



KNOWLEDGE LEADERS CAPITAL

Item 1 – Cover Page

Knowledge Leaders Capital, LLC

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Form ADV Part 2A
March 30, 2022

This brochure provides information about the qualifications and business practices of Knowledge Leaders Capital, LLC. If you have any questions about the contents of this brochure, please contact us at 303-763-1810. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Knowledge Leaders Capital, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Knowledge Leaders Capital, LLC is a registered investment adviser. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

Nothing contained in this Brochure constitutes a recommendation of or an offer to sell, or the solicitation of an offer to buy or invest in, any investment product, vehicle, service or instrument.

Item 2 – Material Changes

This Item 2 discusses only specific material changes that were made to our Form ADV Part 2A (“Brochure”) since the last annual update of our Brochure on March 30, 2021. It does not describe other modifications to this Brochure, such as updates to dates and numbers, stylistic changes or clarifications.

There were no material updates to our business that we would need to disclose to you in this update.

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Item 4 – Advisory Business

Firm Profile

Knowledge Leaders Capital, LLC (referred to herein as “we,” “us,” “our,” “KL Capital” or “firm”) is a registered investment adviser based in Denver, Colorado. As detailed below, KL Capital offers investment management services to clients in a variety of manners. KL Capital was organized as a limited liability company in 2006 under the original name of Gavekal Capital, LLC. KL Capital is a private company wholly owned by Steven C. Vannelli, the firm’s Chief Executive Officer and Chief Investment Officer.

Investment Management Services

The firm’s primary investment strategy is known as the Knowledge Leaders Strategy (the “Strategy”). The Strategy seeks to transform the “Knowledge Effect” into portfolio alpha. The Knowledge Effect is, in short, the tendency of stocks of highly innovative companies to experience excess returns. In this regard, the Strategy seeks to identify “Knowledge Leaders,” or highly innovative companies, by measuring a company’s investment in its future growth. Knowledge Leaders tend to possess deep reservoirs of intangible capital as a result of their history of investing in knowledge-intensive activities like research and development, brand development and employee education. In locating Knowledge Leaders, the firm looks for companies that possess competitive advantages, such as a strong brand, proprietary knowledge or a unique distribution mechanism. Our selected Knowledge Leaders are largely service-based and advanced manufacturing businesses, often operating globally.

KL Capital currently offers two versions of the Strategy to advisory clients. The KL Allocation Strategy seeks long-term capital appreciation with an emphasis on capital preservation. The KL Allocation Strategy allocates portfolio assets between equities, fixed income and cash depending on market factors. Equity investments are selected from a basket of companies the investment team identifies as Knowledge Leaders. The KL Global Equity Strategy seeks long-term capital appreciation through investments in equity securities of Knowledge Leaders.

KL Capital offers the Strategy through a variety of product offerings as detailed below. We may launch and offer new products in the future.

Mutual Funds

KL Capital serves as adviser to the KL Allocation Fund (GAVAX/GAVIX), which is a series of an open-end mutual fund registered under the Investment Company Act of 1940, as amended, that offers the Strategy to US investors (“Mutual Fund”). KL Capital may seek to advise or sub-advise additional funds in the future. Information about the fund’s objectives, risks, fees, expenses, and other pertinent information can be found in the fund’s prospectus.

Exchange Traded Funds (ETF)

KL Capital serves as the investment adviser to the Knowledge Leaders Developed World ETF (KLDW). The ETF seeks long-term capital appreciation by investing in equities of highly innovative companies in the developed world. It is an actively managed exchange-traded fund. Information about the ETF’s objectives, risks, fees, expenses and other pertinent information can be found in the ETFs prospectus.

Managed Account Programs (“MAP”)

KL Capital may be selected by Managed Account or Wrap Program sponsors to offer its Strategy to clients as part of these unaffiliated wrap-fee or managed-account programs. As part of this offering, we design, monitor and update these strategy portfolios. The program sponsor may then implement the portfolio for their clients. In our current arrangements, the third party investment advisers have granted shared trading authority to KL Capital or “dual-discretion” over the clients’ assets whereby KL Capital has discretion to execute trades on behalf of the clients. KL currently offers two strategies in the MAP space, the Knowledge Leaders Allocation Strategy and the Knowledge Leaders Global Equity Strategy. Investment decisions for the Knowledge Leaders Allocation Strategy for MAP accounts are designed to replicate unrestricted fully discretionary accounts using the Knowledge Leaders Allocation Strategy. Due to custody and trading limitations, MAP Program accounts

may be unable to hold certain securities, such as local shares of foreign issuers. We employ a proprietary replication process that seeks to achieve substantially the same exposure through depository receipts or other proxies for local shares or other securities that MAP accounts cannot hold directly. Investment decisions for the Knowledge Leaders Global Equity Strategy for MAP Accounts are designed to replicate the unrestricted accounts using the Knowledge Leaders Global Equity Strategy. In addition, where securities cannot be held directly by the MAP account due to custody or trading restrictions KL will select proxies as described above.

Separately Managed Accounts (“SMA”)

KL Capital provides discretionary investment advisory services to separately managed account clients. For certain clients, KL Capital will manage the account pursuant to one of our Indices. Clients are permitted to impose reasonable restrictions on trading if such restrictions are not materially different from the Strategy’s investment objectives and if pre-approved by KL Capital.

Model Based and Unified Managed Account Programs (“UMA”)

KL Capital may provide investment management services through model-based programs where KL Capital serves as “Manager” and provides the investment recommendations for the offered Knowledge Leaders Strategies. Unless otherwise noted, we do not have trading discretion in model-based accounts. KL Capital does not have any contractual relationship with the Client.

Clients who impose investment restrictions in their SMA or MAP accounts should be aware that any restrictions placed on the account will affect the account’s performance, which can result in underperformance relative to other client accounts invested pursuant to the same Strategy or benchmark. See Item 16 for further information concerning KL Capital’s investment discretion.

Assets under Management

As of December 31, 2021, KL Capital had approximately \$366 million in assets under management all of which were managed on a discretionary basis.

Item 5 – Fees and Compensation

The extent and nature of advisory services that KL Capital provides will vary depending upon the specific arrangements it makes with each client. As a result, KL Capital’s fees will differ among its client accounts due to a number of factors, such as the type of product, size of the account, relationships to other accounts, the historical or projected nature of trading for the account, and the extent of supplemental client services to be provided to the account.

Advisory Fees and Compensation

Mutual Funds

Mutual Fund clients pay KL Capital an advisory fee at an annual rate based on each funds’ average daily net assets. Advisory fees accrue daily and are paid monthly in arrears. Our advisory fee is in addition to a fund’s other operating expenses (including custody, independent auditor, registration and offering expenses) that will be borne by each fund. The annual operating expenses of each fund, as well as a breakdown of other fees and expenses, are described in the respective fund’s offering materials.

Exchange Traded Fund

In contrast to mutual funds, ETFs do not charge a load. ETFs are traded directly on an exchange and may be subject to brokerage commissions, which can vary depending on the firm. ETF expenses are usually stated in terms of a fund’s operating expense ratio (OER). The expense ratio is an annual rate the fund (not your broker) charges on the total assets it holds to pay for portfolio management, administration and other costs. We receive a management fee for providing investment advice to the ETF. Please refer to the ETFs prospectus for complete information on the fees and expenses of investing in the ETF.

Managed Account Programs

For Managed Account Program services, KL Capital offers sponsors our Strategy portfolios for a fee. In connection with providing these portfolio services, KL Capital is entitled to receive a fee, based on the value of the assets under management that follow the strategy. KL Capital's Managed Account Program fees are negotiable and will vary based on the sponsor and whether KL Capital has been granted "dual-discretion" over the assets. Where KL Capital receives a fee based on the value of the assets that follow the strategy, such fee range is between 0.50% and 0.75% of assets and will not typically exceed the separately managed account fees set forth below.

Model-Based and Unified Managed Account Programs

Clients in model-based and UMA programs are charged a fee by the program sponsor. KL Capital receives a management fee from the program sponsor. The current range of fees in the UMA program 0.40%-0.45% of assets depending on strategy.

Separately Managed Accounts

The basic fee schedule for separately managed account clients is detailed below:

Client's Aggregate Assets	Annual Fee
\$0 – \$50 million	0.75% of assets
\$50 – \$100 million	0.60% of assets
Over \$100 million	Negotiable

The services rendered to each separately managed account are pursuant to a written management contract generally terminable by either party on prior written notice. Fees are negotiable and may differ from the above range. Accounts managed with the same investment objective may not have the same fee structure. Clients are generally invoiced for fees. Invoiced fees are typically due within 30 days of receipt of the invoice. Clients may be subject to other fees and expenses, including, without limitation, custody fees and brokerage/trading fees, as further described in the written management contract. More information on brokerage services and fees are outlined in Item 12 - Brokerage Practices.

Additional Information Concerning Fees and Expenses

KL Capital's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that may be incurred by a client. Clients may incur charges imposed by custodians, brokers and other third parties, as well as deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes imposed on brokerage accounts and securities transactions. ETFs and other funds in which KL Capital may invest on behalf of clients also charge their own management fees that are disclosed in the respective fund's prospectus. Such other charges, fees, taxes, costs and commissions are exclusive of, and in addition to, our management fee, and KL Capital does not receive any portion of these other charges, fees, taxes, costs and commissions. Clients should consult the funds' prospectuses for a complete description of all fees and expenses.

For clients in MAP and UMA programs, advisory fees may be bundled with other fees for other services provided by the platform sponsor and can vary depending on specific platform agreements. These fees generally include commissions for trades executed through the platform broker-dealer. Any trading done with an unaffiliated broker-dealer would be subject to additional trading commissions.

We may manage accounts for employees, family members or other parties whereby we waive account minimums or advisory fees.

Item 6 – Performance-Based Fees and Side-by-Side Management

KL Capital charges fees based on assets under management or fixed-fees, as described more fully above. We do not currently charge performance-based fees.

Item 7 – Types of Clients

KL Capital offers investment advisory services to individuals, pension and profit-sharing plans, non-U.S. investment companies, state or municipal government entities, insurance companies, charitable organizations, registered investment companies, investment advisers, corporations and other business entities, MAP and UMA programs and other financial intermediaries.

Details of minimum investment requirements for the Mutual Funds and ETFs can be found in the respective product's offering documents.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis and Investment Strategies

As detailed above under Item 4, the firm's primary investment strategy is known as the Knowledge Leaders Strategy (the "Strategy"). The Strategy seeks to transform the "Knowledge Effect" into portfolio alpha. The Knowledge Effect is, in short, the tendency of stocks of highly innovative companies to experience excess returns. In this regard, the Strategy seeks to identify "Knowledge Leaders," or highly innovative companies, by measuring a company's investment in its future growth. Knowledge Leaders tend to possess deep reservoirs of intangible capital as a result of their history of investing in knowledge-intensive activities like research and development, brand development and employee education. In locating Knowledge Leaders, KL Capital looks for companies that possess competitive advantages, such as a strong brand, proprietary knowledge or a unique distribution mechanism. Our selected Knowledge Leaders are largely service-based and advanced manufacturing businesses, often operating globally.

The Allocation Strategy generally allocates the portfolio's assets among three asset classes: equity, fixed income and cash or cash equivalents. The proportion invested in each asset type at any given time depends on analysis of market factors, including economic growth, inflation, credit spreads and relative valuations. At any point, the Strategy's investment in any of the asset classes could be underweight or overweight relative to our target allocations, based on our discretion. Allocation percentages are measured at the time of purchase and clients may establish guidelines for percentage allocation ranges among a particular asset class. The Equity Strategy invests in equity securities that are a diversified mix of mid and large cap Knowledge Leaders from the developed world.

Equity Securities

In selecting the equity investments for our Strategies, we focus on equity securities of U.S. and/or foreign companies that we consider to be "Knowledge Leader" companies. The Strategy may invest in stocks of any market capitalization and in companies in all industry groups and geographic locations, although the Strategy may have a significant portion of its assets invested in the securities of companies in one or a few countries or regions.

We consider Knowledge Leaders to be companies that have demonstrated histories of successfully employing their research and development and have built competitive advantages using their own firm-specific resources, such as proprietary knowledge, intellectual property or a unique distribution mechanism. Based on academic research, we believe the market is generally inefficient at valuing such high growth companies because traditional financial data

overlooks hidden value in such companies' assets. We seek to identify Knowledge Leaders through a proprietary, quantitative process. First, we employ a quantitative screen designed to identify those companies that exceed specific criteria demonstrating innovation intensity, profitability and financial stability. We then use proprietary financial models to re-calculate financial data, and consider other factors, including valuation and quality, and use technical analysis to seek to identify undervalued companies for investment. The Strategies may also invest in ETFs that invest in equity securities.

Due to the nature of the portfolio construction process, a client may have a significant portion of its assets invested in the securities of companies in one or a limited number of countries or regions and/or sectors. For actively managed portfolios, we seek to regularly monitor portfolios, and make adjustments on a day-to-day basis, as deemed appropriate.

Fixed Income Securities and Fixed Income ETFs

Fixed income exposure for the Strategy will primarily be through fixed income securities and other alternative ETFs that provide exposure to government, municipal, corporate and mortgage-related fixed income securities. In selecting these investments, we consider various factors, including opportunities for appreciation, income and diversification. The fixed income ETFs in which the Strategy invests may invest in fixed income investments of any maturity and credit quality. The Strategy may also invest in U.S. Government securities and other fixed income securities of any maturity and credit quality including high yield securities, commonly referred to as "junk bonds," that are rated below investment grade by a nationally recognized statistical rating organization such as Moody's, S&P or Fitch (or if unrated, are determined by us to be of comparable credit quality).

Cash or Cash Equivalents

The Strategy may include holdings in cash and investments in cash equivalents, including money market funds, money market instruments and repurchase agreements. The Strategy may also invest in ETFs that invest in money market instruments. The money market instruments in which the Strategy may invest include: obligations of the U.S. Government, its agencies or instrumentalities; commercial paper rated A-1 or higher by S&P or Prime-1 by Moody's; and certificates of deposit, bankers' acceptances and bank time deposits issued by domestic branches of U.S. banks that are members of the Federal Deposit Insurance Corporation.

When we believe that current market, economic, political or other conditions are unsuitable and would impair the pursuit of the Strategy's investment objective, the Strategy may invest almost all of its assets in cash or cash equivalents. When the Strategy takes a temporary defensive position, the Strategy may not achieve its investment objective.

Sell Discipline

Our sell discipline seeks to limit downside volatility and provide capital preservation. We may sell a position for various reasons, including: 1) to allocate capital to a new idea, 2) if a company no longer meets the criteria of a Knowledge Leader or our other investment-related criteria, 3) to reduce stock specific risk or 4) to raise cash to meet redemption requests.

Material, Significant, or Unusual Risks Relating to Investment Strategies

With respect to our discretionary active management services, there may be risks associated with our active management. Our products and strategies are actively managed and as such, their success depends upon the investment skills and analytical abilities of KL Capital to develop and effectively implement strategies that achieve its investment objectives. Subjective decisions may cause an account or client to incur losses, or to miss profit opportunities on which it might otherwise have capitalized.

KL Capital uses various screens and databases (including proprietary research), investment techniques and analyses in managing client portfolios, in an effort to identify Knowledge Leaders and other targeted portfolio characteristics, but there can be no assurance that these approaches will achieve the desired results.

Any fund, MAP account, or separately managed account is not a complete investment program, and an investor may lose money by investing in it. All investments carry a certain amount of risk, and there is no guarantee that KL Capital or any client or account will achieve its investment objectives. In general, a fund's annual operating expenses as a percentage of its average daily net assets will change as fund assets rise or fall, and those expenses may vary in the future. Purchase and redemption activities by fund shareholders may impact the management of the fund and its ability to achieve its objectives. An investment in a fund, MAP account, or separately managed account is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other agency, entity or person.

Risks Associated with Particular Types of Securities

Before you decide whether to invest in the Strategy, carefully consider these risk factors and special considerations associated with investing in the Strategy, which may cause investors to lose money. Investing in securities involves risk of loss that clients should be expected to bear. Depending on the Strategy employed by KL Capital for your account, some or all of the risk factors below could apply.

Market Risk: The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. In addition, local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, or other events could have a significant impact on a security or instrument. The market value of a security or instrument also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

Equity Risk: The value of the equity securities held by the Fund may fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, or factors relating to specific companies in which the Fund invests.

Fixed Income Securities Risk: The prices of fixed income securities respond to economic developments, particularly interest rate changes, as well as to changes in an issuer's credit rating or market perceptions about the creditworthiness of an issuer. Generally fixed income securities decrease in value if interest rates rise and increase in value if interest rates fall, and longer-term and lower rated securities are more volatile than shorter-term and higher rated securities.

Foreign Investment Risk: The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments, and changes in the regulatory environments of foreign countries. Changes in exchange rates and interest rates, and the imposition of sanctions, confiscations, trade restrictions (including tariffs) and other government restrictions by the United States and/or other governments may adversely affect the values of the Fund's foreign investments. Foreign companies are generally subject to different legal and accounting standards than U.S. companies, and foreign financial intermediaries may be subject to less supervision and regulation than U.S. financial firms. Foreign securities include American Depositary Receipts ("ADRs") and Global Depositary Receipts ("GDRs"). Unsponsored ADRs and GDRs are organized independently and without the cooperation of the foreign issuer of the underlying securities and involve additional risks because U.S. reporting requirements do not apply. In addition, the issuing bank may deduct shareholder distribution, custody, foreign currency exchange, and other fees from the payment of dividends.

Currency Risk: The values of investments in securities denominated in foreign currencies increase or decrease as the rates of exchange between those currencies and the U.S. Dollar change. Currency conversion costs and currency fluctuations could erase investment gains or add to investment losses. Currency exchange rates can be volatile and are affected by factors such as general economic conditions, the actions of the United States and foreign governments or central banks, the imposition of currency controls, and speculation.

Geographic Concentration Risk: An investment in a fund that is less diversified across countries or geographic regions is generally riskier than an investment in a more geographically diversified fund. Investments in a single region, even if representing a number of different countries within the region, may be affected by common economic forces and other factors. This vulnerability to factors affecting the value of investments is significantly greater for a fund that concentrates its investment in a particular region or regions than a more geographically diversified fund, and may result in greater losses and volatility. The economies and financial markets of certain regions, such as Latin America, Asia or Eastern Europe, can be interdependent and may decline all at the same time. For example, the Fund may invest significant portions of its assets in the securities of companies in Europe, the Pacific Rim (i.e., the area surrounding the Pacific Ocean, including North America, South America, Australia, eastern Asia and the islands of the Pacific) and Asia. The European financial markets have recently experienced volatility and adverse trends due to concerns about rising government debt levels of certain European countries, each of which may require external assistance to meet its obligations and run the risk of default on its debt, possible bail-out by the rest of the European Union or debt restructuring. Assistance given to a European Union member state may be dependent on a country's implementation of reforms in order to curb the risk of default on its debt, and a failure to implement these reforms or increase revenues could result in a deep economic downturn. The Pacific Rim region includes countries in all stages of economic development; however, it has a higher prevalence of emerging market countries as compared to other regions of the world. The region has historically been highly dependent on global trade, with nations taking strong roles in both the importing and exporting of goods; such a relationship creates a risk with this dependency on global growth. The Fund's investments in the securities of companies in Asia may be adversely affected by political, economic, social and religious instability; inadequate investor protection; changes in laws or regulations of countries within the Asian region (including countries in which the Fund invests, as well as the broader region); international relations with other nations; natural disasters; corruption and military activity.

ETF Risk: Investing in an ETF will provide the Fund with exposure to the securities comprising the index on which the ETF is based and will expose the Fund to risks similar to those of investing directly in those securities. Shares of ETFs typically trade on securities exchanges and may at times trade at a premium or discount to their net asset values. In addition, an ETF may not replicate exactly the performance of the benchmark index it seeks to track for a number of reasons, including transaction costs incurred by the ETF, the temporary unavailability of certain index securities in the secondary market or discrepancies between the ETF and the index with respect to the weighting of securities or the number of securities held. Investing in ETFs, which are investment companies, involves duplication of advisory fees and certain other expenses. The Fund will pay brokerage commissions in connection with the purchase and sale of shares of ETFs.

Capitalization Risk: Larger, more established companies may be unable to attain the high growth rates of successful, smaller companies during periods of economic expansion. The securities of small-capitalization and mid-capitalization companies may be subject to more abrupt or erratic market movements and may have lower trading volumes or more erratic trading than securities of larger, more established companies or market averages in general. In addition, such companies typically are more likely to be adversely affected than large capitalization companies by changes in earning results, business prospects, investor expectations or poor economic or market conditions.

Sampling Risk: KL Capital may use a representative sampling approach with respect to any proprietary basket or Fund. To the extent utilized, sampling may result in the client's account holding a smaller number of securities than are in the basket or Fund. As a result, an adverse development respecting an issuer of securities held by the account could result in a greater decline in the account's value than would be the case if the account held all of the securities in the basket or Fund. Conversely, a positive development relating to an issuer of securities in the basket or Fund that is not held by the account could cause the account to underperform the basket or Fund. To the extent the assets in the account are smaller, these risks may be greater. MAP and UMA accounts have a lower required account minimum and therefore this risk is particularly relevant for those clients specifically.

Emerging Markets Risk: Many of the risks with respect to foreign investments are more pronounced for investments in issuers in developing or emerging market countries. Emerging market countries tend to have more government exchange controls, more volatile interest and currency exchange rates, less market regulation, and less developed and less stable economic, political and legal systems than those of more developed countries. There may be less publicly available and reliable information about issuers in emerging markets than is available about issuers in more developed markets. In addition, emerging market countries may experience high levels of inflation and may have less liquid securities markets and less efficient trading and settlement systems.

Sector Focus Risk: The Fund may invest a larger portion of its assets in one or more sectors than many other mutual funds, and thus will be more susceptible to negative events affecting those sectors.

Precious Metals Industry Risk: The Fund may be susceptible to financial, economic, political, or market events, as well as government regulation, impacting the precious metals industry. Specifically, the precious metals industry can be affected by sharp price volatility over short periods caused by global economic, financial and political factors, resource availability, government regulation, economic cycles, changes in inflation, interest rates, currency fluctuations, metal sales by governments, central banks or international agencies, investment speculation and fluctuations in industrial and commercial supply and demand.

Management and Strategy Risk: The value of your investment depends on the judgment of the Fund's Advisor about the quality, relative yield, value or market trends affecting a particular security, industry, sector or region, which may prove to be incorrect.

Portfolio Turnover Risk: Active and frequent trading of the Fund's portfolio securities may lead to higher transaction costs and may result in a greater number of taxable transactions than would otherwise be the case, which could negatively affect the Fund's performance. A high rate of portfolio turnover is 100% or more.

Derivatives Risk: The Fund may invest in alternative ETFs which may invest in derivatives. Derivatives include instruments and contracts that are based on and valued in relation to one or more underlying securities, financial benchmarks, indices, or other reference obligations or measures of value. Major types of derivatives include futures, options, swaps and forward contracts. Using derivatives exposes the Fund to additional or heightened risks, including leverage risk, liquidity risk, valuation risk, market risk, counterparty risk, and credit risk. Derivatives transactions can be highly illiquid and difficult to unwind or value, they can increase Fund volatility, and changes in the value of a derivative held by an ETF may not correlate with the value of the underlying instrument or the ETF's other investments. Many of the risks applicable to trading the instruments underlying derivatives are also applicable to derivatives trading. However, derivatives are subject to additional risks such as operational risk, including settlement issues, and legal risk, including that underlying documentation is incomplete or ambiguous. For derivatives that are required to be cleared by a regulated clearinghouse, other risks may arise from the Fund's relationship with a brokerage firm through which it submits derivatives trades for clearing, including in some cases from other clearing customers of the brokerage firm.

High Yield (“Junk”) Bond Risk: High yield bonds are debt securities rated below investment grade (often called “junk bonds”). Junk bonds are speculative, involve greater risks of default, downgrade, or price declines and are more volatile and tend to be less liquid than investment-grade securities. Companies issuing high yield bonds are less financially strong, are more likely to encounter financial difficulties, and are more vulnerable to adverse market events and negative sentiments than companies with higher credit ratings.

Mortgage-Backed and Asset-Backed Securities Risk: The Fund may be exposed to mortgage-backed and asset-backed securities through the Fund’s investment in fixed income ETFs. Mortgage-backed and asset-backed securities represent interests in “pools” of mortgages or other assets, including consumer loans or receivables held in trust. Mortgage-backed securities are subject to “prepayment risk” (the risk that borrowers will repay a loan more quickly in periods of falling interest rates) and “extension risk” (the risk that borrowers will repay a loan more slowly in periods of rising interest rates). If an ETF invests in mortgage-backed or asset-backed securities that are subordinated to other interests in the same pool, the ETF may only receive payments after the pool’s obligations to other investors have been satisfied. An unexpectedly high rate of defaults on the assets held by a pool may limit substantially the pool’s ability to make payments of principal or interest to the ETF, reducing the values of those securities or in some cases rendering them worthless. An ETF’s investments in other asset-backed securities are subject to risks similar to those associated with mortgage-backed securities, as well as additional risks associated with the nature of the assets and the servicing of those assets.

Municipal Bonds Risk: The Fund may be exposed to municipal bonds through the Fund’s investment in fixed income ETFs. U.S. state and local governments issuing municipal bonds rely on taxes and revenues from private projects financed by municipal securities to pay interest and principal on municipal debt. The payment of principal and interest on these obligations may be adversely affected by a variety of factors at the state or local level, including poor statewide or local economic results, changing political sentiments, legislation, policy changes or voter-based initiatives, erosion of the tax base or revenues of the state or one or more local governments, natural disasters, or other economic or credit problems.

LIBOR Risk: Many financial instruments, financings or other transactions to which the Fund may be a party use or may use a floating rate based on the London Interbank Offered Rate (“LIBOR”). In July 2017, the Financial Conduct Authority, the United Kingdom’s financial regulatory body, announced that after 2021 it will cease its active encouragement of banks to provide the quotations needed to sustain LIBOR, although it is possible that all or a part of this phase out may be delayed. The unavailability and/or discontinuation of LIBOR could have adverse impacts on newly issued financial instruments and existing financial instruments that reference LIBOR. While some instruments may contemplate a scenario in which LIBOR is no longer available by providing for an alternative rate setting methodology, not all instruments may have such provisions and there is uncertainty regarding the effectiveness of any alternative methodology. In addition, the unavailability or replacement of LIBOR may affect the value, liquidity or return on certain Fund investments and may result in costs incurred in connection with closing out positions and entering into new trades. The potential effect of the transition away from LIBOR on the Fund or the financial instruments in which the Fund invests cannot yet be determined and may adversely affect the Fund’s performance or net asset value.

Market Turbulence Resulting from COVID-19: An outbreak of an infectious respiratory illness caused by a novel coronavirus known as COVID-19 has negatively affected the worldwide economy, as well as the economies of individual countries, the financial health of individual companies and the market in general in significant and unforeseen ways. The future impact of COVID-19 is currently unknown, and it may exacerbate other risks that apply to the Fund. Any such impact could adversely affect the Fund’s performance, the performance of the securities in which the Fund invests and may lead to losses on your investment in the Fund.

Cybersecurity Risk: Cybersecurity incidents may allow an unauthorized party to gain access to Fund assets, customer data (including private shareholder information), or proprietary information, or cause the Fund, the Advisor, and/or other service providers (including custodians, sub-custodians, transfer agents and financial intermediaries) to suffer data breaches, data corruption or loss of operational functionality. In an extreme case, a shareholder's ability to exchange or redeem Fund shares may be affected. Issuers of securities in which the Fund invests are also subject to cybersecurity risks, and the value of those securities could decline if the issuers experience cybersecurity incidents.

Item 9 – Disciplinary Information

KL Capital reached a settlement with the SEC on August 9, 2018 with respect to a matter the firm identified and self-reported to the SEC. The SEC found that, from January 2013 to January 2016, KL Capital failed to adopt and implement written policies and procedures reasonably designed to prevent violations of the Investment Advisers Act of 1940, as amended ("Advisers Act") and the rules thereunder in connection with the identification and disclosure of conflicts of interest, which resulted in violation of Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. The SEC found that the firm failed to identify and disclose material conflicts of interest with respect to the use of client commissions (i.e., soft dollars), approved by the Firm's Management Committee, to purchase investment research from a vendor affiliated with the Firm's managing director and Chief Investment Officer.

Without admitting or denying the SEC's findings, KL Capital agreed to the entry of an order instituting cease and desist proceedings under Section 203(k) of the Advisers Act, was ordered to pay a civil penalty in the amount of \$50,000, and further agreed to engage an independent compliance consultant. The order noted that the matter was self-reported to the SEC by KL Capital and acknowledged the firm's cooperation and the significant remedial measures that the firm had undertaken.

Item 10 – Other Financial Industry Activities and Affiliations

KL Capital is owned by Knowledge Leaders Holdings, LLC which is in turn owned by KL Capital's Chief Investment Officer, Steven C. Vannelli, through Intangible Capital, LLC ("Intangible"). In addition to being the owner of KL Capital, Intangible provides investment-related research to KL Capital through a written licensing agreement. Intangible does not charge KL Capital a fee for such investment-related research. Intangible offers clients a web-based point and figure style technical charting software for stocks, currencies, commodities, bonds and ETFs.

Certain employees of KL Capital are registered representatives with Foreside Fund Services, LLC ("Foreside"). As registered representatives, the employees are authorized to sell the Mutual Fund and the ETF and KL Capital's other products and receive compensation in connection with such activities. KL Capital is not affiliated with Foreside. Such registered representatives have an incentive to sell KL Capital's products over other products where such registered representatives do not receive compensation.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Summary of Code of Ethics and Personal Trading

KL Capital maintains and enforces a Code of Ethics (the "Code") as required by Section 204A-1 of the Investment Advisers Act of 1940, as may be amended ("Advisers Act"). The purpose of the Code is to ensure honest and ethical behavior by all supervised persons within KL Capital.

The Code applies to all “supervised persons,” which include all of KL Capital’s officers and employees who provide investment advice on behalf of KL Capital. Upon employment or affiliation and at least annually thereafter, all supervised persons sign an acknowledgement that they have read, understand and agree to comply with the Code. KL Capital has the responsibility to ensure that the interests of all clients are placed ahead of KL Capital and its supervised persons’ own investment interests. The Code is available upon request. You may obtain a copy of the Code by calling (303) 763-1810.

With certain limited exceptions, KL Capital and its supervised persons are prohibited from buying or selling individual equities for their personal accounts. In addition, supervised persons must obtain written pre-clearance from the firm’s Chief Compliance Officer (“CCO”) for all transactions involving initial public offerings, private placements, and investments in registered investment companies advised or sub-advised by the firm or its affiliates.

While supervised persons may at times be invested in the same securities as a client, the Code requires that all personal trading be conducted in a manner consistent with the firm’s fiduciary obligations to its clients. In an effort to mitigate potential conflicts of interest, we have adopted policies and procedures that seek to prevent supervised persons from benefiting from transactions placed on behalf of a client.

The Code outlines the safeguards in place to monitor the personal security holdings of supervised persons. The firm maintains records of all personal securities transactions of all KL Capital supervised persons for “reportable securities.” Ownership of securities by a supervised person’s household family member is presumed be to be ownership by the supervised person.

In addition to Federal laws, KL Capital’s insider trading policies prohibit the firm and its personnel from trading, or recommending trading, for clients or themselves, in securities of an issuer while in possession of material, non-public information about the issuer, and from disclosing any such information to any person not entitled to receive it.

Other Conflicts of Interest

KL Capital is not required to devote its full time or any material portion of time to any particular investment activity it is currently involved in, and may in the future become involved in other business ventures, including other investment strategies and funds whose investment objectives, strategies and policies are the same or similar. These other ventures will compete for the firm’s time and attention and might create additional conflicts of interest, as described below.

KL Capital may have an incentive to favor one or more of its clients with regard to the allocation of investment opportunities. The firm will act in a fair and reasonable manner in allocating suitable investment opportunities among clients and funds; however, no assurance can be given that (i) a client or fund participates in all investment opportunities in which other clients or funds participate, (ii) particular investment opportunities allocated to clients or funds will not outperform investment opportunities allocated to other clients or funds, or (iii) equality of treatment between clients and funds will otherwise be assured.

Without the prior approval of the CCO, employees of KL Capital are prohibited from engaging in outside business activities with public or private corporations, partnerships, not-for-profit institutions, and other entities, and from participating in an investment club. All such activity, if approved, shall be conducted outside of KL Capital premises and working hours and not conflict with an employee’s overall employment responsibilities or productivity. Approved participation in an investment club would be conducted in compliance with the personal trading restrictions described in the Code. The above described activities may create potential conflicts of interest to the firm, for example, if an employee becomes subject to material non-public information through the outside business activity. The firm has implemented policies in an effort mitigate any such potential conflicts.

Cyber Security Policy

KL Capital is becoming increasingly dependent on devices, services and applications that connect to the internet such as smartphones, email, social media, and cloud computing services. While these services increase efficiencies and revenues, this dependence increases our chances of being targeted by cyber-attacks. For these reasons, KL Capital has instituted a cyber-security policy to help in identifying, mitigating and protecting against cyber-security threats. Password updates, software updates, firewall protections, physical barriers to entry and limited access to sensitive client data are several protections put in place to mitigate cyber related threats. That being said, KL Capital acknowledges that security threats can never be completely eliminated, and clients remain subject to cyber related risks.

Disaster Recover Policy

KL Capital has developed and adopted a Disaster Recovery plan in an effort to provide an appropriate response to foreseeable emergency situations, protect employees, minimize disruptions to client services, portfolio management, and trading activities, and protect the assets of KL Capital and its clients.

Item 12 – Brokerage Practices

We maintain trading relationships with broker-dealers and seek to ensure that the broker-dealers we use to execute trades are doing so in a competitive fashion for our clients. Specifically, in choosing a broker-dealer to execute a transaction, we seek to obtain “best execution” for the client’s account, meaning a combination of the best net price and execution under the circumstances. We determine which broker-dealer we believe can provide best execution by taking into consideration various factors which include but are not limited to (i) the desired timing of the trade and the ability of the broker or dealer to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any), (ii) the operational efficiency with which transactions are effected (taking into account the size of the order and the difficulty of execution), (iii) the financial strength, reputation, integrity and stability of the broker or dealer, (iv) the quality, comprehensiveness and frequency of available research services considered to be of value, (v) the competitiveness of commission rates in comparison with other brokers satisfying our selection criteria and (vi) the nature and character of the markets for the security to be purchased or sold. While we generally seek lower commission rates, payment of the lowest commission or spread is not necessarily consistent with obtaining best price and execution in particular transactions. In recognition of the value of research services and additional brokerage products and services (discussed further under “Soft Dollar Practices” below), we may pay higher commissions and/or trading costs than those that may be available elsewhere if we determine in good faith that the amount of such commission cost is reasonable in relation to the value of the services provided by the broker. In addition, although such products and services may generally benefit our firm, they may not directly relate to transactions executed on a specific client’s behalf. The firm’s Compliance & Operations Committee meets quarterly to consider best execution matters.

Soft Dollar Practices

“Soft dollars” refers to the receipt by an investment adviser of products and services that brokers provide, without making any separate cash payments for such products or services, based on the volume of commission revenues generated from securities transactions placed with those brokers on behalf of the adviser’s clients. The products and services available from brokers include both internally generated items (such as research reports prepared by the broker’s employees) and items acquired by the broker from third parties (such as quotation equipment). Section 28(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), provides a “safe harbor” to investment advisers who use soft dollars generated by their client accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the investment adviser in the performance of investment decision-making responsibilities. Soft dollar benefits present a conflict to the firm in that we are able to acquire certain products and services without expending our own resources. In addition, our use of brokerage commissions to obtain research services creates a conflict of interest between us and our clients because clients may pay in the form of higher commissions for products and services that may not be exclusively used for their

benefit. While certain clients do not generate soft dollar benefits to the firm, for example where prohibited by applicable law or where the client has directed all brokerage to a broker that does not provide soft dollar benefits to us, we do not limit soft dollar benefits to those client accounts generating such benefit, nor do we allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate. Accordingly, it is the policy of KL Capital that the firm will bear that portion of the research budget otherwise targeted for soft dollars in hard dollars in an amount equal to the percentage of assets under management represented by clients that do not generate soft dollars; provided that this policy will take effect when the rolling 12-month average assets attributable to such clients first exceeds 10% of the firm's rolling 12-month average asset under management. The firm's Compliance and Operations Committee meets quarterly to review these calculations.

In selecting or recommending a broker-dealer, we will consider the value of research and additional brokerage products and services and other nonmonetary benefits a broker-dealer has provided or will provide to our clients and our firm. Research products our firm has and may receive from broker-dealers may consist of boutique research and tools, financial research solutions and investment analytics tools, economic surveys, data and analyses, financial publications and recommendations or other information about particular companies and industries (through research reports and otherwise).

The firm's Compliance & Operations Committee meets periodically to review the firm's soft dollar activity.

Commission Sharing Arrangements

KL Capital participates in "commission sharing arrangements" ("CSAs"), whereby KL Capital executes transactions through a broker-dealer and requests that the broker-dealer allocate a portion of the commissions (or commission credits) to another firm that provides research to KL Capital. KL Capital may also execute transactions through electronic communication networks and other alternative trading platforms (collectively "ECNs"). In these cases, the ECN or broker-dealer that administers the CSA receives a portion of the commission while another portion is credited to a pool which is later used to pay for research services received from other firms.

With respect to the brokers-dealers KL Capital may utilize for CSAs, KL Capital will negotiate a base commission rate plus an additional research commission rate (sometimes referred to as "cost pricing"). The CSAs, as well as the research KL Capital receives in connection with the arrangements, are designed to comply with Section 28(e) of the Exchange Act. KL Capital believes that participation in CSAs provides benefits that include:

1. Consolidation of payments for research obtained through multiple channels using accumulated commissions or credits from transactions executed through a particular broker-dealer or ECN;
2. Strengthening of relations with key KL Capital broker-dealers; and
3. Access to continuous research services while facilitating best execution in the trading process.

KL Capital believes independent research services are useful in the investment decision making process because they provide access to a variety of high quality research as well as individual analysts that otherwise might not be available to KL Capital without such arrangements. Research KL Capital may receive under a CSA can include proprietary as well as third party research.

Directed Brokerage

Clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If clients choose to direct our firm to use a particular broker, this may prevent us from aggregating trades with other client accounts and from effectively negotiating brokerage commissions on their behalf. This practice may also prevent our firm from obtaining a more favorable net price and execution. Thus, when directing brokerage business, clients should consider the commission expenses, execution, clearance and settlement capabilities that they will obtain through their broker in comparison to those that we would otherwise obtain for them. The client is responsible for negotiating terms for their account directly with the platform sponsor or broker-dealer. KL Capital will only direct brokerage pursuant to specific instructions that have been signed by the client.

Because MAP directed brokerage clients have trading accommodations through their program plan sponsor, KL Capital will not aggregate trades or seek better execution services or prices from other broker-dealers. Consequently, KL Capital may not obtain best execution on behalf of Clients that direct brokerage; such Clients may pay materially disparate commissions, greater spreads, or other transaction costs, or receive less favorable net prices on transactions than would otherwise be the case. To the extent that directed brokerage arrangements exist, KL Capital will employ a rotation strategy between directed and fully discretionary accounts. See “Trade Rotation” language outlined below for additional details.

KL Capital does not currently participate in step-out trades and will not do so unless the execution services of the designated broker-dealer are materially compromised. KL Capital would notify the MAP plan sponsor of any specific execution concerns prior to placing any step-out trades for Clients. Step out trades, if any, will be subject to transaction charges in addition to those of the platform sponsor and therefore would likely be less favorable. If the MAP is a wrap fee program, the wrap fee remains the same regardless of the level of trading in the account.

Brokerage for Client Referrals

KL Capital does not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Trade Allocation and Order Aggregation.

KL Capital may provide investment management (including sub-advisory) services, or replicate accounts to more than one client, whose respective investment mandates (and corresponding investment programs) might or might not be the same or substantially similar. It is the firm's policy to allocate investment opportunities among participating accounts fairly and equitably over time.

If the firm determines that the purchase, sale or exchange of the same security is in the best interests of more than one client, it may (but is not obligated to) aggregate orders in order to reduce transaction costs to the extent permitted by law. For clients where the firm has discretion to select brokers, KL Capital will typically aggregate trades for buy orders in the same security and sell orders in the same security. For such accounts, if an order cannot be aggregated because the firm determines it is not feasible or not in the best interests of all participating clients, the firm will use a rotation system to place orders see “Trade Rotation” language below. Accounts that are subject to Directed Brokerage arrangements, which includes most Managed Account Program Accounts, are excluded from the foregoing aggregation policy. Trades in the same security that are aggregated will be allocated across client accounts pro-rata. If the trade is fully filled by the end of the day, the firm will give the executing broker-dealer pre-determined account allocation instructions. If the trade is partially filled at the end of the day, the firm will instruct the broker-dealer to allocate the trade pro-rata. De minimis deviations from the pro-rata allocation are permitted in the interest of placing round lots in client accounts.

In all cases, the firm will instruct executing broker-dealers to allocate trades to specific client accounts before the close of business on the trade date. All accounts participating in a block trade must receive the average price and pay a proportional share of any commission, subject to minimum ticket charges.

Trade Rotation

KL Capital’s trade rotation policies are intended to allocate transactions equitably over time across its client base, subject to extenuating circumstances and to trading directions imposed by clients. KL Capital generally initiates random trade rotation across applicable MAP platforms, funds, and separate accounts. Where a MAP platform, fund, or separate account falls in the rotation could favorably or adversely affect a client’s executions relative to other clients; however, the random nature of trade rotation is intended to provide fair placement and execution to the firm’s various MAP platforms, funds, and accounts over time.

Cross and Principal Trades

KL Capital and its employees do not engage in trades with clients on a principal basis and generally do not engage in cross-trading of client accounts. Any exceptions to this policy must be communicated in advance to the Compliance & Operations Committee.

Item 13 – Review of Accounts

Frequency and Nature of Review of Client Accounts

In connection with any fund, MAP account, or separately managed account for which KL Capital acts as investment manager or adviser, KL Capital will oversee any portfolio manager(s) actively engaged in managing the respective portfolio. KL Capital's team of investment professionals, including its Chief Investment Officer, will review each such portfolio's investments on a regular basis, as well as review investment opportunities on a regular basis.

Client accounts are generally invested according to one of KL Capital's Strategies. Variations in account-specific factors such as investment restrictions, the timing and amount of cash flows, and clients' custodian limitations will cause client accounts to vary from the Strategy, which itself is a representative client account that may have limitations of its own. Accounts are monitored for compliance with investment restrictions on a post-trade basis.

Content and Frequency of Account Reports to Clients

Except as otherwise agreed with a client, statements containing portfolio information and performance results are distributed to clients monthly, quarterly or periodically, based upon client needs or preferences. In addition, formal meetings with clients are arranged quarterly, semi-annually, or annually at the request of the clients based on their need to discuss their portfolio and performance results.

Clients will receive account statements from their custodian. We encourage clients to review the account statements sent directly by their custodian to confirm the holdings and transactions and balances in their accounts. Any statement sent directly by KL Capital is not intended to be a substitute for account statements and other reports provided directly by the custodian. If a client does not receive an account statement from its custodian, KL Capital encourages the client to follow-up directly with its custodian. Depending upon a client's arrangements with its custodian, the client and/or its custodian will receive trade confirmations from the broker-dealers that execute trades on its behalf.

Item 14 – Client Referrals and Other Compensation

KL Capital does not currently employ any third parties to provide client referrals to the firm. To the extent the firm engages a third party solicitor, such arrangement will comply with the requirements set forth under the Advisers Act and/or other applicable law, including requiring a written agreement between the firm and the solicitor. Third-party solicitors must provide a copy of the firm's brochure and a separate solicitor's disclosure statement regarding the relationship between the solicitor and the firm to the prospective client at the time of the solicitation or referral. The prospective client will be requested to acknowledge this arrangement prior to acceptance of the account for advisory services.

To the extent permitted by applicable law, the compensation of certain KL Capital personnel whose job responsibilities are related primarily to marketing, sales, or business development may be determined based in part on the amount of fees generated by their efforts. Accordingly, KL Capital personnel may have a conflict of interest in recommending products where KL Capital personnel receive compensation over other products where no compensation may be paid.

Certain of KL Capital's personnel are registered representatives of Foreside and engage in wholesaling and client service activities on behalf of the Mutual Fund and KL Capital's other products. For their sales activities, the personnel may receive compensation related to the net inflows into such fund's interests.

Item 15 – Custody

KL Capital does not act as a custodian for client assets. However, under Rule 206(4)-2 under the Advisers Act (the "Custody Rule"), KL Capital may be deemed to have custody of client assets.

For separate account clients, KL Capital will invoice clients for the payment of advisory fees, and does not take physical custody of any client funds and/or securities. Funds and securities will be held with a bank, broker-dealer or other independent, qualified custodian. Clients receive account statements monthly from the independent, qualified custodian holding their funds and securities. Clients should carefully review account statements for accuracy.

In the case of the Mutual Fund and ETF, arrangements have been made with qualified custodians as disclosed in the relevant offering documents.

If you have a question regarding your account statement or if you did not receive a statement from your custodian, please contact KL Capital at (303) 763-1810.

Item 16 – Investment Discretion

Advisory Services

KL Capital will generally, in the case of funds, MAP accounts, and some separate accounts, have full discretionary authority to trade, invest and manage its clients' assets on a day-to-day basis, including the discretionary authority to determine the securities to be bought or sold by or on behalf of clients, the amount to be bought or sold, the broker to be used for each transaction, and the commission rates (or markups or markdowns) to be paid.

As KL Capital's clients participate in the Strategy, there is limited direction that clients can impose on the buys and sells of their account. In certain cases, particularly in the advisory client context, a client could put a restriction on a security/industry that was too correlated to other investments, or on asset allocation. This would be determined on a case by case basis.

To the extent a Client has trading, custodial, or other externally imposed limitations that prevent that Client (or group of Clients) from partaking in a specific type of investment, the Investment Team will determine if an equivalent or comparable alternative security is available and make a contemporaneous investment decision so that trading is not delayed. If an alternative security is selected by the Investment Team to accommodate for a restriction or investment limitation, there may be holdings, weightings, or overall allocation implications for the specific Client (or group of Clients). These differences could lead to short and/or long-term performance deviations.

That being said, when selecting securities and determining amounts to be bought or sold on behalf of clients, KL Capital observes the respective clients' investment guidelines, policies, limitations and restrictions. For the Mutual Fund and ETF, KL Capital's authority to trade securities may also be limited by certain securities and tax laws that require diversification of investments and favor the holding of investments once made. For clients in MAP accounts, the plan sponsor or platform may impose certain restrictions or investment limitations on your account based on their plan limitations. Please check with your plan sponsor directly to gain a full understanding of what these limitations are and how they could impact your account.

Investment guidelines, policies, limitations and restrictions must be provided to KL Capital in writing by the respective client, generally at the outset of the advisory relationship. Clients who impose investment restrictions should be aware that any restrictions placed on the account will affect the account's performance which can result in underperformance relative to other client accounts invested pursuant to the Strategy.

Item 17 – Voting Client Securities

Statement of Policy

Proxy voting is an important right of clients and reasonable care must be undertaken to ensure that such rights are properly and timely exercised. When KL Capital has discretion to vote the proxies of its clients, it will vote those proxies in the best interest of its clients and in accordance with its proxy policies and procedures. KL Capital has selected an unaffiliated third-party proxy research and voting service to assist in the electronic record keeping and management of the proxy process with respect to client securities.

In particular, KL Capital has entered into an agreement with the Institutional Shareholder Services ("ISS") in order to vote proxies for which KL Capital is responsible. ISS will vote such proxies in accordance with ISS's proprietary research and its proxy voting guidelines, which have been adopted by KL Capital. Notwithstanding the contractual delegation to ISS, we will continue to monitor the proxy voting. If KL Capital disagrees with a proxy voting recommendation made by ISS, we maintain the right to override their recommendation and instruct them to vote (which could include voting "abstain" or withholding a vote completely) the proxy based on KL Capital's determination.

Voting Guidelines

KL Capital has adopted proxy voting policies and procedures to make every effort to ensure that proxies are voted in the best interest of clients and according to the value of the investment.

KL Capital does not anticipate conflicts of interest with respect to proxy voting. KL Capital anticipates that it will generally follow the recommendations of ISS's "implied consent" voting policy, thus further reducing the likelihood of potential conflicts of interest. If we elect to override a recommendation from ISS, we will determine whether such override presents a potential conflict of interest. Our policy is to resolve any conflicts of interest to the client's benefit.

In accordance with the Advisers Act, KL Capital will maintain the required proxy policies and procedures, proxy statements, record of votes on clients' behalf, record of client's requests for voting information, any document prepared by KL Capital that were material to making its decision to vote or that memorialize the basis for its decisions and any other material documents. Clients may expressly retain the right and obligation to vote any proxies or take action relating to specified securities held in the account upon written notice to KL Capital. A copy of KL Capital's proxy voting policies and record are available upon request by calling (303) 763-1810.

For accounts other than funds, KL Capital does not take responsibility for filing class action claims on behalf of its clients.

Item 18 – Financial Information

Item 18 is not applicable to KL Capital.