The Quadratic Interest Rate Volatility and Inflation Hedge ETF (NYSE ticker: IVOL)

IVOL is a first-of-its-kind fixed income ETF that seeks to hedge relative interest rate movements, whether these movements arise from falling short-term interest rates or rising long-term interest rates, and to benefit from market stress when fixed income volatility increases, while providing the potential for enhanced, inflation-protected income.

IVOL Strategy Overview

- Seeks to profit from relative interest rate movements through Fed rate cuts or rising long-term interest rates
- Provides potential for true portfolio diversification while also delivering inflation-protected income
- Potential to profit from market stress as volatility increases

Potential Portfolio Diversifier

- IVOL has had very low correlations with common asset classes.
- More importantly, the correlation data tells us that, since inception IVOL has done well on days that these stock and bond markets fell.

### IVOL Portfolio Applications

**Fixed Income Portfolios:**
IVOL is designed to provide a hedge against inflation and fixed income volatility

**Equity Portfolios:**
IVOL may act as a market hedge since volatility has historically increased during large equity sell-offs.

**Real Estate Portfolios:**
IVOL may help hedge the risk of falling real estate prices brought on by rising long term interest rates

### IVOL Portfolio Composition

- Dynamically managed fixed income options
- US Treasury Inflation-Protected Securities (TIPS)

### Potential Scenario Analysis

<table>
<thead>
<tr>
<th>Factors that Impact IVOL</th>
<th>Rising</th>
<th>Falling</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIPS Bond Price</td>
<td>✓</td>
<td>✗</td>
</tr>
<tr>
<td>More Volatility</td>
<td>✓</td>
<td>✗</td>
</tr>
<tr>
<td>Expectations for Rate Cuts</td>
<td>✓</td>
<td>✗</td>
</tr>
<tr>
<td>Long Dated Yields</td>
<td>✓</td>
<td>✗</td>
</tr>
</tbody>
</table>

✓/✗ indicates the potential effect these scenarios may have on IVOL. With ✓ indicating a potential positive effect and ✗ indicating a potential negative effect

<table>
<thead>
<tr>
<th>IVOL Correlation To:</th>
<th>DOW</th>
<th>S&amp;P 500</th>
<th>MSCI EM</th>
<th>HY Credit</th>
<th>VIX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>-0.08</td>
<td>-0.07</td>
<td>0.04</td>
<td>-0.07</td>
<td>0.06</td>
</tr>
<tr>
<td>On Down Days</td>
<td>-0.34</td>
<td>-0.27</td>
<td>0.02</td>
<td>-0.31</td>
<td>-0.01</td>
</tr>
<tr>
<td>On Up Days</td>
<td>0.07</td>
<td>-0.01</td>
<td>0.05</td>
<td>0.18</td>
<td>0.13</td>
</tr>
</tbody>
</table>

Daily correlation from 5/14/19 to 12/31/19. Source: Bloomberg and Quadratic calculations

### About Quadratic Capital Management

Quadratic Capital Management is an innovative asset management firm founded in 2013 by Nancy Davis. The firm has utilized its significant expertise in the interest rate volatility and options markets to construct IVOL in a way that helps mitigate the downside risk of the strategy while maintaining upside potential. The firm is based in Greenwich, CT.

### Portfolio Manager

Nancy Davis founded Quadratic Capital Management in 2013. Ms. Davis began her career at Goldman Sachs where she spent nearly ten years, the last seven at the proprietary trading group where she rose to become the Head of Credit, Derivatives and OTC Trading.

Prior to starting Quadratic, she served as a portfolio manager at Highbridge where she managed $500 million of capital in a derivatives-only portfolio. She later served in a senior executive role at AllianceBernstein.

Ms. Davis writes and speaks frequently about markets and investing. She has been published in Institutional Investor, Absolute Return and Financial News, and has contributed papers to two books. She has been profiled by Forbes and interviewed by The Economist, The Wall Street Journal, The Financial Times, New York Magazine and Le Figaro. Ms. Davis has also appeared on CNBC, CNN, Sina, Fox and Bloomberg.

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The Dow Jones Industrial Average ("Dow") is an index that tracks 30 large, publicly-owned companies trading on the New York Stock Exchange and the NASDAQ. The S&P 500, ["S&P"], is a stock market index that measures the stock performance of 500 large companies listed on stock exchanges in the U.S. The MSCI Emerging Markets (MSCI EM) Index captures large and mid cap representation across 26 Emerging Markets (EM) countries. The iBoxx iShares High Yield Corporate Bond Index (HY) is designed to reflect the performance of USD denominated high yield corporate debt. VIX is a CBOE index that represents equity volatility of 30-day expectations of the S&P 500 equity index. There are risks involved with investing in options including total loss of principal. Options investing is not suitable for all investors. For a more comprehensive discussion of the risks involved in options investing, please review Characterizations and Risks of Standardized Options available at www.theocc.com/about/publications/character-risks.jsp or contact the Options Clearing Corporation directly at 1 N. Wacker Dr., Suite 500, Chicago, IL 60606. (1-888-678-4667)
**IVOL Provides Access to the Largest Asset Class: Rates**

- IVOL provides access to the largest asset class.
- Most investors limit their exposure to stocks and bonds.
- The rates market is nearly 5 times larger than the US stock market.

**US Market Size ($ Trillions USD):**

| OTC Rates | $199T |
| Credit | $28T |
| Treasuries | $16T |

Source: Nasdaq, SIFMA and BIS. "US OTC Rates" defined as the notional value outstanding in interest rate contracts denominated in USD as of H1 2019.

**IVOL Special Tax Treatment**

- IVOL is treated as a separate entity for federal tax purposes.
- The Fund expects that most of its income will be ordinary income because the assets underlying the rate-linked derivative instruments in which it invests are not capital assets.
- Additionally, the Fund expects that its losses with respect to its investment in rate-linked derivative instruments will be ordinary losses, which can only be used to offset ordinary income earned by the Fund in the same taxable year in which the losses occur, subject to an exception for late-year losses.

**The Fund’s investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the Fund and may be obtained by calling 833-IVOL-ETF (1-833-486-5383). Please read it carefully before investing.**

**Diversification does not ensure a profit or guarantee against a loss. Investing involves risk. Principal loss is possible. The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, please visit www.ivoletf.com**

**How to Buy IVOL ETF**

- Share IVOL with your financial advisor to find out if it may fit in your portfolio
- Buy IVOL shares on the NYSE Exchange or with your brokerage firm

**IVOL Performance History as of 12/31/2019**

<table>
<thead>
<tr>
<th>Cumulative %</th>
<th>Average Annualized %</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Mo</td>
<td>6 Mo</td>
</tr>
<tr>
<td>Fund NAV</td>
<td>1.00%</td>
</tr>
<tr>
<td>Closing Price</td>
<td>0.55%</td>
</tr>
<tr>
<td>Index*</td>
<td>0.79%</td>
</tr>
</tbody>
</table>

*Index is the Bloomberg Barclays US Treasury Inflation-Linked Bond Index (Series L). Please note that although this index is provided for comparative purposes, the fund’s strategy is benchmark agnostic.

**The Fund’s investments in traditional securities, such as stocks and bonds, is speculative and can be extremely volatile.**

**The Fund is non-diversified. IVOL is distributed by SEI Investments Distribution Co. (SIDCO), 1 Freedom Valley Drive, Oaks, PA 19456. The Fund’s sub-adviser is Quadratic Capital Management LLC (Quadratic). SIDCO is not affiliated with Quadratic. Neither Quadratic nor SIDCO or their affiliates provide tax advice. Please note that [i] any discussion of U.S. tax matters contained in this communication cannot be used by you for the purpose of avoiding tax penalties; [ii] this communication was written to support the promotion or marketing of the matters addressed herein; and [iii] you should seek advice based on your particular circumstances from an independent tax advisor.**