

**FORM ADV PART 2A
BROCHURE**

PROPEL BIO MANAGEMENT, LLC

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This brochure (the “Brochure”) provides information about the qualifications and business practices of Propel Bio Management, LLC (“Propel,” “firm,” “we,” or “us”). If you have any questions about the contents of this Brochure, please contact us at 206-602-9246. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Item 2 – Material Changes

Since our last annual update of this Brochure on March 31, 2023, we have the following material changes to report.

- Item 1 – Change of our business address.

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Item 4 – Advisory Business

Propel Bio Management LLC is a Delaware limited liability company with its principal place of business in Los Angeles, California. Propel was formed in 2022 and is owned by Leen Kawas. As of February 28, 2023, Propel had \$109 million in assets under management.

As of the date of this Brochure, Propel provides (i) discretionary investment advisory services to Propel Bio Partners, L.P. (the “private fund”)--a Delaware limited partnership and a private pooled investment vehicle---via Propel Bio Partners LLC, an affiliate of Propel, which also serves as the general partner of the private fund and is a relying adviser of Propel, and (ii) discretionary sub-advisory services to the Simplify Propel Bio Opportunities ETF (the “ETF”, collectively, with the private fund, the “Clients”), an investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”). Propel generally has broad and flexible discretionary investment authority with respect to the Clients’ investment portfolios. Propel does not tailor its advisory services to the individual needs of investors in its Clients. Rather, Propel manages each Client’s portfolio in accordance with the investment objectives, strategies and restrictions established by the Client.

Item 5 – Fees and Compensation

The following sets forth a description of the advisory fee arrangements in effect with respect to the Clients. Fees and other compensation are negotiated in certain circumstances, and arrangements with particular Clients vary.

Private Fund

For its private fund Client, Propel receives an asset-based management fee (the “Management Fee”) set forth in the private fund’s governing documents. The Management Fee will be prorated for any period that is less than a full quarter. Propel or an affiliate of Propel, in its sole discretion, may waive the Management Fee. In addition, Propel receives performance-based compensation, which is compensation based on a share of capital gains or capital appreciation of the assets of the private fund. As is more fully set forth in the governing documents of the private fund, the general partner of the private fund is entitled to receive up to 20% carried interest from the private fund, which is calculated after investors receive a return of their total capital contributions to the fund.

Propel will negotiate its compensation, if any, from co-investment opportunities on a case-by-case basis, and such compensation may include asset-based fees, carried interest and expense reimbursement or non-advisory administrative fees.

The private fund bears the expenses associated with the operation of the private fund.

ETF

With respect to the ETF, Propel will receive a sub-advisory fee in the amount of 2.50% as set forth in the prospectus of the ETF. The sub-advisory fee charged by Propel is documented in writing in an investment sub-advisory agreement between the ETF's adviser, Simplify Asset Management, Inc. ("Simplify"), and the Simplify Exchange Traded Funds Trust (the "Trust"). Such agreement has been approved by the Board of Trustees of the Trust. Investors are encouraged to review the ETF's prospectus to understand its fees and expenses, which includes expenses for custody, administration, and other non-advisory services.

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

As discussed in Item 5, Propel is paid or allocated performance-based compensation by the private fund.

The fact that Propel is compensated based on the private fund's profits may create an incentive for Propel to make investments on behalf of the private fund that are riskier or more speculative than would otherwise be the case. In addition, Propel could be incentivized to favor the private fund over another Client that pays a relatively lower, or no, Performance Fee or Management Fee. Performance-based fees may also create an incentive for our firm to overvalue investments which lack a market quotation. These conflicts are also applicable to Propel's investment personnel because they are typically compensated on a basis that includes a performance-based component.

To address these potential conflicts of interest, Propel has established mitigating policies and procedures. A senior officer of our firm periodically reviews Client accounts to ensure that investments are suitable and that the account is being managed according to the Client's investment objectives and risk tolerance. Propel also requires allocation of investment opportunities (if they are suitable) in an effort to avoid favoritism among our Clients, regardless of whether the Client is charged performance-based fees. Propel has further adopted policies and procedures that require our firm to "fairly value" any investments which do not have a readily ascertainable value.

Item 7 – Types of Clients

As described in Item 4, Propel's Clients are a private fund and an ETF.

The private fund is a private investment partnership whose interests are offered to investors on a private placement basis and is organized as a Delaware limited partnership. Capital commitments to the private fund must be in a minimum amount of at least \$1,000,000 for individuals and \$5,000,000 for institutional investors, although the general partner of the private fund reserves the right to waive or reduce this requirement in its sole discretion from time to time. An investment in the private fund is limited to investors that are "accredited investors" within the meaning of Regulation D under the Securities Act of 1933, as amended (the "Securities Act"). The private fund's governing documents contain a complete discussion of the investor eligibility requirements and the terms and conditions of an investment in the private fund.

The ETF is a U.S. investment company registered under the 1940 Act.

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

Private Fund

The private fund currently invests in seed and venture capital investing, primarily through acquiring, holding and disposing of equity securities issued by private and public companies. The primary focus of the investment activities of the private fund will be investments in life sciences and related fields across stages. The private fund will typically invest in small and medium capitalization private and public companies that may be in various stages of maturity.

Propel, as investment manager to the private fund, has broad discretion as to the selection of investment instruments, strategies, markets and countries the private fund may participate in, as well as the type and amount of borrowings that may be utilized in seeking their investment objectives, subject to the private fund's governing documents.

Following is a description of some of the risks associated with the private fund's investment strategy.

MATERIAL RISKS OF THE PRIVATE FUND

Clients should understand that all investment strategies and the investments made pursuant to such strategies involve risk of loss, including the potential loss of the entire investment. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a Client's investments will fluctuate due to market conditions and other factors.

The following is a summary of the material risks for the private fund, its investment strategies, security types and investment techniques. The information contained in this Brochure cannot disclose every potential risk associated with an investment strategy. Rather, it is a general description of the nature and risks of the strategies and securities that Clients may include in their investment guidelines. Investors in the private fund should review the Offering Documents for information regarding the risks associated with those funds.

Convertible Securities Risk

Convertible securities may include corporate notes or preferred securities. Investments in convertible securities are not subject to the rating criteria with respect to non-convertible debt obligations. As with all debt securities, the market value of convertible securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. The market value of convertible securities can also be heavily dependent upon the changing value of the equity securities into which such securities are convertible, depending on whether the market price of the underlying security exceeds the conversion price.

Convertible securities generally rank senior to common stocks in an issuer's capital structure and consequently entail less risk than the issuer's common stock. However, the extent to which such risk is reduced depends upon the degree to which the convertible security sells above its value as a fixed-income security.

Competition for Investments

The asset management business is highly competitive. Competition for attractive investments is intense, and the private fund competes with numerous other persons with similar investment objectives, including other investment funds. Due to the size of the market, there are a number of competitors. The private fund competes or may compete directly or indirectly with other funds with existing asset management programs in place, and these competitors may have greater financial resources or better access to suitable investment opportunities than the private fund. There can be no assurance that the Fund will be able to compete effectively against such competitors.

Lack of Transferability of Interests in the Fund; No Right of Withdrawal

The private fund interests have not been registered under the Securities Act, the securities laws of any state or the securities laws of any other jurisdiction and, therefore, cannot be resold unless they are subsequently registered under the Securities Act and other applicable securities laws or an exemption from registration is available. It is not contemplated that registration of the Interests under the Securities Act or other securities laws will ever be effected. There is no public market for the private fund interests and one is not expected to develop.

Concentration Risk

The private fund's assets are expected to be concentrated in an industry or group of industries. The securities of companies in an industry or group of industries could react similarly to market developments. Thus, the private fund is subject to loss due to adverse occurrences that affect one industry or group of industries or sector.

Convertible Securities and Warrants

Client Accounts may invest in convertible securities, and warrants. The value of convertible securities and warrants will vary with the movements in the equity market and the performance of the underlying common stock, in particular. Their value is also affected by adverse issuer or market information. Thus, for example, as the value of the underlying common stock of an issuer fluctuates, the value of the preferred stock of such issuer would also be expected to fluctuate. Furthermore, warrants will have little to no value if the exercise price is greater than the value of the underlying securities.

Convertible securities (which may take the form of convertible preferred stock, convertible bonds or debentures, stock purchase warrants, zero-coupon bonds or liquid-yield option

notes, stock index notes, mandatorily, or a combination of the features of these securities) are securities that may be exchanged or converted into a predetermined number of the issuer's underlying shares or the shares of another company or that are indexed to an unmanaged market index at the option of the holder during a specified time period. Prior to conversion, convertible securities have the same general characteristics as non-convertible fixed income securities. As with all fixed income securities, the market value of such securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. However, when the market price of the common stock underlying a convertible security exceeds the conversion price, the convertible security tends to reflect the market price of the underlying common stock. As the market price of the underlying common stock declines, the convertible security tends to trade increasingly on a yield basis and thus, may not decline in price to the same extent as the underlying common stock. Convertible securities rank senior to common stock in an issuer's capital structure and consequently entail less risk than the issuer's common stock. If a convertible security held by a Client Account is called for redemption, the Client Account will be required to permit the issuer to redeem the security, convert it into the underlying stock or sell it to a third-party. Any of these actions could have an adverse effect on the Client Account's ability to achieve its investment objective.

Restricted Securities

Restricted securities cannot be sold to the public without registration under the Securities Act. Unless registered for sale, restricted securities can be sold only in privately negotiated transactions or pursuant to an exemption from registration (e.g., under Rule 144A of the Securities Act). Although these securities may be resold in privately negotiated transactions, because there is often little liquidity for these securities, they may be difficult and take a substantial amount of time to sell, and the prices realized from these sales could be less than those originally paid by a Client Account. Restricted securities may involve a high degree of business and financial risk which may result in substantial losses.

Undervalued Securities

The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunity for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from a Client Account's investments may not adequately compensate for the business and financial risks assumed.

Unlisted Securities

Unlisted securities may involve higher risks than listed securities. Because of the absence of any trading market for unlisted securities, it may take longer to liquidate, or it may not be possible to liquidate, positions in unlisted securities than would be the case for publicly

traded securities. Companies whose securities are not publicly traded may not be subject to public disclosure and other investor protection requirements applicable to publicly traded securities.

Special Purpose Acquisition Companies

A special purpose acquisition company (a “SPAC”) is a publicly traded company formed for the purpose of raising capital through an initial public offering to fund the acquisition, through a merger, capital stock exchange, asset acquisition or other similar business combination, of one or more operating businesses that are typically not publicly listed. Following the acquisition of a target company, a SPAC’s management team may exercise control over the management of the combined company in an effort to increase its value. Often, though, management of the target company will continue to manage the now publicly traded business subsequent to completion of its business combination with the SPAC. Capital raised through the initial public offering of securities of a SPAC is typically placed into a trust account until the business combination is completed or a predetermined period of time (typically 24 months) elapses. Investors in a SPAC would receive a return on their investment in the event that a target company is acquired and the combined publicly traded company’s shares trade above the SPAC’s initial public offering (the “IPO”) price, or alternatively, the market price at which an investor acquired a SPAC’s shares subsequent to its IPO. In the event that a SPAC is unable to locate and acquire a target business by the timeframe established at the time of its IPO (as such timeframe may be extended with shareholder consent), the SPAC would be forced to liquidate its assets, which may result in losses due to the expenses and liabilities of the SPAC, to the extent third parties are permitted to bring claims against IPO proceeds held in the SPAC’s trust account. Investors in a SPAC are subject to the risk that, among other things, (i) such SPAC may not be able to complete a qualifying business combination by the deadline established at the time of its IPO, (ii) assets in the trust account may become subject to third-party claims against such SPAC, which may reduce the per share liquidation value received by the investors in the SPAC in the event it fails to complete a business combination within the required time period, (iii) such SPAC may be exempt from the rules promulgated by the SEC to protect investors in “blank check” companies, such as Rule 419 promulgated under the Securities Act, so that investors in such SPAC may not be afforded the benefits or protections of those rules, (iv) such SPAC will likely only complete one business combination, which will cause its returns and future prospects to be solely dependent on the performance of a single acquired business, (v) the value of any target business, including its stock price as a public company, may decrease following its acquisition by such SPAC, (vi) the value of the funds invested and held in the trust account may decline, (vii) the inability to redeem due to the failure to hold the securities in the SPAC on the applicable record date to do so, and (viii) if the SPAC is unable to consummate a business combination, public stockholders will be forced to wait until the deadline before liquidating distributions are made. A Client Account may invest in a SPAC that, at the time of investment, has not selected or approached any prospective target businesses with respect

to a business combination. In such circumstances, there may be limited basis for a Client Account to evaluate the possible merits or risks of such SPAC's investment in any particular target business. In addition, to the extent that a SPAC completes a business combination, it may be affected by numerous risks inherent in the business operations of the acquired company or companies. For these and additional reasons, investments in SPACs are speculative and involve a high degree of risk.

Issuer Risk

The value of equity securities may decline for a number of reasons which directly relate to the issuer, such as management performance, financial leverage, reduced demand for the issuer's goods and services, historical and prospective earnings of the issuer and the value of the assets of the issuer.

Legal, Tax and Regulatory Risks

Propel and certain Client Accounts are subject to legal, tax and regulatory oversight. In the future, there may be legislative, tax and regulatory changes that may apply to the activities of Propel that may require material adjustments to the business and operations or have other material adverse effects on Client Accounts. Any rules, regulations and other changes may result in increased costs and reduced investment and trading opportunities, all of which may negatively impact the performance of Client Accounts.

The legal and regulatory environment worldwide for private investment funds and their managers is evolving. Changes in the regulation of private investment funds, their managers, and their trading and investing activities may have a material adverse effect on the ability of Propel to pursue its investment program and the value of investments held by the Client Accounts it manages. There has been an increase in scrutiny of the private investment fund industry by governmental agencies and self-regulatory organizations. New laws and regulations or actions taken by regulators that restrict the ability of Propel to pursue its investment program or employ brokers and other counterparties could have a material adverse effect on Client Accounts and the investors' investments therein. In addition, Propel may, in its sole discretion, cause Client Accounts to be subject to certain laws and regulations if it believes that an investment or business activity is in such Client Account's interest, even if such laws and regulations may have a detrimental effect on one or more investors therein.

Illiquidity Risk

Propel expects to invest in certain securities that may be illiquid because, for example, they are subject to legal or other restrictions on transfer or there is no liquid market for such securities. Valuation of such securities may be difficult or uncertain because there may be limited information available about the issuers of such securities. The market prices, if any, for such securities tend to be volatile and may not be readily ascertainable, Propel may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. The sale of restricted and illiquid securities often requires more

time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Propel may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. As a result, Propel may be required to hold such securities despite adverse price movements. Even those markets which Propel expects to be liquid can experience periods, possibly extended periods, of illiquidity. Occasions have arisen in the past where previously liquid investments have rapidly become illiquid.

Market Disruption and Geopolitical Risk

The value of the instruments in which a Client Account invests may increase or decrease in response to economic, political, military and financial events (whether real, expected or perceived) in the U.S. and global markets. The frequency and magnitude of such changes in value cannot be predicted. Political and military events, including in North Korea, Russia, Ukraine, Venezuela, Iran, Syria, and other areas of the Middle East, and nationalist unrest in Europe and South America, may cause market disruptions.

Global markets are interconnected, and changes in U.S. and non-U.S. economic and political conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment, and other factors affecting the value of Client Accounts' investments. At such times, Client Accounts' exposure to a number of other risks described elsewhere in this section can increase.

Recent military actions involving Russia and Ukraine have negatively impacted the production, distribution, availability and prices of various commodities, including oil, nickel, and wheat, which have had a negative impact on prices of many commodities, further increased the level of inflation, and negatively impacted the world economy. It is unknown how long the military action will continue and its immediate and long-term impact on the world economy, including inflation, stagflation, the prices and availability of commodities, and products produced from those commodities.

ETF

Propel employs an actively managed opportunistic multi-asset strategy that focuses on common stock, preferred stock, convertible bonds, structured notes, other debt instruments, and ETFs that primarily invest in the preceding security types.

The ETF invests without restriction as to security currency, issuer capitalization, or country and without restriction as to debt credit quality, maturity, structure, or issuer type. Lower quality corporate debt is commonly known as a "junk bond." Junk bonds are generally rated lower than Baa3 by Moody's Investors Service, Inc. or lower than BBB- by Standard and Poor's Ratings Group.

Propel's Opportunistic Multi-Asset Strategy

Propel selects securities that it believes are undervalued, in part, because it believes they are neglected and overlooked investments that present significant opportunities for capital appreciation. We use fundamental, bottom-up analysis to identify undervalued securities and the most attractive investment opportunities. Propel selects debt or equity exposure based on its estimation of expected relative returns. Propel sells a security when it believes it is no longer undervalued or when more attractive investments are identified.

Healthcare Sector Sub-Strategy

Propel employs individuals who possess significant scientific, technical, operational, regulatory and commercial expertise to evaluate the science and prospects of healthcare sector companies as well as individuals with significant experience and expertise in identifying undervalued securities. Healthcare sector companies that we typically include in the portfolio will be small to medium capitalization companies that may be in various stages of maturity. These may include “early-stage companies” which include those that routinely develop new products or services or are in the process of conducting clinical trials and may not yet be consistently profitable. Propel’s evaluation ranks the expected returns and risk profile of each potential investment based upon an evaluation of: (i) the scientific proposition of the issuer, (ii) the probability that the science will lead to a product or treatment, and (iii) projected profits from each successful product or treatment.

MATERIAL RISKS OF THE ETF

Clients should understand that all investment strategies and the investments made pursuant to such strategies involve risk of loss, including the potential loss of the entire investment. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a Client's investments will fluctuate due to market conditions and other factors.

The following is a summary of the material risks for the ETF, its investment strategies, security types and investment techniques. The information contained in this Brochure cannot disclose every potential risk associated with an investment strategy. Rather, it is a general description of the nature and risks of the strategies and securities that Clients may include in their investment guidelines. Investors in the ETF should review the prospectus for information regarding the risks associated with the ETF.

Convertible Bond Risk

Convertible bonds are hybrid securities that have characteristics of both bonds and common stocks and are subject to risks associated with both debt securities and equity securities. Convertible bonds that are rated below investment grade are subject to the risks associated

with high-yield investments. The reference common stock of a convertible bond may fail to reach a price that makes the conversion feature valuable.

Foreign Currency Risk

Currency derivative trading risks include market risk, credit risk and country risk. Market risk results from adverse changes in exchange rates in the currencies in the ETF is long or short. Credit risk results because a currency-trade counterparty may default. Country risk arises because a government may interfere with transactions in its currency.

Junk Bond Risk

Lower-quality bonds, known as “high yield” or “junk” bonds, present greater risk than bonds of higher quality, including an increased risk of default. An economic downturn or period of rising interest rates could adversely affect the market for these bonds and reduce the ETF’s ability to sell its bonds. Longer maturity and longer duration bond prices will decline more in response to rising interest rates. The lack of a liquid market for these bonds could decrease the ETF’s share price.

Over-the-Counter Market Risk

Securities and derivatives traded in over-the-counter markets may trade less frequently and in limited volumes and thus exhibit more volatility and liquidity risk, and the prices paid by the ETF in over-the-counter transactions may include an undisclosed dealer markup. The ETF is also exposed to default by the over-the-counter option writer or swap counterparty who may be unwilling or unable to perform its contractual obligations to the ETF.

Small and Medium Capitalization Risk

The earnings and prospects of small and medium sized companies are more volatile than larger companies and may experience higher failure rates than larger companies. Small and medium sized companies normally have a lower trading volume than larger companies, which may tend to make their market price fall more disproportionately than larger companies in response to selling pressures and may have limited markets, product lines, or financial resources and lack management experience.

MATERIAL RISKS OF THE PRIVATE FUND AND ETF

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. Under an unsponsored ADR arrangement, the foreign issuer assumes no obligations and the depositary’s transaction fees are paid directly by the ADR holders. Unsponsored ADRs are organized without the cooperation of the issuer and information concerning the foreign issuer may not be as current as for sponsored ADRs and voting rights are not passed through.

Equity Securities Risk

Equity securities represent an ownership interest in an issuer, rank junior in a company's capital structure to debt securities and consequently may entail greater risk of loss than debt securities. Equity securities are subject to the risk that stock prices may rise and fall in periodic cycles and may perform poorly relative to other investments. This risk may be greater in the short term.

Certain investment strategies involve investments in equity and equity-linked securities (including equity-based derivatives), the values of which vary with an issuer's performance and movements in the broader equity markets. Numerous economic factors, as well as market sentiment, political and other factors, influence the value of equities.

The marketplace for publicly traded equity securities is volatile, and the price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic circumstances. An adverse event, such as an unfavorable earnings report, may depress the value of a particular common stock held by a Client Account.

In addition, a common stock may decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive circumstances within an industry and/or the ongoing COVID-19 pandemic and/or other comparable global events with a corresponding economic impact. The value of a particular common stock held by a Client Account may decline for a number of other reasons which directly relate to the issuer, such as management performance, financial leverage, the issuer's historical and prospective earnings, the value of its assets and reduced demand for its goods and services. Also, the price of common stocks is sensitive to general movements in the stock market and a drop in the stock market may depress the price of common stocks to which a Client Account has exposure. Common stock prices fluctuate for several reasons, including changes in investors' perceptions of the financial condition of an issuer or the general condition of the relevant stock market, or when political or economic events affecting the issuers occur. In addition, common stock prices may be particularly sensitive to rising interest rates, as the cost of capital rises and borrowing costs increase. Common stock in which a Client Account may invest is structurally subordinated to preferred stock, bonds and other debt instruments in a company's capital structure and is therefore inherently more risky than preferred stock or debt instruments of such issuers.

At any given time, a Client Account may have significant investments in companies with smaller market capitalizations. These securities often involve greater risks than the securities of larger, better-known companies, including less liquidity and greater volatility.

Foreign Securities Risk

The private fund and ETFs' investments in foreign securities can be riskier than U.S. securities investments. Investments in the securities of foreign issuers (including investments in ADRs) are subject to the risks associated with investing in those foreign markets, such as heightened risks of inflation or nationalization. The prices of foreign securities and the prices of U.S. securities have, at times, moved in opposite directions. In addition, securities of foreign issuers may lose value due to political, economic and geographic events affecting a foreign issuer or market.

Market and Geopolitical Risk

The increasing interconnectivity between global economies and financial markets increases the likelihood that events or conditions in one region or financial market may adversely impact issuers in a different country, region or financial market. Securities in a Client Account may underperform due to inflation (or expectations for inflation), interest rates, global demand for particular products or resources, natural disasters, pandemics, epidemics, terrorism, regulatory events and governmental or quasi-governmental actions. The occurrence of global events similar to those in recent years may result in market volatility and may have long term effects on both the U.S. and global financial markets. The current novel coronavirus (COVID-19) global pandemic and the aggressive responses taken by many governments, including closing borders, restricting international and domestic travel, and the imposition of prolonged quarantines or similar restrictions, as well as the forced or voluntary closure of, or operational changes to, many retail and other businesses, has had negative impacts, and in many cases severe negative impacts, on markets worldwide. It is not known how long such impacts, or any future impacts of other significant events described above, will or would last, but there could be a prolonged period of global economic slowdown, which may impact your investment.

Cybersecurity Risk

Propel relies heavily on the security and reliability of information and communications technology, systems and networks and the use of technology service providers in providing its advisory services. A Client Account, Propel or its service providers may be susceptible to cybersecurity risks that include, among other things, theft, unauthorized monitoring, release, misuse, loss, destruction or corruption of confidential and highly restricted data; denial of service attacks; unauthorized access to relevant systems, compromises to networks or devices that Propel and its service providers use to service Propel and its Client Account's operations; or operational disruption or failures in the physical infrastructure or operating systems that support a Client Account, Propel or its service providers. Cyberattacks against or security breakdowns of Propel or its service providers may adversely impact a Client Account, Propel or its service providers, potentially resulting in, among other things, financial losses; the inability of Propel or its service providers to transact business and Propel or its service providers to process transactions; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs; and/or additional compliance costs. Propel may also incur additional

costs for cybersecurity risk management purposes. While Propel has adopted cybersecurity policies and procedures, including an incident response plan, as well as privacy and data protection policies and procedures and controls, business continuity plans and risk management systems designed to prevent or reduce the impact of cybersecurity attacks, such plans and systems have inherent limitations due in part to the ever-changing nature of technology and cybersecurity attack tactics, and there is a possibility that certain risks have not been adequately identified or prepared for. Furthermore, Propel cannot control any cybersecurity plans or systems implemented by its service providers. As the use of technology has become more prevalent, Propel and Client Accounts have potentially become more susceptible to operational risks through cybersecurity attacks. The work-from-home environment necessitated by COVID-19 has also increased the risk of cybersecurity attacks given the increase in cyber-attack surface stemming from the use of personal devices and non-office or personal technology.

Cyber security risks may also impact issuers of securities in which a Client Account or Propel invests, resulting in material adverse consequences for them which may cause a Client Account's or Propel's investment in such issuers to lose value. There can be no assurance that a Client Account or Propel will not suffer losses relating to cyberattacks or other information security breaches in the future.

Biotechnology Industry Risk

The biotechnology industry can be significantly affected by patent considerations, including the termination of patent protections for products, intense competition both domestically and internationally, rapid technological change and obsolescence, government regulation and expensive insurance costs due to the risk of product liability lawsuits. In addition, the biotechnology industry is an emerging growth industry, and therefore biotechnology companies may be thinly capitalized and more volatile than companies with greater capitalizations. Biotechnology companies must contend with high development costs, which may be exacerbated by the inability to raise prices to cover costs because of managed care pressure, government regulation or price controls.

Pharmaceutical Industry Risk

Companies in the pharmaceutical industry are heavily dependent on patent protection. The expiration of patents may adversely affect the profitability of the companies. Pharmaceutical companies are also subject to extensive litigation based on product liability and other similar claims. Many new products are subject to approval of the Food and Drug Administration, a process that can be long and costly. Expanding international operations may lead to risks resulting from differences between U.S. and foreign legal, political and economic systems, regulatory regimes and market practices.

Healthcare Technology Industry Risk

To the extent a Client Account focuses on the healthcare technology industry, a Client Account may be more susceptible to the particular risks that may affect companies in the

healthcare technology industry than if it were invested in a wider variety of companies in unrelated sectors. The profitability of companies in the healthcare technology industry may be adversely affected by the following factors, among others: extensive government regulations, restrictions on government reimbursement for medical expenses, rising costs of medical products and services, pricing pressure, an increased emphasis on outpatient services, changes in the demand for medical products and services, a limited number of products, industry innovation, changes in technologies and other market developments.

Life Science Tools and Services Industry Risk

Companies that manufacture or develop medical products, devices or services are subject to extensive regulation in the United States by the FDA and by comparable government agencies in other countries. The regulations govern the development, design, approval, manufacturing, labeling, importing and exporting and sale and marketing of many medical products. These regulations are also subject to future change. Failure to comply with applicable regulations and quality assurance guidelines could lead to manufacturing shutdowns, product shortages, delays in product manufacturing, product seizures, recalls, operating restrictions, withdrawal or suspension of required licenses, and prohibitions against exporting of products to, or importing products from, countries outside the United States. Medical product, device, and service companies could be required to expend significant financial and human resources to remediate failures to comply with applicable regulations and quality assurance guidelines.

General Economic and Market Conditions

The success of a Client Account's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of a Client Account's investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of the prices and the liquidity of a Client Account's investments. Volatility or illiquidity could impair a Client Account's profitability or result in losses. A Client Account may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets.

Dependence on Key Personnel

Client Accounts may rely on certain key personnel of Propel. The departure of any such key personnel or their inability to fulfill certain duties may adversely affect the ability of Propel to effectively implement the investment programs of Client Accounts.

Emerging Markets Risk

Securities of companies in emerging markets may be more volatile than those of companies in more developed markets. Emerging market countries generally have less developed

markets and economies and, in some countries, less mature governments and governmental institutions. Investing in securities of companies in emerging markets may entail special risks relating to potential economic, political or social instability and the risks of expropriation, nationalization, confiscation or the imposition of restrictions of foreign investment, the lack of hedging instruments, and on repatriation of capital invested.

Preferred Stock Risk

The value of preferred stocks will fluctuate with changes in interest rates. Typically, a rise in interest rates causes a decline in the value of preferred stock. Preferred stocks are also subject to credit risk, which is the possibility that an issuer of preferred stock will fail to make its dividend payments. The reference common stock of a convertible preferred stock may fail to reach a price that makes the conversion feature valuable.

Item 9 – Disciplinary Information

A number of related shareholder lawsuits have been filed with respect to Athira Pharma, Inc. (“Athira”) alleging that certain disclosures made by the company in connection with its initial public offering and a secondary offering of securities were materially misleading. The defendants named in these class action and derivative lawsuits include Dr. Leen Kawas, the former Chief Executive Officer and a director of Athira and the current Managing General Partner of Propel. The following is a brief summary of the actions.

In June 2021, putative shareholders of Athira filed three class actions in the United States District Court for the Western District of Washington, captioned Wang, et al. v. Athira Pharma, Inc., et al., Case No. 2:21-cv-00861-TSZ -JCC (W.D. Wash.), Jawandha v. Athira Pharma, Inc., et al., Case No. 2:21-cv-00862-JCC (W.D. Wash.), and Slyne et al. v. Athira Pharma, Inc., et al., 2:21-cv-00864-JLR (W.D. Wash.). In August 2021, the Court consolidated the three lawsuits. On January 7, 2022, plaintiffs filed a Consolidated Amended Complaint asserting that defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (“Exchange Act”) and Sections 11, 12, and 15 of the Securities Act of 1933 (“Securities Act”).

The claims were asserted against Athira’s directors, including Dr. Kawas; Athira’s Chief Financial Officer; and the underwriters of Athira’s initial public offering and secondary public offering. In general, the lawsuits involve allegations that statements made by defendants failed to disclose, among other things, that the research underlying Athira’s product candidates and intellectual property had been improperly altered. The Consolidated Amended Complaint seeks declaratory relief, unspecified compensatory damages, equitable relief, and injunctive relief.

On March 8, 2022, defendants filed a Motion to Dismiss the Consolidated Amended Complaint. On July 29, 2022, the Court granted in part and denied in part defendants’ Motion to Dismiss. The Court dismissed plaintiffs’ Exchange Act claims but allowed plaintiffs’ Securities Act claims to proceed in part against Athira and Dr. Kawas only.

On August 12, 2022, Dr. Kawas filed a Motion for Partial Reconsideration, asking the Court to reconsider its July 29, 2022, decision and to dismiss plaintiffs' Securities Act claims against her in their entirety. On October 4, 2022, the Court denied Dr. Kawas's Motion for Partial Reconsideration.

On March 8, 2023, the parties notified the Court that they had reached a confidential agreement in principle to settle the consolidated securities class action on a class-wide basis, subject to the Court's preliminary and final approval of that settlement. The parties asked the Court to defer an upcoming case deadline while the parties prepare a stipulation of settlement and plaintiffs prepare a motion for preliminary approval. On March 10, 2023, the Court deferred the deadline and ordered that the parties shall file any motion for preliminary approval of the settlement by April 28, 2023.

On April 14, 2022, another purported Athira shareholder, Stephen Bushansky, filed a derivative action in the United States District Court for the Western District of Washington on behalf of Athira against Dr. Kawas and other directors of Athira, captioned Bushansky v. Kawas, et al., Case No. 2:22-cv-497-TSZ (W.D. Wash.). On May 6, 2022, purported Athira shareholder Thomas Houlihan also filed a derivative action in the same Court on behalf of Athira and against Dr. Kawas and other officers and directors of Athira, captioned Houlihan v. Kawas, et al., Case No. 2:22-cv-620-TSZ (W.D. Wash.). These derivative actions rely on the same alleged misconduct as the consolidated class action lawsuit and bring claims against Dr. Kawas and the other defendants for alleged violations of Section 14(a) of the Exchange Act, alleged breaches of their fiduciary duties, contribution and indemnity to the extent Athira is found liable for defendants' misconduct in the consolidated securities class action, and aiding and abetting. On May 26, 2022, the Court consolidated these derivative actions and stayed them pending further order of the Court.

Item 10 – Other Financial Industry Activities and Affiliations

Propel is not registered, nor does it have an application pending to register, as a broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, a commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities. Further, neither Propel nor any of its management persons have material relationships or arrangements with industry participants or material conflicts of interest relating to other investment advisers.

Propel Bio Partners LLC, an affiliate of Propel, serves as the general partner of the private fund and is a relying adviser of Propel.

Item 11 – Code of Ethics

Description of our Code of Ethics

Propel has adopted a Code of Ethics (the "Code") that obligates Propel and its related persons to put the interests of the Clients before their own interests and to act honestly and fairly in all respects in their dealings with the Clients. Propel strives to comply with applicable laws and regulations governing its practices. Therefore, Propel's Code of Ethics includes

guidelines for professional standards of conduct for persons associated with our firm. Propel's goal is to protect its Clients' interests at all times and to demonstrate its commitment to its fiduciary duties of honesty, good faith, and fair dealing with its Clients. All persons associated with Propel are expected to adhere strictly to these guidelines. Persons associated with Propel are also required to report any violations of the Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent, by persons associated with Propel, the misuse or dissemination of material, nonpublic information about Clients or their account holdings

Clients or prospective clients may obtain a copy of Propel's Code of Ethics by contacting Propel at the telephone number on the cover page of this Brochure.

Personal Trading Practices

To the extent that Propel or its related persons invest in the same securities that Propel or a related person recommends to a Client, such practices present a conflict where, Propel or its related person is in a position to trade in a manner that could adversely affect the Clients. In addition to affecting Propel's or its related person's objectivity, these practices by Propel or its related persons may also harm the Clients by adversely affecting the price at which the Client trades are executed. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over Clients in the purchase or sale of securities, and Propel has adopted the following procedures in an effort to minimize such conflicts: Propel requires its related persons to pre-clear certain transactions in their personal accounts with Propel's chief compliance officer (the "Chief Compliance Officer") or his delegate, who may deny permission to execute the transaction if such transaction will have any adverse economic impact on the Client. In addition, the Code prohibits Propel or its related persons from executing personal securities transactions of any kind in any securities on a restricted securities list maintained by the Chief Compliance Officer. All related persons to Propel are also required to provide broker confirmations of each transaction in which they engage and a quarterly certification of such transactions. Trading in employee accounts will be reviewed by the Chief Compliance Officer or his delegate and compared with transactions for the client accounts and reviewed against the restricted securities list.

To the extent Propel buys or sells securities for a Client, at or about the same time that Propel or a related person buys or sells the same securities for its own account Propel and the related person, if applicable, will do so in accordance with the procedures described above in order to minimize the conflicts stemming from situations where the contemporaneous trading would result in an economic benefit for Propel or its related person to the detriment of the client.

Item 12 – Brokerage Practices

Research and Other Soft Dollar Benefits

In selecting or recommending a broker-dealer, we will consider the value of research and additional brokerage products and services a broker-dealer has provided or will provide to our Clients and our firm. Receipt of these additional brokerage products and services are

considered to have been paid for with "soft dollars." Because such services could be considered to provide a benefit to our firm, we have a conflict of interest in directing your brokerage business. We could receive benefits by selecting a particular broker-dealer to execute Client transactions, and the transaction compensation charged by that broker-dealer might not be the lowest compensation we might otherwise be able to negotiate.

Propel limits the use of "soft dollars" to obtain services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934.

Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services. The test for determining whether a service, product or benefit obtained from or at the expense of a broker constitutes "research" under this definition is whether the service, product, or benefit assists our firm in investment decision-making for discretionary Client accounts. Services, products, or benefits that do not assist in investment decision-making for discretionary Client accounts do not qualify as "research." Also, services, products or benefits that are used in part for investment decision-making for discretionary Client accounts and in part for other purposes (such as accounting, corporate administration, recordkeeping, performance attribution analysis, Client reporting, or investment decision-making for the firm's own investment accounts) constitute "research" only to the extent that they are used in investment decision-making for discretionary Client accounts.

Brokerage services within Section 28(e) may include, but are not limited to, and services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between and Propel and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required to the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations..

Before placing orders with a particular broker-dealer, we determine that the commissions to be paid are reasonable in relation to the value of all the brokerage and research products and services provided by that broker-dealer. In some cases, the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts charged by another broker-dealer that did not provide research services or products.

We do not exclude a broker-dealer from receiving business simply because the broker-dealer does not provide our firm with soft dollar research products and services. However,

we may not be willing to pay the same commission to such broker-dealer as we would have paid had the broker-dealer provided such products and services.

The products and services we receive from broker-dealers will generally be used in servicing all our Clients' accounts. Our use of these products and services will not be limited to the accounts that paid commissions to the broker-dealer for such products and services. In addition, we may not allocate soft dollar benefits to accounts proportionately to the soft dollar credits the accounts generate. As part of our fiduciary duties to Clients, we endeavor at all times to put their interests first. Clients should be aware that the receipt of economic benefits by our firm is considered to create a conflict of interest.

We have instituted certain procedures governing soft-dollar relationships including preparation of a brokerage allocation budget, mandated reporting of soft-dollar irregularities, annual evaluation of soft-dollar relationships, and an annual review of our Brochure to ensure adequate disclosures of conflicts of interest regarding our soft-dollar relationships.

Propel currently provides investment advice as a sub-adviser to the ETF and as adviser--via Propel Bio Partners LLC, an affiliate and relying adviser of Propel--to the private fund. Propel is not responsible for executing portfolio transactions for the ETF. Given that trades are currently only executed on behalf of one Client, the private fund, Propel has not adopted a trade aggregation policy. If the firm has more than one Client it is responsible for trading for in the future it will create a trade-aggregation policy prior to trading the new account.

If the ETF and private fund are transacting in the same security, the firm will rotate the trading order between the Clients every time they trade to attempt to ensure fair and equitable treatment over time between the Clients to achieve best execution, with any exceptions approved by the CCO. If one of the Clients trades or is notified to trade first twice in a row the other Client will trade first the next two times to attempt to achieve equitable treatment over time.

Securities made available to Propel and its Clients through initial public offerings or other limited offerings will be allocated in a fair and equitable manner after a determination by the CCO of those Clients eligible to hold such securities.

Item 13 – Review of Accounts

Propel's investment team regularly reviews and monitors each Client's portfolio to determine whether positions should be maintained in view of current market conditions. Propel's review may consider specific securities held, adherence to investment guidelines and the Client's performance.

Private fund investors receive written reports from the private fund as described in the private fund's offering documents, certain investors may negotiate or request to receive reports from a fund on a more frequent basis or that include information not provided to

other investors (including, without limitation, more detailed information regarding portfolio positions) through the use of side letters or otherwise. ETF investors will receive a fund's shareholder report on an annual and semi-annual basis.

Item 14 – Client Referrals and Other Compensation

As discussed in Item 12 above, Propel may receive certain research or other services from broker-dealers through "soft-dollar" arrangements. "Soft-dollar" arrangements may create an incentive for Propel to select or recommend broker-dealers based on Propel's interest in receiving the research or other products or services and may result in the selection of a broker-dealer on the basis of considerations that are not limited to the lowest commission rates and may result in higher transaction costs than would otherwise be obtainable by Propel on behalf of the Clients.

Item 15 – Custody

All Client Accounts for which Propel serves as investment adviser will employ independent qualified custodians, as appropriate, to hold the assets of the private fund or ETF. Propel directly or through its relying adviser is deemed to have "custody" (as defined in Rule 206(4)-2 under the Advisers Act (the "Rule")) of Client securities and funds. We provide each investor in the private fund with audited annual financial statements. If you are a private fund investor and have questions regarding the financial statements or if you did not receive a copy, contact us directly at the telephone number on the cover page of this Brochure.

Item 16 – Investment Discretion

Propel provides investment advisory services on a discretionary basis to its Clients. Propel entered into an investment management agreement with each of its Clients, which set forth the scope of Propel's discretion, prior to assuming discretion in managing its Clients' assets.

Item 17 – Voting Client Securities

Where the firm has proxy voting authority, Propel will determine how to vote proxies based on our reasonable judgment of the vote most likely to produce favorable financial results for Clients. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders. Generally, proxy votes will be cast against proposals having the opposite effect. However, Propel will consider both sides of each proxy issue.

Conflicts of interest between Clients and our firm, or a principal of our firm, regarding certain proxy issues could arise. If Propel determines that a material conflict of interest exists, we will take the necessary steps to resolve the conflict before voting the proxies. For example, we may disclose the existence and nature of the conflict to Clients, and seek direction from Clients as to how to vote on a particular issue; we may abstain from voting, particularly if

there are conflicting interests for Clients (for example, where a Client's account(s) hold different securities in a competitive merger situation); or, we will take other necessary steps designed to ensure that a decision to vote is in the Client's best interest and was not the product of the conflict.

We keep certain records required by applicable law in connection with our proxy voting activities. You may obtain information on how we voted proxies and/or obtain a full copy of our proxy voting policies and procedures by making a written or oral request to our firm.

Item 18 – Financial Information

Propel is not required to include a balance sheet because it does not require or solicit the payment of fees six months or more in advance. Propel also has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients nor has it been the subject of a bankruptcy proceeding.

APPENDIX A
PRIVACY NOTICE