



# American Energy Independence ETF

March 31, 2018

## STRATEGY OBJECTIVE

The American Energy Independence ETF (the "Fund") seeks to track the performance, before fees and expenses, of the American Energy Independence Index (the "Index").

## INVESTMENT STRATEGY

The Fund uses a "passive management" (or indexing) approach to track the performance, before fees and expenses, of the Index. The Index is based on a proprietary methodology developed by SL Advisors, LLC, the Fund's investment adviser and index provider (the "Adviser").

## AMERICAN ENERGY INDEPENDENCE INDEX

The Index uses a proprietary, rules-based methodology to measure the performance of a portfolio of U.S. and Canadian exchange-listed equity securities of companies that generate a majority of their cash flow from certain qualifying "midstream" energy infrastructure activities. Midstream energy infrastructure refers to the processing, storage, transportation, and distribution of crude oil, natural gas, refined products, and their related products as well as the transmission or storage of renewable energy. The following activity segments are considered qualifying midstream energy infrastructure activities: gathering & processing, compression, fractionation, logistics, midstream services, pipeline transportation, storage and terminaling of oil, gas, natural gas liquids, and refined products, as well as liquid natural gas facilities, renewable energy transmission and storage infrastructure. The following activity segments are not qualifying activities: refining, shipping, exploration, production, retail distribution, coal related activities, power generation or oil services. The Index may include small-, mid-, and large-capitalization companies.

## The Fund

USAI is passively managed, and seeks to track the American Energy Independence Index before fees and expenses. Many ETFs that invest in energy infrastructure have substantial investments in publicly traded partnerships such as MLPs, which can result in them being structured as C Corporations and therefore subject them to U.S. Federal corporate income tax. The American Energy Independence ETF seeks to keep its holdings of MLPs below the 25% threshold, since it seeks to be Regulated Investment Company or RIC-compliant and therefore not subject to U.S. Federal corporate income tax.

## The Index

The American Energy Independence Index is comprised of U.S. and Canadian energy infrastructure companies, Master Limited Partnerships (MLPs) and General Partners (GPs) of MLPs. Growing production of crude oil, natural gas and natural gas liquids is increasing the need for new infrastructure to move, process and store this output. This in turn reduces the need for the U.S. to rely on imports to meet its energy needs. It is therefore anticipated that as the U.S. becomes ever more energy independent, this will benefit North American infrastructure businesses, MLPs and GPs.

## Why Invest

Thanks to American entrepreneurialism, the International Energy Agency expects that United States will become the world's biggest natural gas exporter; The American Chemistry Council reports that cheap energy is making us a leader in plastics, and the U.S. Department of Energy projects that within a decade we may be a net exporter of crude oil. The Department of Energy also reports that Increased production of clean-burning natural gas has led to a drop in greenhouse emissions in electricity generation, as it creates significantly less CO2 than coal. USAI provides exposure to the support systems that sit between the wellhead and the customer, which are critical to harnessing these important resources. The American Energy Independence ETF (USAI) provides exposure to the infrastructure that moves these growing energy supplies to market.

Performance (Quarter end returns as of 3/31/18)			
	3 Mo	YTD	SI *
USAI NAV	-13.05%	-13.05%	-9.36%
USAI Market Price	-12.62%	-12.62%	-9.14%
American Energy Independence Index	-12.97%	-12.97%	-9.10%

*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. Performance current to the most recent month-end can be obtained by calling (toll free 800-617-0004).*

\*Since Inception Date 12/12/17  
Performance greater than one year is annualized

**Gross expense ratio – 0.75%**

*Short term performance, in particular, is not a good indication of the fund's future performance, and an investment should not be made based solely on returns.*

# Portfolio Statistics:

March 31, 2018

Fund Details	
Inception Date	12/12/17
Ticker	USAI
Primary Exchange	NYSE
CUSIP	26922A 552
Net Assets	\$3,374,120

Top Holdings <sup>1</sup>	
Enbridge Inc	9.0%
Cheniere Energy Inc	8.8%
Energy Transfer Equity LP	8.7%
Kinder Morgan Inc	8.5%
The Williams Companies Inc	8.2%
TransCanada Corp	4.3%
Plains GP Holdings LP	4.3%
ONEOK Inc	4.2%
Pembina Pipeline Corporation	4.2%
Tallgrass Energy GP LP	4.1%

<sup>1</sup>Holdings are subject to change and should not be considered investment advice.

## Investment Advisor Background SL Advisors, LLC

### Simon Lack, CFA Managing Partner

- Portfolio Manager of the Catalyst MLP & Infrastructure Fund
- 23 years at JPMorgan running derivatives trading and overseeing hedge fund business
- Author of *The Hedge Fund Mirage*: (Wiley, 2012) and *Bonds Are Not Forever* (Wiley, 2013)

### Henry Hoffman, CFA Partner

- Head of Research for the Catalyst MLP & Infrastructure Fund
- Former PNC Capital Advisors and PNC Realty Investors investment research
- B.S from Duke University

### Larry Hirshik

- Trading for all SL Advisors strategies
- Former co-founder of Etolian Capital and derivatives trader at several banks
- BS from University of New Hampshire, MBA (Honors) from UCLA

### Douglas Cataldo

- Product Specialist
- Formerly at Harbor Capital Advisors
- BS from University of New Hampshire

*The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contains this and other important information about the investment company, and they may be obtained by calling 800-617-0004 or visiting [www.usaief.com/prospectus](http://www.usaief.com/prospectus). Read the prospectus carefully before investing. References to other funds should not be considered an offer to buy or sell these securities.*

Investing involves risk, including the possible loss of principal. Shares of any ETF are bought and sold at market price (not NAV) and may trade at a discount or premium to NAV. Shares are not individually redeemable from the Fund and may be only be acquired or redeemed from the fund in creation units. Brokerage commissions will reduce returns. The fund is non-diversified and may invest more assets in a single or smaller number of stocks than a diversified fund and be more exposed to individual stock volatility than a diversified fund. The concentration of the fund may make it susceptible to an increased risk of loss more than the market as a whole. If the fund were to fail to qualify as a RIC (Regulated Investment Company), the fund would be subject to tax on its taxable income at corporate rates, and distributions from earnings and profits would generally be taxable to fund shareholders as ordinary income. Changes in tax law could adversely affect the fund or the securities in which it invests. The fund invests primarily in energy infrastructure companies that are subject to risks including but not limited to changes in energy prices, differences in exchange rates, production and exploration, regulation, environmental and severe weather conditions. Investments in MLPs are subject to the risks of energy prices, demand and volatility of commodity investments. MLPs may be negatively influenced by rising interest rates and may fail to qualify for favorable tax treatment. If the fund invests in MLPs which are classified as corporations rather than partnerships for federal income tax purposes, this could reduce the fund's return and negatively affect its NAV. Investments in foreign securities involve political, economic and currency risks, greater volatility and differences in accounting methods. Investments in smaller companies involve additional risks such as limited liquidity and greater volatility than larger companies. As with all index funds the performance of the Fund and its Index may differ from each other for a variety of reasons. For example, the Fund incurs operating expenses and portfolio transaction costs not incurred by the Index. In addition, the Fund may not be fully invested in the securities of the Index at all times or may hold securities not included in the Index. There is no assurance that the ETF will achieve its investment objective. You cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.

References to other funds should not be considered an offer to buy or sell these securities.