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 was able to diversify a portfolio of stock and bonds.

Low Correlation to Common Asset Classes

<table>
<thead>
<tr>
<th>IVOL NAV Correlation To:</th>
<th>DOW</th>
<th>S&amp;P 500</th>
<th>The Agg*</th>
<th>MSCI EM</th>
<th>HY Credit</th>
<th>Gold</th>
<th>VIX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily Correlation</td>
<td>0.01</td>
<td>0.02</td>
<td>0.08</td>
<td>0.19</td>
<td>0.13</td>
<td>0.19</td>
<td>-0.03</td>
</tr>
</tbody>
</table>

Daily correlation from 5/14/19 to 9/30/20. Source: Bloomberg and Quadratic calculations. Index returns are for illustrative purposes only and do not represent actual Fund performance. Past performance does not guarantee future results.

* Bloomberg Barclays US Aggregate Bond Index

Potential Scenario Analysis

Factors that Impact IVOL

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

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

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.

Nancy Davis is the founder and managing partner of Quadratic Capital Management. She founded Quadratic Capital in 2013.

Ms. Davis began her career at Goldman Sachs where she spent ten years, the last seven with the proprietary trading group where she became Head of Credit, Derivatives and OTC Trading. Prior to starting Quadratic, she served as a portfolio manager at Highbridge Capital Management where she managed $500 million of capital in a derivatives-only portfolio. She later served in a senior executive role at AllianceBernstein.

She has been the recipient of numerous industry recognitions. She was named by Barron’s as one of the “100 Most Influential Women in U.S. Finance.” Institutional Investor called her a “Rising Star of Hedge Funds.” The Hedge Fund Journal tapped her as one of “Tomorrow’s Titans.”

Ms. Davis is considered a leading expert in the global financial markets and writes and speaks frequently about markets and investing. She has been published in Institutional Investor, Absolute Return and Financial News, and has contributed articles to two books. She has been profiled by Forbes, and interviewed by The Economist, The Wall Street Journal, and The Financial Times among others. Ms. Davis is a frequent guest on financial television including CNBC, CNN, Sina, Fox and Bloomberg. She is a sought-after speaker for industry events.

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 US. Bloomberg Barclays US Aggregate Bond Index (The Agg), is a broad base, market capitalization-weighted bond market index representing intermediate term investment grade bonds traded in the United States. 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. Dow Jones Commodity Index Gold is designed to track the gold market through futures contracts. 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
Treasury $16T
Equity $34T

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.

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 9/30/2020

<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>2.29%</td>
</tr>
<tr>
<td>Closing Price</td>
<td>1.94%</td>
</tr>
<tr>
<td>Index*</td>
<td>3.03%</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.

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

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.