Prospectus of Life & Leisure Strategy ETF

Investment Philosophy

Our fund focuses on investing in life and leisure companies that the management team believes are undervalued, with the intention of holding these investments long-term to allow them to realize their full potential. This approach aligns with a buy-and-hold philosophy, aiming to benefit from the intrinsic value growth of selected companies rather than short-term market fluctuations. The fund's investment philosophy centers on identifying companies with strong fundamentals, competitive advantages, and promising growth prospects within the financial sector. By maintaining a long-term perspective, we seek to capitalize on the sustained performance and value appreciation of its portfolio holdings.

Fee and Expenses

The example below is intended to help compare the cost of investing in the Fund with the cost of investing in other exchange-traded funds. The example assumes that:

- Your investment has a 16.69% return each year
- The Fund's operating expenses remain the same, which is 0.1% per year.

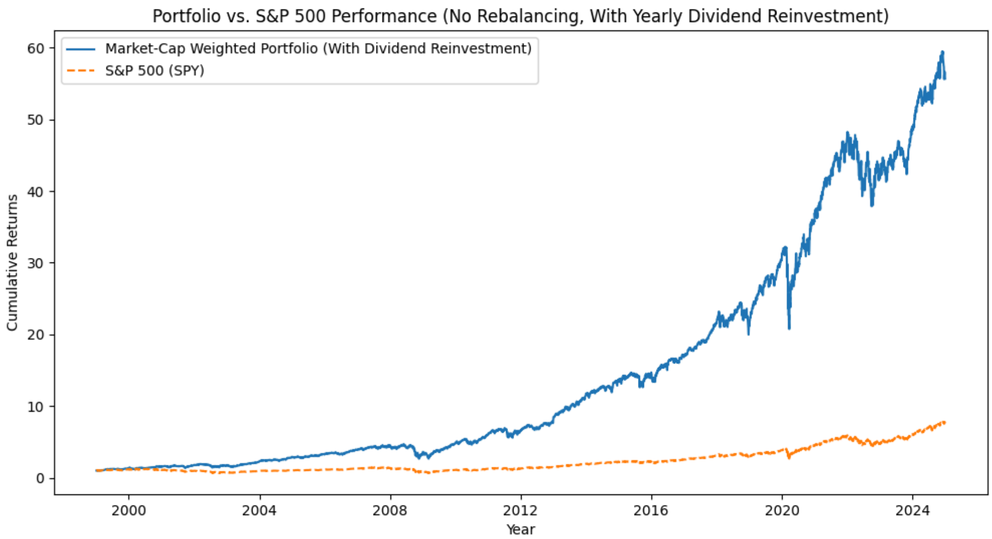
Based on these assumptions, for every $10,000 invested, the following, on average, will hold true for the state of your investment. The final column shows the value of $10,000 invested in the stock market assuming 10% annual growth but with no fee. As demonstrated, this fund offers a better opportunity for investors, despite the annual percentage fee.

Year	Beginning Value	Growth	Fee	Ending Value (After Fee)	No Fee Fund
1	$10,000	$1,669	$11.67	$11,657.33	$11,000
2	$11,657.33	$1,945.62	$13.60	$13,589.35	$12,100
3	$13,589.35	$2,268.06	$15.86	$15,841.55	$13,310
4	$15,841.55	$2,644.06	$18.49	$18,467.12	$14,641
5	$18,467.12	$3,086.16	$21.55	$21,531.73	$16,105.10

ETF Performance

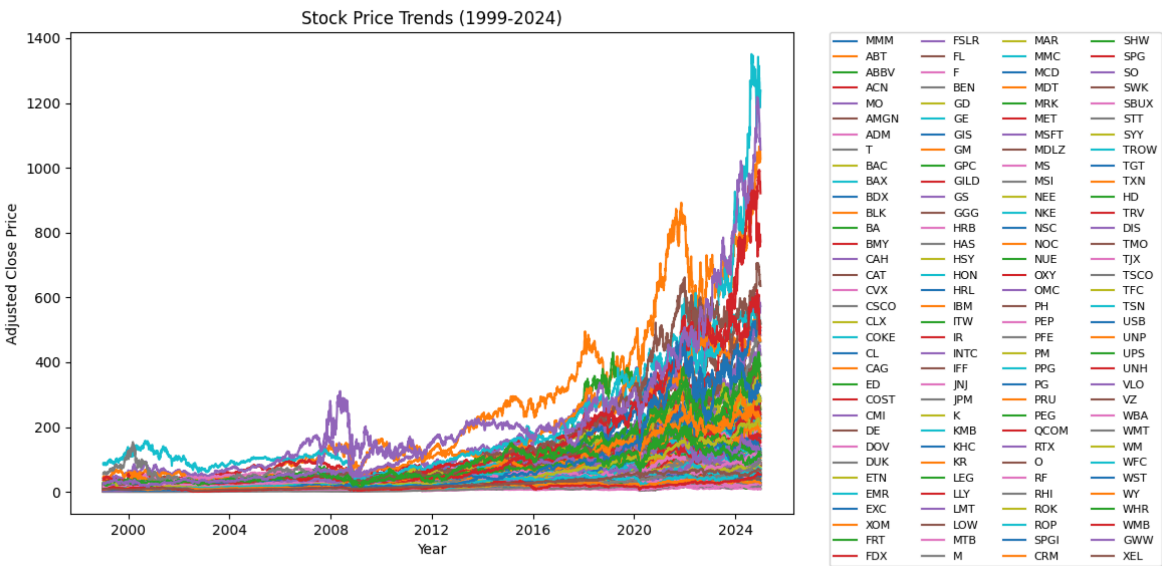
Figure 1 depicts our portfolio's performance compared to S&P 500. This chart indicates that our portfolio growth is significantly higher than the standard S&P 500. Life and leisure companies are in high demand despite the economic trend. For example, after the 2008 financial crisis, our ETF started to diverge significantly from the S&P 500. During the early years, our ETF's performance was relatively close to the S&P 500 with some slight outperformance. Towards the later years, the growth rate of our ETF accelerates rapidly, indicating strong performance. Our ETF shows a relatively consistent upward trend with some volatility, reflecting the inherent fluctuations of the stock market.

Figure 1: Performance Comparison of Portfolio vs. S&P 500



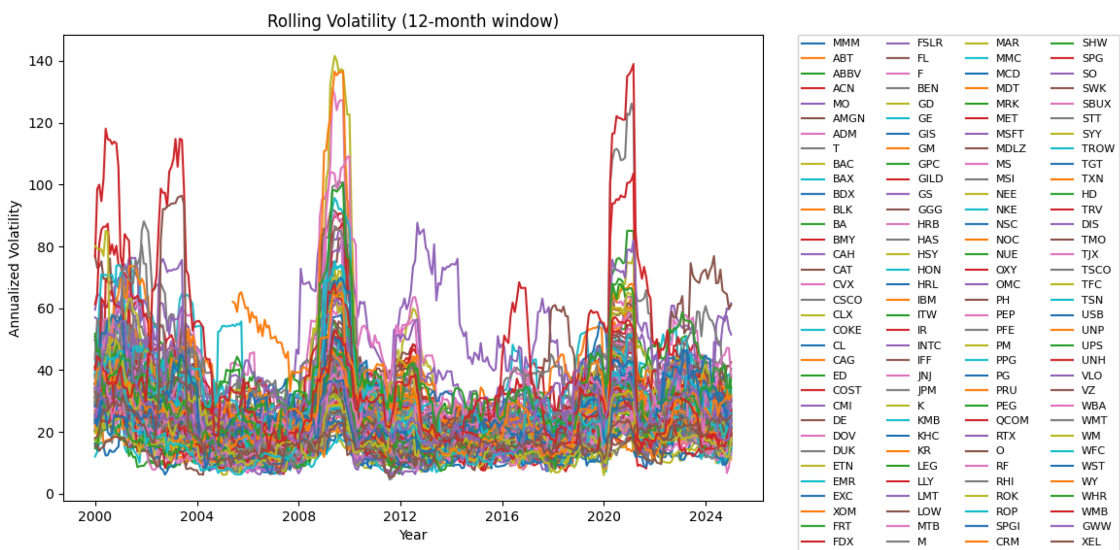
Selected stock price trends shown in **Figure 2** indicate a similar pattern to our ETF's performance. Overall, the price is growing, likely due to inflation which leads to the increase in prices of most consumable products year by year. Compared to technology stocks, consumable products are rarely replaced due to advancements in technology. This suggests that investing in lifestyle and consumer-based stocks is a strong long-term investment, as these stocks remain relatively stable.

Figure 2: Stock Price Trends from 1999-2024



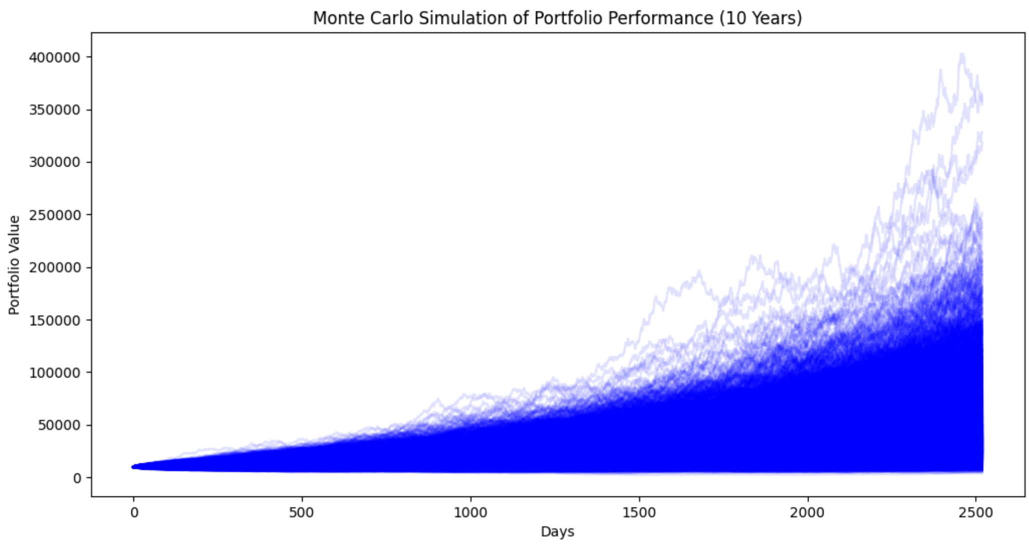
The volatility of the companies selected for our portfolio can be seen in **Figure 3**. A very prominent spike in volatility is observed around 2008, which is reflective of the widespread market turmoil during the global financial crisis. This spike is very wide and tall, indicating that nearly all of the companies saw a massive increase in volatility during this time. Another significant spike occurs around 2020, which coincides with the COVID-19 pandemic. This shows the uncertainty and market reactions to the pandemic's onset.

Figure 3: Rolling Volatility



Per the Monte-Carlo simulation shown in **Figure 4**, the most prominent feature is the wide dispersion of the simulated portfolio values towards the end of the 10-year period. This indicates a high degree of uncertainty and a broad range of potential outcomes. Some simulations show the portfolio growing significantly, while others show minimal growth or even a decline. Despite the wide range of outcomes, the overall trend for most simulations is upward. This suggests that, on average, the portfolio is expected to grow over the 10-year period. However, the rate and consistency of growth vary considerably. The simulations start relatively close together at the beginning, but they diverge significantly as time progresses. This is typical of Monte Carlo simulations, where the compounding effect of random fluctuations leads to increasing variability in outcomes over longer periods of time.

Figure 4: Monte Carlo Simulation



Management Recommendation

Based on the success of the model, this ETF offers strong returns over the long-term, suggesting that creating this ETF could be a valuable financial tool. As a firm, however, the .1% management fee is quite small and will not allow for much funding for an office, staff, and technology. Net assets of $1 billion would only leave $1 million for the firm's expenses and salaries. Though, with the ETF’s strong track record of returns, it is possible that it attracts orders of magnitude more money from investors. If not, it is likely that the company will need to increase the fee slightly, which investors could be okay with given the strong ROI. If the company can bolster their operating income by either increasing the fee slightly or having such a high amount of assets under management, then yes, this firm could be a strong player in the financial world and a good place to work. Because it is a relatively passive fund, the day-to-day life of a quant should not be overly stressful due to the set-it-and-forget-it philosophy of the firm. With strong returns that substantially exceed the S&P 500's average return, the ETF is a strong option for investors to build personal wealth.