" but are participating in a distribution (as compared to ordinary secondary market transactions), and thus dealing with shares that are part of an "unsold allotment" within the meaning of Section 4(a)(3)(C) of the 1933 Act, would be unable to take advantage of the prospectus delivery exemption provided by Section 4(a)(3) of the 1933 Act. For delivery of prospectuses to exchange members, the prospectus delivery mechanism of Rule 153 under the 1933 Act is available only with respect to transactions on a national securities exchange.

Book Entry

Shares are held in book-entry form, which means that no stock certificates are issued. The DTC, or its nominee, will be the record owner or registered owner of all outstanding shares of the Fund and is recognized as the owner of all such shares. Your beneficial interest in the shares of the Fund will be reflected on the records of the DTC or its participants. Participants in the DTC include securities brokers and dealers, banks, trust companies, clearing corporations and other institutions that directly or indirectly maintain a custodial relationship with the DTC. As a beneficial owner of shares of the Fund, you are not entitled to receive physical delivery of stock certificates or to have shares of any Fund registered in your name, and you are not considered a registered owner of those shares. Therefore, to exercise any right as an owner of Fund shares, you must rely on the procedures of the DTC and its participants. These procedures are the same as those that apply to any other stocks that you hold in book entry or "street name" form through your financial institution.

Purchase of Shares by Investment Companies

Section 12(d)(1) of the Investment Company Act of 1940, as amended (the "1940 Act"), restricts investments by registered investment companies and by other companies relying on Sections 3(c)(1) or 3(c)(7) of the 1940 Act in the securities of other investment companies. Registered investment companies are permitted to invest in the Fund beyond the limits set forth in Section 12(d)(1), subject to certain terms and conditions set forth in an SEC exemptive order applicable to the Adviser, the Distributor, and the Fund, including that such investment companies enter into a written agreement with the Fund. Registered investment companies that desire to rely on the exemptive relief from Rule 12(d)(1) obtained by the Adviser, the Distributor, and Strategy Shares ("Trust") on behalf of the Fund should contact the Trust to obtain the required written agreement.

Calculation of Net Asset Value

The Fund's NAV is determined by dividing the total value of the Fund's portfolio investments and other assets, less any liabilities, by the total number of shares outstanding as of the close of regular trading on the Exchange (normally 4:00 p.m., Eastern Time) on each day that the Exchange is open for business. Because the Fund may invest a portion of its investment portfolio in foreign securities that trade on weekends or other days that the Fund does not price it shares, the NAV of the Fund may change on days when shareholders will not be able to purchase or redeem Creation Units.

In computing the NAV for the Fund, current market value is used to value portfolio securities with respect to which market quotations are readily available, except short-term investments with remaining maturities of 60 days or less which are valued at amortized cost. Pursuant to Board-approved policies, the Fund relies on certain security pricing services to provide current market value of securities.

Securities for which market quotations are not readily available are valued at their "fair value" pursuant to Board-approved procedures. Market quotations may not be readily available if: (1) a portfolio security is not traded in a public market or the principal market in which the security trades are closed: (2) trading in a portfolio security is suspended and not resumed prior to the normal market close; (3) a portfolio security is not traded in significant volume for a substantial period; or (4) the value of a portfolio security has been materially affected by events occurring after the close of the market on which the security is principally traded, or (5) the Adviser determines that the quotation or price for a portfolio security provided by an independent pricing source is inaccurate. The securities of smaller companies in which the Fund may invest may be susceptible to fair valuation since these securities may be thinly traded and less liquid that their larger counterparts. Similarly, the Fund's investments in foreign securities are more likely to require a fair value determination because, among other things, events may occur between the closure of the foreign market and the time that the Fund calculates its NAV that affect the reported market value of these securities.

There can be no assurance that the Fund could purchase or sell a portfolio security at the price used to calculate the Fund's NAV. In the case of fair valued portfolio securities, lack of information and uncertainty as to the significance of information may lead to a conclusion that a prior valuation is the best indication of a portfolio security's present value. Fair valuations generally remain unchanged until new information becomes available. Consequently, changes in the fair valuation of portfolio securities may be less frequent and of greater magnitude than changes in the price of portfolio securities valued at their last sale price by an independent pricing service, or based on market quotations. Fair valuation determinations often involve the consideration of a number of subjective factors, and the fair value price may be higher or lower than a readily available market quotation.

Frequent Purchases and Sales of Fund Shares

The Board has not adopted policies and procedures with respect to frequent purchases and sales of Fund shares. Frequent purchases and sales of the Fund's shares in the secondary market are not expected to subject the Fund to the harmful effects of market timing and excessive trading such as dilution, the disruption of portfolio management, an increase in portfolio trading costs, and/or the realization of capital gains since these transactions do not involve the Fund directly. It is not anticipated that these effects will materialize as a result of the issuance and redemption of Creation Units by the Fund since these transactions will generally be processed on an in-kind basis (that is for a basket of portfolio securities and not for cash). Transaction fees will be imposed on purchases and redemptions of Creation Units to offset custodial and other costs to the Fund incurred in processing the transactions in-kind. To the extent that the Fund permits the purchase or redemption of Creation Units in part or wholly in cash, higher transaction fees will be imposed to offset the applicable Fund's increased trading costs to purchase or redeem portfolio securities in connection these transactions.

Portfolio Holdings Information

A description of the Fund's policies and procedures with respect to the disclosure of portfolio securities is available in the SAI.

DISTRIBUTION OF THE FUND

The Fund has adopted but has yet to implement a Rule 12b-1 Distribution Plan ("Plan") pursuant to Rule 12b-1 under the 1940 Act. In accordance with the Plan, the Fund is authorized to pay an amount up to 0.25% of its average daily net assets each year for certain distribution-related activities and shareholder services.

No 12b-1 fees are currently paid by the Fund, and there are no plans to impose these fees. However, in the event 12b-1 fees are charged in the future, because the fees are paid out of the Fund's assets, over time these fees will increase the cost of your investment and may cost you more than certain other types of sales charges.

Additional Payments to Financial Intermediaries

The Adviser and its affiliates may pay, out of their own profits and reasonable resources, amounts (including items of material value) to certain financial intermediaries for the sale of Fund shares or related services. The amounts of these payments could be significant, and may create an incentive for the financial intermediaries or their employees or associated persons to recommend or sell Fund shares to you. These payments are not reflected in the fees and expenses listed in the fee table section of this Prospectus because they are not paid by the Fund.

These payments are negotiated and may be based on such factors as the number or value of Fund shares that the financial intermediary sells or may sell; the value of client assets invested; or the type and nature of services or support furnished by the financial intermediary. These payments may be in addition to payments made by any Fund to a financial intermediary under the Plan, if implemented. Ask your financial intermediary for information about any payments it receives from the Adviser, their affiliates, or the Fund and any services the financial intermediary provides to the Fund. The SAI contains additional information on the types of additional payments that may be paid.

MANAGEMENT OF THE FUND

Management of the Trust

The Trustees of the Trust are responsible for generally overseeing the conduct of the Fund's business. The Adviser serves as the investment adviser to the Fund pursuant to an investment advisory agreement with the Trust.

The Adviser

Rational Advisers, Inc., a wholly owned subsidiary of Rational Capital LLC, has been retained by the Trust under a Management Agreement to act as the investment adviser to the Fund subject to the authority of the Board of Trustees. Management of mutual funds is currently its primary business. The Adviser was previously a wholly-owned subsidiary exceed the expense limits in effect at the time of such reimbursement and any expense limits in place at the time of the recoupment of The Huntington National Bank known as Huntington Asset Advisers, Inc. and was acquired by Rational Capital LLC on December 31, 2015. The Adviser is under common control with Catalyst Capital Advisors LLC and AlphaCentric Advisors LLC, the investment advisers of other funds in the same group of investment companies also known as a "fund complex". The Adviser oversees the day-to-day investment decisions for the Fund and continuously reviews, supervises and administers the Fund's investment program. The address of the Adviser is 36 North New York Avenue, Huntington, NY 11743.

The Adviser has served as investment adviser to the Fund since its inception in 2016. A discussion of the Trustees' review of the investment advisory agreement with the Trust will be available in the Fund's Semi-Annual Report for the period ended October 31, 2016.

Pursuant to the Management Agreement between the Fund and the Trust, the Fund pays an annual fee of 0.10% of the Fund's average daily net assets for advisory services, subject to a $50,000 minimum annual fee.

Sub-Adviser

The Fund's Sub-Adviser is Active Alts Inc., located at 6 Old Hill Road, Westport, CT 06880. The Sub-Adviser serves in that capacity pursuant to a sub-advisory contract (the "Sub-Advisory Agreement") with the Adviser and the Trust, on behalf of the Fund, as approved by the Board.

The Sub-Adviser was organized as a Connecticut corporation in March 2015. The Sub-Adviser has served as the sub-adviser of the Fund since the inception of the Fund's operations. The Sub-Adviser is owned by Brad Lamensdorf, its founder and President. Although the Fund is the first registered investment company managed by the Sub-Adviser, Mr. Lamensdorf has experience in portfolio management for registered investment companies, private investment funds and separate accounts.

Under the supervision of the Adviser, the Sub-Adviser is responsible for making investment decisions and executing portfolio transactions for the Fund. In addition, the Sub-Adviser is responsible for maintaining certain transaction and compliance related records of the Fund.

Pursuant to the Sub-Advisory Agreement between the Trust, Adviser and Sub-Adviser, the Fund will pay to the Sub-Adviser as full compensation for its services to the Fund monthly compensation at the annual rate of 1.55% of the Fund's average daily net assets minus the advisory fee paid to the Adviser pursuant to the Management Agreement between the Adviser and the Trust of 0.10% of the Fund's average daily net assets (subject to a $50,000 annual minimum fee).

The Sub-Adviser has contractually agreed to reduce its fees and/or reimburse the Fund's expenses (excluding interest, taxes, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses) in order to limit Total Annual Fund Operating Expenses After Fee Waiver/Expense Reimbursement of the Fund to 1.95% of that Fund's average annual daily net assets ("Expense Cap"). The Expense Cap will remain in effect until at least August 31, 2018. The Expense Cap may be terminated earlier only upon the approval of the Board or upon termination of the Sub-Advisory Agreement. The Adviser may recoup fees reduced or expenses reimbursed at any time within three years from the year such expenses were incurred, so long as the repayment does not exceed the expense limits in effect at the time of such reimbursement and any expense limits in place at the time of the recoupment.

Portfolio Manager

Mr. Brad Lamensdorf is primarily responsible for the day-to-day management of the Fund.

Mr. Lamensdorf is the founder and President of the Sub-Adviser. Mr. Lamensdorf also founded BHL Advisers, LLC in 2006 to, among other things, provide investment advice to a commodity-oriented hedge fund (BHL Partners, LP) primarily focused on gold equities. Since January 2013, Mr. Lamensdorf has also led the production of The Lamensdorf Market Timing Report, a newsletter which provides subscribers with technical analysis, and since 2009, Mr. Lamensdorf has been a portfolio manager and principal of Ranger Alternative Management, L.P., a registered investment adviser which provides trading and marketing strategy for short-only portfolios. From November 2007 to December 2012, Mr. Lamensdorf served as a principal of Precisian GP, LLC and a portfolio manager of Precisian Partners L.P., an options volatility manager. From 1998 to 2005, Mr. Lamensdorf served as a principal of Tarpon Capital Management, L.P. and the portfolio manager for Tarpon Partners, L.P., an un-leveraged long/short strategy that focused on relative strength. From 1992 to 1997, Mr. Lamensdorf worked on the equity trading desk for Taylor & Company, the trading unit of Bass Brothers Enterprises, in Fort Worth, Texas, where he co-managed an equity portfolio focused solely on short selling and derivatives strategies. Mr. Lamensdorf received a B.A. in Psychology from the University of Texas at Austin in 1992.

The SAI provides additional information about the portfolio manager's compensation, management of other accounts, and ownership of securities in the Fund.

DIVIDENDS AND DISTRIBUTIONS

Distributions. The Fund does not offer a dividend reinvestment service to facilitate the reinvestment of distributions into additional Fund shares. The Fund declares and pays dividends on investment income, if any, at least annually. The Fund also makes distributions of net capital gains, if any, at least annually. Dividends and capital gains distributions will be paid in cash.

Dividend Reinvestment Services. If you hold Fund shares through a broker that offers a dividend reinvestment service, you may elect to reinvest dividends and capital gains distributed by the Fund in additional shares of that Fund. Contact your broker to determine whether a reinvestment service is available and to discuss any related charges associated with the use of the reinvestment service.

As with all ETFs, reinvestment of dividend and capital gains distributions in additional shares of the Fund will occur four Business Days or more after the ex-dividend date (the date when a distribution of dividends or capital gains is deducted from the price of the Fund's shares). The exact number of days depends on your broker. During that time, the amount of your distribution will not be invested in the applicable Fund and therefore will not share in the Fund's income, gains, and losses. A shareholder will have an adjusted basis in the additional shares of the Fund acquired through a reinvest service equal to the amount of the reinvested distribution and the holding for the new shares shall commence on the day after such shares are credited to the shareholder's account.

TAX CONSEQUENCES

There are many important tax consequences associated with investment in the Fund offered by this Prospectus. The following is a brief summary of certain federal income tax consequences relating to an investment in the Fund. It is not a substitute for personal tax advice. You may also be subject to state and local tax on the Fund's distributions and the sale of Fund shares. Consult your personal tax adviser about the potential tax consequences of your investment in the Fund under all applicable tax laws. For more information, please see the SAI section "Taxes."

Taxation of Distributions. The Fund is treated as a separate entity for Federal tax purposes. The Fund intends to qualify as a "regulated investment company" ("RIC") for U.S. federal income tax purposes. If the Fund qualifies as a RIC, and satisfies certain distribution requirements, it will not be required to pay U.S. federal income taxes on income and gains it distributes to its shareholders.

The Fund intends to distribute substantially all of its net investment income (including net realized capital gains and tax-exempt interest income, if any) to its shareholders at least annually. Generally, distributions are subject to federal income tax for the year in which they are paid. Distributions paid in January but declared by the Fund in October, November or December of the previous year may be taxable to shareholders in the previous year.

Generally, you are required to pay federal income tax on any dividends and other distributions, including capital gains distributions received. This applies whether dividends and other distributions are received in cash or as additional shares. If you hold Fund shares in a tax-qualified retirement account, you generally will not be subject to federal taxation on Fund distributions until you begin receiving distributions from your retirement account.

Distributions paid out of the Fund's income and net short-term gains, if any, are taxable as ordinary income or qualified dividend income. Distributions representing long-term capital gains, if any, will be taxable to you as long-term capital gains no matter how long you have held the shares. Distributions are taxable to you even if they are paid from income or gains earned by the Fund before your investment (and thus were included in the price paid). Individuals, trusts and estates whose income exceeds certain threshold amounts will be subject to a 3.8% Medicare contribution tax on "net investment income". Net investment income includes any ordinary dividends and capital gain distributions from the Fund as well as any capital gains recognized on the sale or exchange of Fund shares.

Distributions of investment income designated by the Fund as derived from "qualified dividend income" (income from taxable domestic corporations and certain qualified corporations) will be taxed at the rate applicable to long-term capital gains, provided holding period and other requirements are met at both the shareholder and Fund level. Long-term capital gain distributions paid to certain high income taxpayers are subject to a regular tax rate of 20%. High income taxpayers, for this purpose, are defined as individuals and married couples filing jointly whose taxable income exceeds $400,000 and $450,000, respectively, per year.

Foreign Securities. The Fund may be subject to foreign withholding taxes on income it earns from investing in foreign securities which may reduce the return on such investments.

Backup Withholding. If you fail to furnish the Fund with your correct and certified Social Security or Taxpayer Identification Number, the Fund may be required to withhold federal income tax (backup withholding) from dividends, capital gain distributions and redemptions. You are urged to read the additional information concerning withholding provided in the SAI.

Non-U.S. Investors. If you are not a citizen or permanent resident of the U.S., the Fund's ordinary income dividends will generally be subject to a 30% U.S. withholding tax, unless a lower treaty rate applies or such income is effectively connected with a U.S. trade or business. The Fund may, under certain circumstances, designate all or a portion of a dividend as an "interest-related dividend" that if received by a nonresident alien or foreign entity generally would be exempt from the 30% U.S. withholding tax, provided that certain other requirements are met. The Fund may also, under certain circumstances, designate all or a portion of a dividend as a "short-term capital gain dividend" which if received by a nonresident alien or foreign entity generally would be exempt from the 30% U.S. withholding tax, unless the foreign person is a nonresident alien individual present in the U.S. for a period or periods aggregating 183 days or more during the taxable year.

Taxes on Exchange-Listed Sales and Cash Redemptions of Creation Units. You will recognize a taxable gain or loss upon the sale of the Fund's shares in the secondary market and upon the cash redemption of the Fund's Creation Unit. Currently, any capital gain or loss realized from the sale of the Fund's shares for cash will generally be treated as long-term capital gain or loss if those shares have been held for more than one year and as short-term capital gain or loss if those shares have been held for one year or less. Any capital loss arising from the sale or disposition of the Fund's shares held for six months or less will be treated as long-term capital loss to the extent of the amount of capital gain dividends received or undistributed capital gain deemed received with respect to the shares. All or a portion of any loss recognized upon the disposition of the Fund's shares may be disallowed under "wash sale" rules if other shares of the Fund are purchased (whether through reinvestment of distributions or otherwise) within 30 days before or after the disposition. If disallowed, the loss will be reflected in an adjustment to the basis of the shares that you acquired.

Taxes on In-Kind Purchases and Redemptions of Creation Units. An Authorized Participant who exchanges securities or securities and cash for a Creation Unit will generally recognize a gain or loss equal to the difference between the market value of the Creation Unit at the time and the exchanger's aggregate basis in the securities surrendered and the amount of any cash paid for the Creation Unit. An Authorized Participant who exchanges a Creation Unit for securities or securities and cash will generally recognize a gain or loss equal to the difference between the exchanger's basis in the Creation Unit and the aggregate market value of the securities and cash received for the Creation Unit. The Internal Revenue Service, however, may assert that a loss realized upon an exchange of primarily securities for a Creation Unit cannot be deducted currently under the rules governing "wash sales," or on the basis that there has been no significant change in economic position. Persons exchanging securities should consult their own tax adviser with respect to whether wash sale rules apply and when a loss might be deductible. Under current federal tax laws, any capital gain or loss realized upon redemption of a Creation Unit is generally treated as long-term capital gain or loss if the shares have been held for more than one year and as short-term capital gain or loss if the shares have been held for one year or less. If you purchase or redeem Creation Units, you will be sent a confirmation statement showing how many Creation Units of the Fund you purchased and sold and at what price.

FOR MORE INFORMATION

Premium/Discount Information

Information regarding how often the shares of the Fund traded on the Exchange at a price above (at a premium) or below (at a discount) the NAV of the Fund during the past four calendar quarters, when available, will be found at www. strategysharesetfs.com.

More information about the Fund is available free, upon request, including the following:

Annual and Semi-Annual Reports
Additional information about the Fund's investments will be available in the Fund's annual and semi-annual reports to shareholders upon issuance. In the Fund's annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year.

Statement of Additional Information (SAI)
The SAI provides more detailed information about the Fund and their policies. A current SAI is on file with the SEC and is incorporated by reference into (considered a legal part of) this Prospectus.

Rational Advisors, Inc. is the Adviser to the Fund.

Foreside Fund Services, LLC is the Distributor.

To obtain the SAI, Annual Report, Semi-Annual Report and other information without charge, and to
make inquiries:

Call

(855) 4SS-ETFS or (855) 477-3837

Write
Strategy Shares, 36 North New York Avenue, Huntington, NY 11743

Log on the Internet
You may also access Fund information, including copies of the most current SAI and annual and semi-annual reports, at www. strategysharesetfs.com from the EDGAR Database on the SEC's web site at www.sec.gov. The SEC's web site contains text-only versions of documents relating to Strategy Shares.

Contact the SEC
Call (202) 551-8090 about visiting the SEC's Public Reference Room in Washington D.C. to review and copy information about the Fund.

Alternatively, you may send your request to the SEC by e-mail at publicinfo@sec.gov or by mail with a duplicating fee to the SEC's Public Reference Section, Washington, D.C. 20549-1520.